

NOT A NEW ISSUE

Moody's Rating: See "RATING" herein

SUPPLEMENT TO OFFICIAL STATEMENT DATED MARCH 26, 2009
relating to
\$6,285,000
(Original Principal Amount)
WISCONSIN HEALTH AND EDUCATIONAL FACILITIES AUTHORITY
VARIABLE RATE DEMAND REVENUE BONDS, SERIES 2009
(UNITED LUTHERAN PROGRAM FOR THE AGING, INC.)

Date of Original Issuance: April 1, 2009

Due: April 1, 2022

CUSIP Number: 97710BGQ9

This Supplement to Official Statement (this "Supplement") provides certain information with respect to the above-referenced bonds (the "Bonds") in connection with (i) the provision, on April 1, 2010, of a Substitute Letter of Credit for the Bonds by Wells Fargo Bank, National Association ("Wells Fargo Bank"), and (ii) the substitution of B.C. Ziegler and Company as Remarketing Agent for the Bonds, effective on April 1, 2010. The Bonds were originally issued and delivered by the Wisconsin Health and Educational Facilities Authority (the "Authority") on April 1, 2009 under a Bond Trust Indenture dated as of April 1, 2009 between the Authority and U.S. Bank National Association as trustee (the "Bond Trustee").

This Supplement contains certain supplemental information with respect to the Bonds and should be read in conjunction with the accompanying Official Statement dated March 26, 2009 (the "Original Official Statement"). Unless otherwise indicated, the information set forth in the Original Official Statement has not been amended, modified, supplemented, or updated since its date.

On April 1, 2010, the Bonds will be secured by an irrevocable, direct-pay letter of credit (the "Wells Fargo Letter of Credit") issued by

Wells Fargo Bank, National Association

The Wells Fargo Letter of Credit permits the Bond Trustee to draw amounts to provide for payment of the Bonds, as more fully described in this Supplement under the caption "THE CREDIT FACILITY." The Wells Fargo Letter of Credit will expire in accordance with its terms on April 15, 2011, unless extended or earlier terminated in accordance with its terms.

The Bonds are limited obligations of the Authority and are not a debt or liability of the State of Wisconsin or any political subdivision or agency thereof other than the Authority. The source of payment and security for the Bonds is more fully described in the Original Official Statement under the heading "SOURCE OF PAYMENT FOR THE BONDS." The Authority has no taxing power.

In connection with the provision of the Wells Fargo Letter of Credit, Quarles & Brady LLP, will render its opinion in substantially the form attached to this Supplement as Appendix C and In-house counsel to Wells Fargo Bank will provide an opinion with respect to the Wells Fargo Letter of Credit.

ZIEGLER CAPITAL MARKETS
a division of B.C. Ziegler and Company
Remarketing Agent

The date of this Supplement is March 24, 2010.

In the opinion of Quarles & Brady LLP, Bond Counsel, under present law and assuming continuous compliance with certain covenants, interest on the Bonds is excludable from the gross income of the Bondowners for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on corporations and individuals. Interest on the Bonds is, however, included in adjusted current earnings for the purpose of computing the alternative minimum tax imposed on corporations. Interest on the Bonds is not exempt from present Wisconsin income taxes. For a more detailed description of the tax status of interest on the Bonds and certain other income tax consequences of Bond ownership, see "TAX EXEMPTION."



\$6,285,000
WISCONSIN HEALTH AND EDUCATIONAL FACILITIES
AUTHORITY
VARIABLE RATE DEMAND
REVENUE BONDS, SERIES 2009
(UNITED LUTHERAN PROGRAM FOR THE AGING, INC.)



PRICE	100%
DATED	Date of Issuance
MATURITY	April 1, 2022
CUSIP	97710BGQ9
ISSUANCE	The Wisconsin Health and Educational Facilities Authority (the "Authority") will issue the Bonds under a Bond Trust Indenture dated as of April 1, 2009 (the "Bond Indenture") between the Authority and U.S. Bank National Association, as trustee (the "Bond Trustee"). The Bonds are issuable as fully registered bonds in denominations of \$100,000 and any multiple of \$5,000 above such minimum denomination, and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Purchasers of the Bonds will not receive physical delivery of bond certificates. Beneficial ownership of the Bonds will be evidenced by book-entry only.
INTEREST	The interest rate on the Bonds will be established weekly. Interest is payable monthly on the first Business Day of each month, commencing May, 2009.
TENDER FOR PURCHASE	The Bonds will be purchased upon the demand of the owner thereof upon written notice as discussed herein. See "DESCRIPTION OF BONDS – Purchase of Bonds Upon Demand." The Bonds are also subject to mandatory tender under certain circumstances. See "DESCRIPTION OF BONDS – Mandatory Tender of Bonds."
REDEMPTION	The Bonds are subject to optional and mandatory redemption prior to maturity under certain circumstances. See "REDEMPTION OF BONDS PRIOR TO MATURITY."
LETTER OF CREDIT	All principal of and up to 34 days' interest that becomes due on the Bonds and the purchase price of Bonds that are tendered and not remarketed on any optional tender date or mandatory tender date through and including April 15, 2012 is to be paid, as necessary, by draws on an irrevocable letter of credit (the "M&I Bank Letter of Credit") issued by M&I Marshall & Ilesley Bank ("M&I Bank").
USE OF PROCEEDS	The Authority will lend the proceeds of the Bonds to United Lutheran Program for the Aging, Inc., a Wisconsin nonstock nonprofit corporation (the "Borrower"), for the purpose of refinancing certain existing indebtedness of the Borrower, financing certain capital expenditures and paying certain costs associated with the issuance of the Bonds. See "PLAN OF FINANCING".
LIMITED OBLIGATION	THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE NOT A DEBT OR LIABILITY OF THE STATE OF WISCONSIN OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF OTHER THAN THE AUTHORITY. THE SOURCE OF PAYMENT AND SECURITY FOR THE BONDS IS MORE FULLY DESCRIBED HEREIN. THE AUTHORITY HAS NO TAXING POWER. See "SOURCE OF PAYMENT FOR THE BONDS."
UNDERWRITING	The Bonds are offered when, as and if issued and received by M&I Marshall & Ilesley Bank (the "Underwriter"), subject to prior sale, to withdrawal or modifications of the offer without any notice, and to the approval of legality of the Bonds by Quarles & Brady LLP, Bond Counsel. Certain legal matters will be passed upon for the Authority by Quarles & Brady LLP, as its general counsel, for the Borrower by its counsel, Quarles & Brady LLP, and for M&I Bank and the Underwriter by their counsel, Whyte Hirschboeck Dudek S.C. Subject to prevailing market conditions, the Underwriter intends, but is not obligated, to make a market in the Bonds. For details of the Underwriter's compensation see "UNDERWRITING." It is expected that the Bonds in definitive form will be available for delivery to the Underwriter via The Depository Trust Company, New York, New York on or about April 1, 2009.



The M&I Bank Letter of Credit expires on April 15, 2012. See "THE CREDIT FACILITY – M&I Bank Letter of Credit." The M&I Bank Letter of Credit may be replaced by a letter of credit issued by another financial institution. See "THE CREDIT FACILITY – Substitute Credit Facility."

M&I MARSHALL & ILSLEY BANK
Underwriter and Remarketing Agent

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, sales representative or other person has been authorized by the Borrower, the Authority or M&I Marshall & Ilsley Bank (“M&I Bank”) to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth in Appendix A hereto has been obtained from M&I Bank and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Borrower or the Authority. The information set forth in “DESCRIPTION OF BONDS – Book-Entry-Only System” hereto has been obtained from The Depository Trust Company and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Borrower or the Authority. Except for the information contained in Appendix A and in “DESCRIPTION OF BONDS – Book-Entry-Only System,” the information set forth herein has been obtained from the Borrower and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Authority or M&I Bank. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implications that there has been no change in the affairs of the parties referred to above or that the other information or opinions are correct as of any time subsequent to the date hereof.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 NOR HAS THE BOND INDENTURE OR MASTER INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939 IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS WHEREIN THE BONDS HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON, OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The CUSIP number is included in this Official Statement for the convenience of the owners and potential owners of the Bonds. No assurance can be given that the CUSIP number for the Bonds will remain the same after the date of issuance and delivery of the Bonds.

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OFFICIAL STATEMENT

\$6,285,000

WISCONSIN HEALTH AND EDUCATIONAL FACILITIES AUTHORITY VARIABLE RATE DEMAND REVENUE BONDS, SERIES 2009 (UNITED LUTHERAN PROGRAM FOR THE AGING, INC.)

INTRODUCTION

This Official Statement sets forth information concerning the above-captioned issue of Bonds (the “Bonds”). The Bonds will be issued under and secured by a Bond Trust Indenture, dated as of April 1, 2009 (the “Bond Indenture”), between the Wisconsin Health and Educational Facilities Authority (the “Authority”) and U.S. Bank National Association, as trustee (the “Bond Trustee”). The Bond Trustee will act as registrar of and paying agent, tender agent and authenticating agent for the Bonds. Certain terms used herein are defined in Appendix B and Appendix C. The descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of its terms and conditions. All statements herein relating to such documents are qualified in their entirety by reference to each such document.

Concurrently with the issuance of the Bonds, the Authority will enter into a Loan Agreement dated as of April 1, 2009 (the “Loan Agreement”) with United Lutheran Program for the Aging, Inc. (the “Borrower”), a Wisconsin nonstock nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). Pursuant to the Loan Agreement, the Authority will lend the proceeds of the sale of the Bonds to the Borrower (the “Loan”) for the purpose of refunding the Authority’s Adjustable Demand Revenue Bonds, Series 1989 (United Lutheran Program for the Aging, Inc. Project) (the “Prior Bonds”), financing certain capital expenditures and paying the costs associated with the issuance of the Bonds.

To evidence its obligation to repay the Loan, the Borrower will execute and deliver its Promissory Note, Series 2009A, dated the date of issuance of the Bonds, payable to the order of the Authority in the principal amount of \$6,285,000 (the “Promissory Note”). The Promissory Note will be issued pursuant to an Eighth Supplemental Master Trust Indenture (the “Eighth Supplemental Master Indenture”) dated as of April 1, 2009, which amends and supplements a Master Trust Indenture dated as of February 1, 1989 (as supplemented and amended, the “Master Indenture”) between the Borrower, as the sole member of the Obligated Group created thereby, and U.S. Bank National Association, as successor to First Bank (N.A.), as master trustee (the “Master Trustee”). The Promissory Note matures on such date and bears interest from its date at such rates payable on such dates as will provide the Authority with revenues sufficient to pay when due the principal of, premium, if any, and interest on the Bonds. Pursuant to the Bond Indenture, the Authority will pledge and assign the Promissory Note and certain of its rights under the Loan Agreement to the Bond Trustee to secure the Bonds.

To further secure the Bonds, the Borrower will cause M&I Marshall & Ilsley Bank, Milwaukee, Wisconsin (“M&I Bank”), to deliver its Irrevocable Letter of Credit to the Bond Trustee in a face amount equal to the outstanding principal amount of the Bonds plus 34 days of

accrued interest thereon at the maximum rate of 10% per annum (the “M&I Bank Letter of Credit”). The M&I Bank Letter of Credit will permit the Bond Trustee to draw the amounts necessary to pay the principal or purchase price of, and accrued interest on, the Bonds as such principal, purchase price and interest becomes due (including upon optional or mandatory tender of the Bonds as described below) through and including its stated expiration date. The M&I Bank Letter of Credit will have an initial expiration date of April 15, 2012.

Subject to the conditions described herein under the caption “THE CREDIT FACILITY - Substitute Credit Facility,” the Borrower is permitted to replace the M&I Bank Letter of Credit with a substitute letter of credit (a “Substitute Credit Facility”). Upon such replacement (other than a Required Substitution, as defined in Appendix B), the Bonds (including all Beneficial Ownership Interests) will be subject to mandatory tender. *See “DESCRIPTION OF BONDS – Mandatory Tender of Bonds – Upon Replacement of the Credit Facility”*. The M&I Bank Letter of Credit and any Substitute Credit Facility are collectively referred to herein as the “Credit Facility”. M&I Bank and the issuer of any Substitute Credit Facility are collectively referred to herein as the “Credit Facility Provider”. The M&I Bank Letter of Credit will be issued pursuant to a Reimbursement Agreement dated as of April 1, 2009, between M&I Bank and the Borrower (the “M&I Bank Reimbursement Agreement”). The M&I Bank Reimbursement Agreement and any similar agreement between the Borrower and the issuer of a Substitute Credit Facility are referred to herein as the “Reimbursement Agreement”. The Borrower’s obligations to M&I Bank will be evidenced in part by its Promissory Note, Series 2009B (the “Bank Note”) issued under the Master Indenture and the Eighth Supplemental Master Indenture

The Bonds will be issued pursuant to and in full compliance with the Constitution and laws of the State of Wisconsin and pursuant to resolutions adopted by the Authority’s governing body. **THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE REVENUES DESCRIBED HEREIN. THE BONDS SHALL NOT CONSTITUTE A LIABILITY OF THE AUTHORITY, THE STATE OF WISCONSIN OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF. THE AUTHORITY HAS NO TAXING POWER.** *See “SOURCE OF PAYMENT FOR THE BONDS”*.

The Bonds will be secured by a pledge of all revenues and income derived by or for the account of the Authority from or for the account of the Borrower pursuant to the terms of the Loan Agreement, the Promissory Note and the Bond Indenture including, without limitation, (i) all amounts derived pursuant to the Credit Facility, (ii) all cash and securities held from time to time in the Trust Funds (which excludes the Rebate Fund and the Bond Purchase Fund) and the investment earnings thereon and (iii) all payments by the Borrower on the Promissory Note or pursuant to the Loan Agreement (except for certain indemnification payments to the Authority thereunder) (collectively, the “Pledged Revenues”).

The Bonds will bear interest at a variable rate, determined each week as described under “DESCRIPTION OF BONDS – Maturity and Interest Rates.” *The Bond Indenture provides that, upon the satisfaction of certain conditions, the Borrower may cause the interest rate on the Bonds to be converted to a fixed rate for a specified period of time of one year or longer. On the effective date, if any, of such a conversion (the “Conversion Date”), certain other terms of the Bonds, including redemption provisions and tender rights will be changed. Prior to the effectiveness of such a conversion, however, all Owners and Beneficial Owners will be required*

to tender their Bonds or Beneficial Ownership Interests for purchase as described below under “DESCRIPTION OF BONDS – Mandatory Tender of Bonds.” THIS OFFICIAL STATEMENT DESCRIBES ONLY THE TERMS OF THE BONDS THAT WILL BE IN EFFECT PRIOR TO THE CONVERSION DATE.

This Official Statement contains brief descriptions or summaries of the Authority, the Bonds, the source of payment for the Bonds, the M&I Bank Letter of Credit, the Promissory Note, the Loan Agreement and the Bond Indenture. *See Appendix B – SUMMARY OF THE BOND INDENTURE AND LOAN AGREEMENT and Appendix C – SUMMARY OF THE MASTER INDENTURE AND MASTER MORTGAGE.* The descriptions and summaries herein do not purport to be comprehensive or definitive and reference is made to each document for the complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each such document. Any capitalized term used but not defined herein shall have the same meaning as it is given in the related document(s). *See “MISCELLANEOUS”* for information regarding availability of the documents.

Appendix A to this Official Statement has been furnished by M&I Bank and contains information concerning M&I Bank.

BONDHOLDERS’ RISKS

The following discussion of risk factors is not complete and should be read in conjunction with all other parts of this Official Statement.

General

The Bonds are limited obligations of the Authority secured by and payable from the Pledged Revenues. There is no assurance that the Borrower will make the required payments under the Promissory Note and the Loan Agreement. **The Bonds are offered for sale on the strength of the M&I Bank Letter of Credit and not on the basis of the financial strength of the Borrower or any collateral security provided by the Borrower.**

Credit Facility

The ability of the Credit Facility Provider to honor drawings on the Credit Facility will be based solely on the Credit Facility Provider’s general credit. The Bond Trustee may not assert a claim for federal deposit insurance against the Federal Deposit Insurance Corporation in respect of the Bonds or the Credit Facility, and Owners and Beneficial Owners of Bonds should not assume any such insurance coverages are available with respect to the Bonds or the Credit Facility. A claim by the Bond Trustee under the Credit Facility would probably be subordinate to the claims of the Credit Facility Provider’s depositors.

Liquidity for Put Options and Mandatory Tender

The Bond Indenture permits Owners and Beneficial Owners of Bonds to tender their Bonds or Beneficial Ownership Interests on any Optional Tender Date for purchase at a price of 100% of the principal amount thereof plus accrued interest. The Bond Indenture also requires that all Bonds (including all Beneficial Ownership Interests therein) be tendered for purchase,

and that the Borrower purchase or cause the same to be purchased, on any Mandatory Tender Date at a price of 100% of the principal amount thereof plus accrued interest.

Although the Remarketing Agent will attempt to remarket all the Bonds and Beneficial Ownership Interests so tendered or required to be tendered at a price of par plus accrued interest to the date of purchase, there is no assurance that all the Bonds or Beneficial Ownership Interests will be successfully remarketed.

The Bond Trustee is required to draw upon the Credit Facility to pay the tender price for those Bonds or Beneficial Ownership Interests tendered on an Optional Tender Date, or required to be tendered on a Mandatory Tender Date, and not successfully remarketed. The ability of the Credit Facility Provider to honor drawings on the Credit Facility will be based solely on the Credit Facility Provider's general credit. See "*SOURCE OF PAYMENT FOR THE BONDS*" and "*THE CREDIT FACILITY*".

Tax-Exempt Status of the Bonds

The tax-exempt status of interest on the Bonds is based not only on maintenance by the Borrower of its tax-exempt status under Section 501(c)(3) of the Code, but also on the continued compliance by the Authority and the Borrower with certain covenants relating generally to use of the facilities of the Borrower refinanced with proceeds of the Bonds, arbitrage limitations, rebate of certain excess investment earnings to the federal government and restrictions on the amount of issuance costs financed with the proceeds of the Bonds, including compliance with covenants set forth in a Tax Exemption Certificate and Agreement among the Authority, the Borrower and the Bond Trustee (the "Tax Agreement"). Failure to comply with such covenants could cause an Event of Taxability retroactive to the date of issue of the Bonds. In addition, the enactment of future tax legislation or changes in the interpretation of existing law may result in an Event of Taxability or otherwise prevent Owners or Beneficial Owners from realizing the full current benefit of the tax exempt status of interest on the Bonds or may affect the market price or marketability of the Bonds.

Bankruptcy

The ability of the Authority and the Bond Trustee to exercise rights under the Bond Indenture or the Loan Agreement may be limited by bankruptcy, insolvency, reorganization or other similar laws or equitable principles relating to or affecting the enforcement of creditors' rights generally.

Section 105 of the United States Bankruptcy Code empowers a bankruptcy court to issue such orders as are necessary or appropriate to carry out the provisions of the Bankruptcy Code. Court decisions discussing the enforceability of letters of credit indicate that it is possible that a bankruptcy court acting pursuant to Section 105 or other equitable powers under the Bankruptcy Code could enjoin a drawing by the Bond Trustee under the Credit Facility or the payment by the Bond Trustee to Bondowners of amounts drawn under the Credit Facility under various circumstances, including the bankruptcy or insolvency of, or of a similar event with respect to, the Borrower or an affiliate of the Borrower.

THE AUTHORITY

Powers

The Authority has, among other powers, the statutory power to make loans to certain health care or educational institutions in Wisconsin, to finance the cost of projects and refinance or refund outstanding indebtedness and to assign loan agreements, notes, mortgages and other securities of health care and educational institutions to which the Authority has made loans, and the revenues therefrom, for the benefit of the holders of bonds issued to finance or refinance such projects.

Members of the Authority

The Authority consists of seven members, all of whom must be Wisconsin residents, appointed by the Governor of the State of Wisconsin by and with the consent of the Wisconsin State Senate. Members of the Authority serve staggered seven-year terms and continue to serve until their successors are appointed. The members of the Authority receive no compensation for the performance of their duties but are paid their necessary expenses while engaged in the performance of such duties. No member, officer, agent or employee of the Authority may, directly or indirectly, have any financial interest in any bond issue or in any loan or any property to be included in, or any contract for property or materials to be furnished or used in connection with, any project of the Authority, under penalty of law. Members of the Authority, however, may serve as directors or officers of institutions for which the Authority is providing financing, but they may not vote or take part in the Authority's deliberations concerning such financings.

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The members of the Authority that approved the Bonds are:

	<u>Term Expires June</u>
John A. Noreika, Chairperson Executive Director Oakwood Village Madison, Wisconsin	2009
Tim Size, Vice-Chairperson Executive Director Rural Wisconsin Health Cooperative Sauk City, Wisconsin	2011
Richard Canter Senior Vice President – Strategy and Corporate Affairs Wheaton Franciscan Healthcare, Inc. Milwaukee, Wisconsin	2015*
Bruce Colburn Coordinator – Property Services (Central Region) Service Employees International Union Milwaukee, Wisconsin	2014
Kevin Flaherty Vice President / Relationship Manager Associated Commercial Finance, Inc. Milwaukee, Wisconsin	2010*
Beth L. Gillis, M.D. Physician ThedaCare Physicians-Shawano Family Medicine Shawano, Wisconsin	2012
Ken Thompson Managing Partner Quinn David & Associates Milwaukee, Wisconsin	2013

* Mr. Canter and Mr. Flaherty have been appointed by the Governor of the State of Wisconsin and serve pending confirmation by the Wisconsin State Senate.

Authority Counsel

Quarles & Brady LLP serves as general counsel to the Authority.

Financing Program of the Authority

The following summary outlines the principal amount of revenue bonds and notes issued during each of the Authority's fiscal years. These previous issues are secured by instruments separate and apart from the Bond Indenture and Master Indenture.

Fiscal Year Ended June 30	Public Issues		Private Placements		Total	
	Number of Issues	Amount	Number of Issues	Amount	Number of Issues	Amount
1980	--	--	1	\$1,300,000	1	\$ 1,300,000
1981	3	\$ 24,480,000	4	20,365,000	7	44,845,000
1982	3	34,100,000	4	12,575,000	7	46,675,000
1983	1	4,000,000	1	600,000	2	4,600,000
1984	4	16,375,000	3	13,225,000	7	29,600,000
1985	6	196,505,000	2	2,200,000	8	198,705,000
1986	9	213,260,000	5	17,478,000	14	230,738,000
1987	12	191,610,000	9	48,410,000	21	240,020,000
1988	14	170,890,000	14	81,589,000	28	252,479,000
1989	20	254,979,000	6	14,394,000	26	269,373,000
1990	14	277,605,000	9	45,737,000	23	323,342,000
1991	11	233,590,000	3	37,500,000	14	271,090,000
1992	15	346,160,000	5	43,500,000	20	389,660,000
1993	25	579,235,000	6	18,775,000	31	598,010,000
1994	16	434,495,000	6	46,615,000	22	481,110,000
1995	7	101,770,000	6	18,847,000	13	120,617,000
1996	14	382,905,000	2	8,800,000	16	391,705,000
1997	28	706,960,300	1	764,000	29	707,724,300
1998	25	722,050,000	1	2,700,000	26	724,750,000
1999	28	710,960,000	4	36,000,000	32	746,960,000
2000	16	415,710,450	6	17,736,000	22	433,446,450
2001	19	437,580,000	8	26,589,000	27	464,169,000
2002	18	815,100,000	2	8,000,000	20	823,100,000
2003	14	296,895,000	3	15,935,000	17	312,830,000
2004	26	912,245,000	4	25,980,000	30	938,225,000
2005	32	923,038,430	2	23,067,000	34	946,105,430
2006	25	706,235,000	2	6,570,000	27	712,805,000
2007	25	1,238,330,000	2	29,090,000	27	1,267,420,000
2008	<u>24</u>	<u>1,006,255,000</u>	<u>4</u>	<u>36,500,000</u>	<u>28</u>	<u>1,042,755,000</u>
TOTAL	454	\$12,353,318,180*	125	\$660,841,000**	579	\$13,014,159,180

* Includes \$3,244,851,987 which was refinanced by subsequent Authority bond issues.

**Includes \$90,948,136 which was refinanced by subsequent Authority bond issues.

In its fiscal year beginning July 1, 2008, the Authority has authorized the issuance of additional bonds. The Authority plans to offer other obligations from time to time to finance other health and educational facilities. Such other obligations will be issued pursuant to and secured by instruments separate and apart from the Bond Indenture and the security for the Bonds.

Bonds of the Authority

The Authority may from time to time issue bonds for any corporate purpose permitted by the Chapter 231 of the Wisconsin Statutes, as amended from time to time (the “Act”), and these bonds are negotiable for all purposes notwithstanding their payment from a limited source. The bonds are payable solely out of revenues of the Authority specified in the resolution under which they are issued or in a related trust indenture or mortgage. The Authority must pledge the revenues to be received by it on account of each financing as security for the bonds issued in that financing.

Interest Not Exempt from Wisconsin Income Taxes

Interest on bonds issued by the Authority is not exempt from present Wisconsin income taxes.

State of Wisconsin Not Liable on the Bonds

The Bonds and the interest payable thereon do not constitute a debt or liability of the State of Wisconsin or of any political subdivision thereof other than the Authority. The Bonds are limited obligations of the Authority and are payable solely from the funds pledged therefor in accordance with the Bond Indenture. The issuance of the Bonds does not, directly, indirectly or contingently, obligate the State of Wisconsin or any political subdivision thereof to levy any form of taxation for the payment thereof or to make appropriation for their payment. The State of Wisconsin shall not in any event be liable for the payment of the principal of or interest on the Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach by the Authority of any such pledge, mortgage, obligation or agreement may impose any pecuniary liability upon the State of Wisconsin or any charge upon its general credit or against its taxing power. The Authority has no taxing power.

The Act provides that the State of Wisconsin pledges to, and agrees with, holders of any obligations issued under the Act that it will not limit or alter the rights vested in the Authority by the Act until such obligations, together with the interest thereon, are fully met and discharged, provided nothing in the Act precludes such limitation or alteration if and when adequate provision shall be made by law for the protection of the holders of such obligations.

THE BORROWER

The Borrower is a Wisconsin nonstock nonprofit corporation and an organization described in Section 501(c)(3) of the Code.

The Borrower serves the needs of older adults in the Milwaukee metropolitan area by providing a comprehensive program of care including adult day care services, community outreach services, continuing care, independent retirement living, residential care and skilled nursing care. The Borrower provides a majority of its services at its multi-facility, 28-acre campus located at 4545 N. 92nd Street in the City of Wauwatosa, Wisconsin, a suburb immediately west of Milwaukee. The campus consists of a 245-bed skilled nursing facility, a 156-unit community based residential facility providing supported assisted living, a 393-unit

retirement apartment facility, which is a residential care apartment complex, and an adult day care services center. In addition the Borrower operates a 16 unit community based residential facility in Mequon and an adult day care services center in Grafton.

PLAN OF FINANCING

The Authority will issue the Bonds and loan the proceeds thereof to the Borrower to refund the Prior Bonds, to pay certain capital expenditures and to pay certain costs associated with the issuance of the Bonds.

Description of the Refinancing

A portion of the proceeds of the Bonds shall be applied to refund the Authority’s Adjustable Demand Revenue Bonds, Series 1989 (United Lutheran Program for the Aging, Inc. Project) (the “Prior Bonds”). The Prior Bonds financed the costs related to the construction of a 207-unit assisted living facility known as Terrace III and the costs of renovation and remodeling of certain other senior living facilities of the Borrower.

Description of the Capital Expenditures

A portion of the proceeds of the Bonds shall be applied to pay certain routine capital expenditures of the Borrower to be incurred at its senior living facilities.

Estimated Sources and Uses of Funds

Set forth below is a summary of the estimated sources and uses of funds related to the Bonds:

Sources:

Principal Amount of the Bonds	\$6,285,000
Total Sources	<u>\$6,285,000</u>

Uses:

Refinancing.....	\$4,635,000
Capital Expenditures.....	1,479,393
Issuance Expenses and Credit Facility Fees ⁽¹⁾	<u>170,607</u>
Total Uses	<u>\$6,285,000</u>

⁽¹⁾ Includes the first semi-annual fee for the M&I Bank Letter of Credit, Underwriter’s discount and certain legal, printing and other costs of issuing the Bonds.

SOURCE OF PAYMENT FOR THE BONDS

The Bonds and the interest payable thereon do not constitute a debt or liability of the State of Wisconsin or of any political subdivision thereof other than the Authority, but shall be payable solely from the funds pledged or available therefor in accordance with the Bond Indenture. The issuance of the Bonds does not, directly, indirectly or contingently, obligate the State of Wisconsin or any political subdivision thereof to levy any form of taxation for the

payment thereof or to make any appropriation for their payment. The Bonds and the interest payable thereon do not now and shall never constitute a debt of the State of Wisconsin within the meaning of the Constitution or statutes of the State of Wisconsin and do not now and shall never constitute a charge against the credit or taxing power of the State of Wisconsin or any political subdivision thereof. The State of Wisconsin shall not in any event be liable for the payment of the principal of or interest on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever which may be undertaken by the Authority. No breach by the Authority of any such pledge, obligation or agreement may impose any pecuniary liability upon the State of Wisconsin or any charge upon its general credit or against its taxing power. The Authority has no taxing power.

The Bonds are special, limited obligations of the Authority payable by it solely from the Pledged Revenues.

The Loan Agreement obligates the Borrower to provide the Authority with revenues sufficient to pay when due the principal of, premium, if any, and interest on the Bonds. The Bond Trustee may enforce the Loan Agreement and the Promissory Note for the benefit of the Owners in accordance with the terms of the Bond Indenture.

The Bond Indenture requires the Bond Trustee to draw on the Credit Facility on the Business Day immediately preceding each payment date on the Bonds in an amount sufficient to provide for the payment of the principal of, and interest on, the Bonds due on such payment date and requires the Bond Trustee to draw on the Credit Facility on each Tender Date in an amount sufficient to provide for the payment of the purchase price of tendered Bonds or Beneficial Ownership Interests which are not remarketed by the Remarketing Agent.

THE BONDS ARE OFFERED ON THE BASIS OF THE CREDIT FACILITY AND FINANCIAL STRENGTH OF THE CREDIT FACILITY PROVIDER AND NOT ON THE BASIS OF THE FINANCIAL STRENGTH OF THE BORROWER.

DESCRIPTION OF BONDS

The Bond Indenture provides that, at the option of the Borrower, the interest rate on the Bonds may be converted from the Variable Rate described herein to a Fixed Rate for a specified period of time of at least one year. In connection with any such conversion, all Bonds (including all Beneficial Ownership Interests therein) will be required to be tendered by the Owners and Beneficial Owners thereof for purchase. See “Mandatory Tender of Bonds – Upon Proposed Conversion of Interest Rate” below. This Official Statement describes only the terms of the Bonds that will be in effect prior to such Conversion Date.

Book-Entry-Only System

The Depository Trust Company (“DTC”) will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued in the aggregate principal amount of the Bonds and will be deposited with DTC. So long as Cede & Co. is the

Owner of the Bonds, as nominee of DTC, references herein to the owners of the Bonds shall mean DTC or its nominee, Cede & Co., and shall not mean the Beneficial Owners (as hereinafter defined) of the Bonds.

DTC, the world's largest depository, is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation, (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest ("Beneficial Ownership Interest") of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the

Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the Direct Participant or Indirect Participant holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Bond Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, as directed by the Bond Trustee. The requirement for physical delivery of Bonds in connection with an optional or mandatory tender will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the DTC account designated by the Bond Trustee.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Authority. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered to Bondowners and the provisions described below under “Discontinuance of Book-Entry-Only System” will apply.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC

The information in this section concerning DTC and DTC’s book-entry system is based on information provided by DTC. No representation is made by the Authority, the Borrower, M&I Bank or the Underwriter as to the completeness or accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof. No attempt has been made by the Authority, the Borrower, M&I Bank or the Underwriter to determine whether DTC is or will be financially or otherwise capable of fulfilling its obligations. Neither the Authority, the Bond Trustee, M&I Bank, the Borrower, nor the Underwriter will have any responsibility or liability for the failure of DTC, Direct Participants or Indirect Participants to make any payment or give any notice to a Beneficial Owner in respect of the Bonds, or for any error or delay relating thereto.

Maturity and Interest Rates

The Bonds will have a stated maturity date of April 1, 2022, but will be subject to optional or mandatory redemption as described under “REDEMPTION OF BONDS PRIOR TO MATURITY.”

From the date of issuance of the Bonds through the following Wednesday, the Bonds will bear interest at the rate established by the Underwriter. Thereafter, for each Calculation Period prior to the Conversion Date, the interest rate on the Bonds shall be determined on the Determination Date with respect thereto and shall be the lesser of (i) the minimum rate of interest which, in the judgment of the Remarketing Agent, under prevailing market conditions, taking into account the current rates for tax-exempt securities comparable in length of interest rate adjustment periods, liquidity, security and creditworthiness to the Bonds, would enable the Bonds to be sold at a price of par (plus accrued interest, if any) on the Determination Date or (ii) the Maximum Rate. In the event that the Remarketing Agent shall fail for any reason to determine, and notify the Bond Trustee of, the Variable Rate for any Calculation Period, the Variable Rate for such Calculation Period shall be equal to (a) the Variable Rate in effect immediately prior to the commencement of such Calculation Period or (b) if no Variable Rate for such immediately preceding Calculation Period was determined by the Remarketing Agent or if the Variable Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the Variable Rate for such Calculation Period shall be equal to 100% of the SIFMA Municipal Index, made available for the week preceding the Determination Date, or if such index is no longer available, or no such index was made available for the week preceding the Determination Date, 70% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* or *The Bond Buyer* on the day such Variable Rate would otherwise be

determined as provided herein for such Calculation Period. "Calculation Period" means the period from Thursday of each week (whether or not a Business Day) or any Proposed Conversion Date through and including the earlier of (a) the following Wednesday (whether or not a Business Day) and (b) the day immediately preceding a Proposed Conversion Date. "Determination Date" means, for each Calculation Period, the Wednesday immediately preceding the commencement of such Calculation Period or, if such Wednesday is not a Business Day, the next preceding Business Day. "Remarketing Agent" means M&I Marshall & Ilsley Bank or its successors in such capacity as described below under "Effect of Optional or Mandatory Tender". "Maximum Rate" means the lesser of (a) 10% per annum or such higher rate as is then covered by the Credit Facility and (b) the maximum interest rate permitted by law. The maximum interest rate on the Bonds secured by the M&I Bank Letter of Credit is 10% per annum. "SIFMA Municipal Index" means the SIFMA Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then "SIFMA Municipal Index" shall mean such other reasonably comparable index selected by the Authority (at the direction of the Borrower).

Interest is payable (i) on the first Business Day of each calendar month commencing May, 2009, (ii) at maturity, (iii) on each redemption date, and (iv) on each Mandatory Tender Date. Interest will be calculated on the basis of a 365 or 366-day year (as the case may be), and the actual number of days elapsed. To the extent permitted by law, overdue principal, premium, if any, and interest shall bear interest at the same rate as was borne by the Bonds on the due date of the payment that is delinquent.

Purchase of Bonds Upon Demand

Any Bond or Beneficial Ownership Interest therein, or any portion thereof that is an Authorized Denomination (but only if the portion of such Bond or Beneficial Ownership Interest therein which is not so tendered and is to be retained is also in an Authorized Denomination), shall be purchased by the Bond Trustee, on behalf of the Borrower, but only from the funds available therefor in the Bond Purchase Account (*see "Effect of Optional or Mandatory Tender—Bond Purchase Account" below*), at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the date of such purchase (the "Optional Tender Date"), upon the written demand (the "Purchase Demand") of the Owner or Beneficial Owner. The Owner or Beneficial Owner, as the case may be, may demand purchase of such Bond or Beneficial Ownership Interest on any Business Day which is at least seven days after delivery to the Bond Trustee, at its Principal Office, by 10:00 a.m., Milwaukee, Wisconsin time, on a Business Day of a Purchase Demand. Delivery of a Purchase Demand shall be irrevocable and shall bind the Owner or Beneficial Owner, as the case may be, to tender his, her or its Bond or Beneficial Ownership Interest for purchase on the Optional Tender Date. The Purchase Demand shall (i) state the name and taxpayer identification number of the Owner or the Beneficial Owner, as the case may be, (ii) identify the Bond(s) and Beneficial Ownership Interest(s) (or portions thereof) to be purchased by CUSIP number, Bond number(s) and principal amount(s), (iii) state the Optional Tender Date on which the purchase of such Bond(s) or Beneficial Ownership Interest(s) is being demanded, which must be a Business Day not less than seven days after

receipt by the Bond Trustee, at or before 10:00 a.m., Milwaukee, Wisconsin time, on a Business Day, of such Purchase Demand, (iv) contain an irrevocable authorization for the Bond Trustee or the Direct Participant, as the case may be, to transfer the Bond(s) or Beneficial Ownership Interest(s) on the Optional Tender Date and (v) in the case of a Beneficial Owner, be submitted to the Bond Trustee through a Direct or Indirect Participant and be accompanied by evidence satisfactory to the Bond Trustee of (a) such Direct or Indirect Participant's position in the Bonds at DTC and (b) such Beneficial Owner's Beneficial Ownership Interest in the Bonds (which shall include the name of the Direct Participant by or through which such Beneficial Ownership Interest is held).

The Bond Trustee shall not be obligated to accept any Purchase Demand which does not meet the requirements described in the immediately preceding paragraph. If the Bond Trustee receives a properly completed and executed Purchase Demand, it shall, but only from the funds available therefor in the Bond Purchase Account, purchase the Bond(s) or Beneficial Ownership Interest(s) described therein on the Optional Tender Date. See "*Effect of Optional or Mandatory Tender*".

Mandatory Tender of Bonds

General

The Bonds (including all Beneficial Ownership Interests therein) are subject to mandatory tender to the Bond Trustee for purchase by the Bond Trustee, but only from the funds available therefor in the Bond Purchase Account, on each date on which all Bonds are required to be tendered for purchase (a "Mandatory Tender Date") at a purchase price equal to the principal amount of such Bonds plus accrued interest to the Mandatory Tender Date. The Bond Trustee shall give notice of the Mandatory Tender Date by mailing a copy of the notice by first-class mail not less than 30 nor more than 60 days prior to the Mandatory Tender Date to the Authority, the Credit Facility Provider, the Rating Agency and the Owner of each Bond to be purchased at the address shown on the Bond Register maintained by the Bond Trustee; provided, however, that failure to give any such notice as aforesaid or any defect therein with respect to any particular Bond shall not affect the validity of any proceedings for the mandatory tender of any other Bond. The notice shall (a) identify the Bonds by name, CUSIP number, date of issue and maturity date, (b) state the Mandatory Tender Date, (c) state that all Bonds (or Beneficial Ownership Interests, as the case may be) are subject to mandatory tender for purchase at a purchase price equal to 100% of the principal amount thereof, plus accrued interest to the Mandatory Tender Date, (d) state that, if moneys are available and on hand with the Bond Trustee on the Mandatory Tender Date, all Bonds (or Beneficial Ownership Interests, as the case may be) shall be deemed tendered, whether or not so tendered, and that on and after the Mandatory Tender Date, the Owner (or Beneficial Owner) shall have no further rights in such Bond other than the right to receive the purchase price thereof upon presentation of such Bond to the Bond Trustee on any Business Day on or after the Mandatory Tender Date (or upon the transfer of such Beneficial Ownership Interest as directed by the Bond Trustee) and (e) state the place where Bonds may be presented for purchase.

Upon Proposed Conversion of Interest Rate

The Bond Indenture provides that the Borrower has the option, upon the satisfaction of certain conditions, to convert the interest rate on the Bonds from the Variable Rate to a fixed interest rate for a specified period which must be at least one year. Upon the commencement by the Borrower of proceedings to convert the interest rate on the Bonds, a Mandatory Tender Date will be established.

Upon Replacement of the Credit Facility

The Bond Indenture provides that the Borrower may, at any time, deliver a Substitute Credit Facility to the Bond Trustee to replace the Credit Facility then in effect. The effective date of any Substitute Credit Facility (other than a Required Substitution) will be a Mandatory Tender Date.

Effect of Optional or Mandatory Tender

All Bonds or Beneficial Ownership Interests, as the case may be, with respect to which the Owners or Beneficial Owners, as the case may be, thereof have delivered Purchase Demands as described above under “Purchase of Bonds Upon Demand” shall be purchased on the specified Optional Tender Date, and all Bonds or Beneficial Ownership Interests, as the case may be, shall be purchased on a Mandatory Tender Date, at a purchase price equal to 100% of the principal amount thereof plus accrued interest to the Optional Tender Date or Mandatory Tender Date (each a “Tender Date”), as the case may be, from moneys available therefor in the Bond Purchase Account.

Provided that Eligible Funds are available to the Bond Trustee to pay the purchase price Tendered Bonds:

(i) in the case of the tender of Bonds: (A) all Tendered Bonds shall be deemed tendered, whether or not actually tendered, on the Tender Date; (B) interest accruing on the Tendered Bonds on and after the Tender Date shall cease to be payable to the former Owners of such Tendered Bonds, who shall have no further interest or rights in such Bonds, except the right to receive payment of the purchase price thereof exclusively from moneys held by the Bond Trustee for such purpose upon presentation of such Bonds to the Bond Trustee at the Bond Trustee’s Principal Office on any Business Day on or after the Tender Date; and (C) the Bond Trustee shall authenticate and deliver Bonds to the new Owners thereof as provided in the Bond Indenture; and

(ii) in the case of the tender of Beneficial Ownership Interests, the Beneficial Owner shall be obligated to cause the transfer of such Beneficial Ownership Interest on the records of DTC, as directed by the Bond Trustee. The Bond Trustee may deal exclusively with DTC and its Direct Participants with respect to such transfer.

If there are inadequate Eligible Funds available to pay the purchase price of Tendered Bonds the following shall apply:

(i) If the Eligible Funds available for purchases of Tendered Bonds are inadequate for the purchase of all Tendered Bonds on any purchase date, no purchase shall be consummated and the Bond Trustee shall (A) return all Tendered Bonds to the Owners thereof, (B) return all moneys deposited in the Bond Purchase Account by the Remarketing Agent to the Remarketing Agent for return to the Persons providing such moneys, and (C) return all moneys deposited in the Bond Purchase Account pursuant to a draw on the Credit Facility to the Credit Facility Provider.

(ii) All Bonds shall bear interest at the Maximum Rate during the period of time from and including the applicable purchase date to (but not including) the date that the purchase price of all such Tendered Bonds has been paid to the Owners thereof (the “Delayed Remarketing Period”).

(iii) During the Delayed Remarketing Period, the Borrower may direct the conversion of the interest rate on the Bonds to a Fixed Rate in accordance with the Bond Indenture. Notwithstanding the applicable notice provisions of the Bond Indenture to the contrary, the Bond Trustee shall give five Business Days’ notice of such conversion to the Owners of the Bonds to be converted.

(iv) Subject to the terms of the Remarketing Agreement, the Remarketing Agent shall continue to use its best efforts to remarket all of the Tendered Bonds.

(v) During the Delayed Remarketing Period, interest on all Bonds shall be paid to the Owners thereof, (a) on the first Business Day of each calendar month occurring during the Delayed Remarketing Period and (b) on the last day of the Delayed Remarketing Period.

Bonds required to be tendered for purchase but which in fact are not delivered to the Bond Trustee on or before the applicable Tender Date (“Untendered Bonds”) shall cease to bear interest on the Tender Date if funds sufficient to pay the purchase price of any such Untendered Bond (including any accrued and unpaid interest) shall be held by the Bond Trustee in the Bond Purchase Account. All liability of the Authority to the Owner of such Untendered Bond for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Bond Trustee to hold such funds in a separate segregated trust account, uninvested and without liability for interest thereon, for the benefit of the Owner of such Untendered Bond who shall thereafter be restricted exclusively to such account for any claim of whatever nature on such person’s part under the Bond Indenture or on or with respect to such Bonds.

The Remarketing Agent will use its best efforts to remarket the Bonds and Beneficial Ownership Interests therein that are required to be tendered for purchase on any Tender Date at a price equal to par plus accrued interest, if any, to the date of such sale.

M&I Marshall & Ilsley Bank, the underwriter for the Bonds, will act as the Remarketing Agent under the Bond Indenture. The Remarketing Agent may resign or be terminated as provided in the Remarketing Agreement and the Bond Indenture, and, if so, a successor

Remarketing Agent will be appointed by the Borrower, subject to the qualifications and conditions set forth in the Bond Indenture.

Bond Purchase Account

Proceeds of the remarketing by Remarketing Agent of Bonds or Beneficial Ownership Interests tendered or deemed tendered on a Tender Date shall be deposited in the Bond Purchase Account. In addition, all funds received from the Credit Facility Provider resulting from drawings under the Credit Facility to pay the purchase price of tendered Bonds or Beneficial Ownership Interests will be deposited in the Bond Purchase Account. Any other funds deposited in the Bond Purchase Account by or on behalf of the Borrower must be accompanied with a Preference Opinion with respect thereto.

Funds in the Bond Purchase Account shall be held therein solely for the payment of the purchase price of Bonds or Beneficial Ownership Interests tendered or deemed tendered in accordance with the Bond Indenture in connection with the purchase thereof on a Tender Date.

Discontinuance of Book-Entry-Only System

As described under “Book-Entry-Only System” above, the use of the system of book-entry transfers may be discontinued at any time. In such event, Bond certificates would be printed and delivered to Beneficial Owners of the Bonds, and the following provisions would apply:

Denominations; Transfer of Bonds

The Bonds are issuable as fully registered bonds in any Authorized Denomination. The Bonds are transferable or exchangeable for Bonds of different Authorized Denominations upon presentation at the Bond Trustee’s Principal Office together with a written assignment acceptable to the Bond Trustee and duly executed by the Owner or such Owner’s authorized legal representative. The person in whose name a Bond is registered will be deemed the absolute owner thereof for all purposes of the Bond Indenture. Except in connection with the tender of Bonds for purchase on a Tender Date, the Bond Trustee is not required to register the transfer of or to exchange any Bond (i) after receipt by the Bond Trustee of a Purchase Demand with respect thereto and through the corresponding Optional Tender Date, (ii) after the Bond Trustee has given notice of a Mandatory Tender Date and through the Mandatory Tender Date, (iii) during the 15 days prior to the mailing of any notice of redemption or (iv) after such Bond has been selected for redemption, in whole or in part. The Owner requesting any registration of transfer or exchange of Bonds shall pay any resulting tax or other governmental charge. In the event any Bond is mutilated, lost, stolen or destroyed, the Authority may execute and the Bond Trustee may authenticate a new Bond of like date, maturity, interest rate and denomination in accordance with the provisions therefor in the Bond Indenture, and the Authority and the Bond Trustee may charge the Owner of such Bond with their reasonable fees and expenses in this connection and may also require satisfactory indemnity in the case of Bonds lost, stolen or destroyed.

Manner of Payment

Except in the case of interest in default, interest will be paid on each Interest Payment Date by check drawn by the Bond Trustee payable to the order of the persons in whose names the Bonds were registered at the close of business on the Record Date for such interest. The Record Date for each Interest Payment Date shall be the day (whether or not a Business Day) immediately preceding such Interest Payment Date. Principal of and premium, if any, on the Bonds payable at maturity or upon proceedings for redemption thereof shall be payable to the Owners thereof upon presentation and surrender of the Bonds at the Bond Trustee's Principal Office.

Optional and Mandatory Tenders

The purchase price of Bonds subject to tender for purchase on a Tender Date will be payable only upon delivery of such Bonds to the Bond Trustee on any Business Day on or after the Tender Date.

REDEMPTION OF BONDS PRIOR TO MATURITY

The Bonds are subject to early redemption as described herein. In addition, following an Event of Default (as defined therein) under the Loan Agreement or the Bond Indenture, the Bond Trustee may be required to accelerate the maturity of the Bonds and draw upon the Credit Facility for the funds necessary to retire the Bonds. Assuming in such circumstance that the Credit Facility would be honored in accordance with its terms, the effect on Owners would be similar to that of an early redemption at par. **An Event of Default can occur, at the direction of the Credit Facility Provider (and without the consent of the Owners, the Bond Trustee or the Authority), any time there is an event of default under the Reimbursement Agreement.**

Notice and Effect of Redemption

Notice of the call for any redemption of Bonds prior to maturity shall be given by mailing a copy of the redemption notice by first-class mail not less than 30 nor more than 60 days prior to the redemption date to the Authority, the Credit Facility Provider, the Rating Agency and the Owner (which, so long as the Bonds are in book-entry-only form, shall be DTC or its nominee) of each Bond to be redeemed at the address shown on the Bond Register; provided, however, that failure to give any such notice as aforesaid or any defect therein with respect to any particular Bond shall not affect the validity of any proceedings for the redemption of any other Bond.

Each redemption notice shall (a) identify the Bonds to be redeemed by name, CUSIP number, date of issue, interest rate and maturity date and, if only a portion of the Bonds are to be redeemed, the certificate numbers and the respective principal amounts to be redeemed, (b) identify the redemption date, (c) state the redemption price, (d) state that interest on the Bonds or the portions thereof called for redemption will (unless such Bonds are purchased in lieu of redemption in accordance with the Bond Indenture) cease to accrue from the redemption date if funds sufficient for their redemption and available for that purpose are on deposit with the Bond Trustee on the redemption date, and (e) state that payment for the Bonds will be made on the

redemption date at the designated trust office of the Bond Trustee during normal business hours upon the surrender of the Bonds to be redeemed. Neither the failure to mail such notice, nor any defect in any notice so mailed, with respect to any particular Bond shall affect the validity of any proceedings for redemption of any other Bond.

If sufficient Eligible Funds are placed with the Bond Trustee by the redemption date to pay the principal of such Bonds, the accrued interest thereon to the redemption date or if the notice was irrevocable and was to be funded by a draw on the Credit Facility, the Bonds, or portions thereof, thus called shall not bear interest after the applicable redemption date, shall no longer be protected by the Bond Indenture and shall not be deemed to be outstanding under the provisions of the Bond Indenture. The Bond Trustee shall redeem, in the manner provided in the Bond Indenture, such an aggregate principal amount of such Bonds at the principal amount thereof plus accrued interest to the redemption date and premium, if any, as will exhaust as nearly as practicable such funds.

If the conditions provided in the previous paragraph are not satisfied or sufficient Eligible Funds are not so deposited by the redemption date, such Bonds shall not be subject to redemption and the holders thereof shall have the same rights as if no such notice had been given. In such event, the Bond Trustee shall promptly give notice thereof to the owners of such Bonds by first class mail, postage prepaid.

Mandatory Sinking Fund Redemption

The Bonds are subject to mandatory sinking fund redemption in part on April 1, 2010 or the first Business Day thereafter and on each April 1 or the first Business Day thereafter, to and including April 1, 2022, in the amounts and at the times as follows. The redemption price for any such redemption shall be 100% of the principal amount of the Bonds or portions thereof so redeemed, plus accrued interest to the redemption date, and without premium.

<u>April 1 or the first Business Day thereafter</u>	<u>Principal Amount</u>
2010	\$335,000
2011	\$360,000
2012	\$385,000
2013	\$410,000
2014	\$440,000
2015	\$470,000
2016	\$505,000
2017	\$540,000
2018	\$575,000
2019	\$725,000
2020	\$600,000
2021	\$630,000
2022*	\$310,000

*Stated Maturity

Optional Redemption

The Bonds are subject to optional redemption (or purchase in lieu of redemption) solely with Eligible Funds, at the option of the Borrower, in whole or in part (in multiples of \$5,000) on any Business Day on or prior to the Conversion Date. The redemption price for any such redemption shall be 100% of the principal amount of the Bonds or portions thereof so redeemed, plus accrued interest to the redemption date, and without premium. The Bond Trustee shall not give notice of any such optional redemption unless it has received the written consent of the Credit Facility Provider to such redemption and the related draw on the Credit Facility on or before the redemption date. Any Bond which is to remain Outstanding after such redemption must be in an Authorized Denomination.

Bonds which otherwise are to be redeemed at the direction of the Borrower may, at the option of the Credit Facility Provider, be purchased with the Credit Facility Provider's own funds in lieu of redemption on the redemption date. The purchase price shall be 100% of the principal amount of the Bonds so purchased, plus accrued interest to the purchase date.

Extraordinary Optional Redemption

The Bonds shall be subject to extraordinary optional redemption in whole, but not in part, at any time, if within 180 days after the occurrence of any of the following events, the Borrower shall, with the written consent of the Credit Facility Provider, elect to prepay the Promissory Note in accordance with the Loan Agreement:

(a) Any court or administrative body of competent jurisdiction shall enter a judgment, order or decree requiring the Borrower to cease all or any substantial part of its operations at the Bond Financed Property to such extent that, in the opinion of the Borrower expressed in a Borrower's certificate filed with the Authority, the Bond Trustee and the Credit Facility Provider, the Borrower is or will be thereby prevented from carrying on its normal operations at the Bond Financed Property for a period of at least six consecutive months.

(b) As a result of changes in the Constitution of the State of Wisconsin or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal), the Loan Agreement shall have become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Loan Agreement, or unreasonable burdens or excessive liabilities shall have been imposed on the Authority or the Borrower as a consequence of having the Bonds or the Promissory Note outstanding including without limitation federal, state or other ad valorem, property, income or other taxes not being imposed on the date of the Loan Agreement.

The Bonds shall also be subject to extraordinary optional redemption in whole or in part, at any time, if within 180 days after the occurrence of damage to or destruction or condemnation of Property (as defined in Appendix C hereto) of the Obligated Issuers (as defined in Appendix C hereto) which results in the receipt by one or more Obligated Issuers of proceeds of insurance or condemnation awards, in any instance, in excess of 5% of the consolidated fund balances of the Obligated Issuers at the end of the most recent Fiscal Year (as defined in Appendix C hereto) for

which financial statements are available, the Borrower shall, with the written consent of the Credit Facility Provider, elect to prepay the Promissory Note in accordance with the Loan Agreement.

The redemption price for any such redemption shall be 100% of the principal amount of Bonds so redeemed, plus accrued interest to the redemption date, and without premium.

Bonds which otherwise are to be redeemed as a result of the occurrence described in (a) or (b) above may, at the option of the Credit Facility Provider, be purchased with the Credit Facility Provider's own funds in lieu of redemption on the redemption date. The purchase price shall be 100% of the principal amount of the Bonds so purchased, plus accrued interest to the purchase date.

Mandatory Redemption Upon Expiration of Credit Facility

The Bonds shall be subject to mandatory redemption in whole on the first Business Day of the month (which date must be no later than two (2) Business Days prior to the Credit Facility Expiration Date) in which the Credit Facility Expiration Date is to occur unless, at least 45 days prior to such mandatory redemption date the Borrower shall have caused to be delivered to the Bond Trustee an extension of the Existing Credit Facility or a Commitment to issue a Substitute Credit Facility meeting the requirements of the Bond Indenture (in which case the Bonds shall be subject to mandatory tender, *see "DESCRIPTION OF BONDS — Mandatory Tender of Bonds - Upon Replacement of the Credit Facility"*). The redemption price shall be 100% of the principal amount of Bonds so redeemed, plus accrued interest to the redemption date, and without premium.

Bonds which otherwise are to be redeemed as a result of the expiration of the Credit Facility may, at the option of the Credit Facility Provider, be purchased with the Credit Facility Provider's own funds in lieu of redemption on the redemption date. The purchase price shall be 100% of the principal amount of the Bonds so purchased, plus accrued interest to the purchase date.

Purchase In Lieu of Redemption

In lieu of redeeming Bonds pursuant to the provisions described above, the Bond Trustee may, at the request of the Borrower, use such Eligible Funds otherwise available under the Bond Indenture for redemption of the Bonds to purchase the Bonds identified by the Borrower in the open market for cancellation at a price specified by the Borrower not exceeding the redemption price then applicable thereunder. The Bond Trustee shall cancel all such Bonds purchased pursuant to the provisions described in this paragraph.

THE CREDIT FACILITY

General

The Bond Indenture requires the Bond Trustee to draw upon the Credit Facility on the Business Day immediately preceding each regularly scheduled interest payment date and principal payment date and each redemption date in an amount sufficient to pay the principal and

interest due on the Bonds on such payment date or redemption date. The Bond Indenture also requires the Bond Trustee, to the extent the proceeds of the remarketing of Bonds or Beneficial Ownership Interests therein on a Tender Date are insufficient to pay the purchase price of such Bonds or Beneficial Ownership Interests, to draw upon the Credit Facility on such Tender Date in an amount sufficient, together with such remarketing proceeds, to pay the purchase price of Bonds or Beneficial Ownership Interests tendered or deemed tendered on such Tender Date. If an Event of Default resulting in acceleration of the principal of and interest on the Bonds occurs, the Bond Indenture requires the Bond Trustee to draw upon the Credit Facility in an amount sufficient to pay the principal of the Bonds plus all interest accrued and to accrue to the date of expected payment to Owners. *In the event the maturity of the Bonds is accelerated, in the event of the optional or mandatory redemption of Bonds prior to stated maturity or in the event of an event of default under the Reimbursement Agreement, the Credit Facility Provider, in lieu of having the Bonds retired from proceeds of the Credit Facility, has the right to purchase such Bonds from its own funds at a price equal to 100% of the principal, premium, if any, and interest otherwise due on such Bonds on the redemption date or accelerated maturity date, as the case may be.*

M&I Bank Letter of Credit

The M&I Bank Letter of Credit is an irrevocable obligation of M&I Bank to pay to the Bond Trustee, upon timely and proper presentation of drawing certificates, up to a maximum amount equal to the principal of the Bonds and 34 days of interest due on the Bonds. The amount available under the terms of the M&I Bank Letter of Credit is sufficient, if a drawing certificate is timely presented by the Bond Trustee, to cover the maximum amount of principal and interest, and the maximum purchase price of Bonds or Beneficial Ownership Interests tendered or deemed tendered, which could become due through and including its stated expiration date.

The M&I Bank Letter of Credit will expire (unless extended in accordance with its terms) at 4:00 p.m., Milwaukee, Wisconsin time, on April 15, 2012; provided, however, the M&I Bank Letter of Credit may expire earlier than such date upon the first to occur of (a) the date of receipt by the M&I Bank of notice from the Bond Trustee that a Substitute Credit Facility has been issued in substitution for the M&I Letter of Credit and such Substitute Credit Facility is then effective, (b) the date on which M&I Bank honors a final drawing or drawings available to be made under the M&I Bank Letter of Credit, in which event the M&I Bank Letter of Credit shall expire immediately after such drawing or drawings are honored; (c) the date of receipt by M&I Bank from the Bond Trustee of a certificate stating that no Bonds remain outstanding under the Bond Indenture and the Bond Indenture has been discharged; (d) seven calendar days after the earlier of (i) the date of the acceleration of the Bonds under the Bond Indenture because of the occurrence of an Event of Default under the Bond Indenture or (ii) the date the Bond Trustee has received written notice from M&I Bank to accelerate the Bonds because of the occurrence of an “event of default” under the M&I Bank Reimbursement Agreement, as the case may be; or (e) the date on which the interest rate for the Bonds is no longer the Variable Rate and the Bond Trustee has notified M&I Bank of such change and M&I Bank has honored any draws on the M&I Letter of Credit, if any, made by the Bond Trustee in connection with such conversion of interest rate.

THE ABILITY OF M&I BANK TO HONOR DRAWINGS ON THE M&I BANK LETTER OF CREDIT IS BASED SOLELY ON M&I BANK'S GENERAL CREDIT. THE BOND TRUSTEE MAY NOT ASSERT A CLAIM FOR FEDERAL DEPOSIT INSURANCE AGAINST THE FEDERAL DEPOSIT INSURANCE CORPORATION IN RESPECT OF THE BONDS OR THE M&I BANK LETTER OF CREDIT, AND OWNERS SHOULD NOT ASSUME ANY SUCH INSURANCE COVERAGE IS AVAILABLE. IN THE EVENT OF THE INSOLVENCY OF M&I BANK, A CLAIM BY THE BOND TRUSTEE OR THE OWNERS UNDER THE LETTER OF CREDIT WOULD PROBABLY BE SUBORDINATE TO THE CLAIMS OF M&I BANK'S DEPOSITORS. Prospective purchasers of Bonds or Beneficial Ownership Interests therein are directed to Appendix A hereto for certain information relating to M&I Bank.

Substitute Credit Facility

The Bond Trustee shall, from time to time at the written direction of the Borrower (and without the need for any consent or approval of the Authority or the Bondowners), accept (i) a substitute or replacement Credit Facility (such substitute or replacement Credit Facility which is not merely an extension of the then existing Credit Facility is referred to herein as a "Substitute Credit Facility") to replace the Credit Facility then in effect (the "Existing Credit Facility") or (ii) an amendment to the Existing Credit Facility which extends the Credit Facility Expiration Date thereof, subject to the following conditions:

(a) the Substitute Credit Facility shall be issued in favor of the Bond Trustee by a bank, savings and loan association, savings bank, insurance company or other regulated financial institution and shall permit demands to be made against it as set forth in the Bond Indenture;

(b) the Substitute Credit Facility or the Existing Credit Facility as extended shall have a Credit Facility Expiration Date which is the fifteenth day of a month that is not earlier than 90 days after the effective date of such Credit Facility or the final Maturity Date specified on the cover page of this Official Statement;

(c) the Substitute Credit Facility shall be in an amount not less than the sum of (i) the maximum principal amount of Bonds that will be outstanding commencing on the first date on which draws are permitted thereunder, plus (ii) at least 34 days of interest on such principal amount of Bonds at the then applicable maximum rate (initially 10% per annum);

(d) the Substitute Credit Facility shall be issued in favor of and delivered to the Bond Trustee on or prior to its effective date;

(e) other than in connection with a Required Substitution, the Borrower shall deliver to the Bond Trustee a Commitment with respect thereto at least 45 days prior to the proposed effective date of such Substitute Credit Facility (which effective date must be a Business Day).

Except in the case of an amendment to an Existing Credit Facility which extends the Credit Facility Expiration Date and does not otherwise modify the Existing Credit Facility in any material respect, the Borrower shall deliver to the Bond Trustee: (i) an opinion of Independent

Counsel to the effect that the Substitute Credit Facility has been duly authorized, executed and delivered and is a legally valid and binding obligation of the Credit Facility Provider enforceable in accordance with its terms (subject to customary exceptions as to enforceability), (ii) if requested by the Remarketing Agent or the Rating Agency, a Preference Opinion relating to the proceeds of the Credit Facility and (iii) an Opinion of Bond Counsel to the effect that the Bond Trustee's acceptance of the Substitute Credit Facility is permitted under the Bond Indenture and will not result in an Event of Taxability.

The effective date of a Substitute Credit Facility delivered to the Bond Trustee as described above shall be a Mandatory Tender Date. See “*DESCRIPTION OF BONDS – Mandatory Tender of Bonds – Upon Replacement of the Credit Facility*”.

In the case of a proposed delivery of a Substitute Credit Facility (other than a Required Substitution), (i) the Bond Trustee shall give notice of the mandatory tender of the Bonds as described herein (See “*DESCRIPTION OF BONDS – Mandatory Tender of Bonds – General*”), (ii) the Existing Credit Facility shall remain in effect through the effective date of the Substitute Credit Facility and the mandatory tender of the Bonds on that date, and (iii) the Bond Trustee shall draw on the Existing Credit Facility, as necessary, on that date. In the case of a Required Substitution, the Bond Trustee shall give notice of the delivery of the Substitute Credit Facility, in the manner described above, as soon as practicable after such delivery.

Eligible Funds

Payments of principal or purchase price of and interest on the Bonds are required to be made with Eligible Funds. The term “Eligible Funds” means (i) all amounts (including investment earnings) in the Bond Purchase Account or the Credit Facility Account of the Bond Fund and all amounts paid by the Credit Facility Provider with its own funds for the purchase or payment of Bonds, (ii) Bond proceeds deposited with the Bond Trustee contemporaneously with the issuance and sale of the Bonds and which were continuously thereafter held subject to the lien of the Bond Indenture in a separate and segregated fund, account or subaccount established under the Bond Indenture in which no moneys which were not Eligible Funds were at any time held, together with investment earnings on such Bond proceeds, and (iii) any other amounts (including investment earnings) in the Bond Fund or the Redemption Fund with respect to which the Bond Trustee has received an Opinion of Bond Counsel acceptable to Moody's stating in effect that the use of the funds to which the opinion relates for the purchase of Bonds or for the payment of the principal of, premium, if any, or interest on the Bonds, as the case may be, will not, upon the occurrence of (a) the filing of a petition in bankruptcy by or against the Borrower or the Authority as debtor under the United States Bankruptcy Code or (b) the commencement or continuance of other judicial proceedings with respect to the Borrower or the Authority as debtor under similar or successor federal or state bankruptcy, reorganization or insolvency laws on or after the date of such opinion, constitute a preference payment under the United States Bankruptcy Code (taking into account the “insider” provisions thereof) or a payment of similar import (that is, a payment subject to disgorgement upon the occurrence of certain bankruptcy events) under the then applicable federal and state bankruptcy, insolvency and reorganization laws.

M&I Bank Reimbursement Agreement

Prior to the delivery of the M&I Bank Letter of Credit, the Borrower will enter into the M&I Bank Reimbursement Agreement pursuant to which it will agree to reimburse M&I Bank for any amount drawn under the M&I Bank Letter of Credit and to pay certain fees and expenses related to the M&I Bank Letter of Credit. The M&I Bank Reimbursement Agreement will contain various covenants of and restrictions on the Borrower of a sort which are typically found in loan agreements between a bank and a borrower, including restrictions on the incurrence of certain indebtedness and certain liens, restrictions on certain dispositions of assets and agreements to maintain insurance and pay taxes and other covenants and restrictions. These financial covenants and restrictions are of the type typically found in such agreements and some may be significantly different from the covenants and restrictions in the Master Indenture. Such covenants and restrictions are only for the benefit of M&I Bank and may be waived by M&I Bank or amended by M&I Bank and the Borrower.

Defined events of default under the M&I Bank Reimbursement Agreement include, among others, failure to reimburse M&I Bank for draws made by the Bond Trustee under the M&I Bank Letter of Credit, failure to perform other obligations under the M&I Bank Reimbursement Agreement, breach of the covenants and restrictions contained therein, Events of Default under the Bond documents, certain events of bankruptcy and insolvency involving the Borrower, certain defaults under other indebtedness and certain other defaults. Upon the occurrence of an event of default under the M&I Bank Reimbursement Agreement, M&I Bank is entitled to have an Event of Default declared under the Bond Indenture and to have the maturity of the Bonds accelerated or to cause a mandatory tender of the Bonds.

The issuance of the M&I Bank Letter of Credit will be conditioned upon receipt by M&I Bank of certain legal opinions and the fees agreed by the Borrower to be paid to M&I Bank for the issuance of the M&I Bank Letter of Credit.

TAX EXEMPTION

General

The opinion of Bond Counsel and the descriptions of the tax laws contained in this Official Statement are based on laws and official interpretations of them which are in existence on the date the Bonds are issued. There can be no assurance that those laws or the interpretation of them will not change or that new laws will not be enacted or regulations issued while the Bonds are outstanding in a manner that would adversely affect the value of an investment in the Bonds or the tax treatment of the interest paid on the Bonds.

Federal Tax Opinion of Bond Counsel

Quarles & Brady LLP, Bond Counsel, will deliver a legal opinion with respect to whether the interest on the Bonds must be included in the gross income for federal income tax purposes of an owner of a Bond under existing law in substantially the form attached as Appendix D hereto.

Other Federal Income Tax Considerations Regarding Bonds

As noted above, interest on the Bonds is included in the adjusted current earnings of corporations for purposes of the alternative minimum tax imposed by Section 55 of the Code. The Code also contains numerous other provisions which could adversely affect the value of an investment in the Bonds for particular Owners. For example, (i) Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds, except that the Bonds have been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income, for federal income tax purposes, interest that is allocable to carrying and acquiring tax-exempt obligations, (ii) Section 265 of the Code denies a deduction for expenses that are allocable to the interest on the Bonds, (iii) Section 265 of the Code denies a deduction for otherwise allowable deductions of a regulated investment company that are allocable to distributions of the interest on the Bonds paid during the taxable year (or after the close of the taxable year pursuant to Section 855 of the Code), (iv) interest on the Bonds may affect the federal income tax liabilities of life insurance companies and, with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserved by 15 percent of the sum of certain items, including interest on the Bonds, (v) interest on the Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 844 of the Code, (vi) passive investment income, including interest in the Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of the Subchapter S corporation is passive investment income and (vii) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account receipts or accruals of interest on the Bonds in determining gross income. There may be other provisions of the Code which could adversely affect the value of an investment in the Bonds for particular Owners. *INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS TO DETERMINE HOW THE PROVISIONS DESCRIBED UNDER THIS HEADING AND OTHER PROVISIONS OF THE CODE RELATING TO THE OWNERSHIP OF TAX-EXEMPT OBLIGATIONS APPLY TO THEM.*

Tax Status of Bonds; Owner Risk

The above-described opinion of Bond Counsel speaks to the tax status of interest on the Bonds for federal income tax purposes as of the date of the original issuance of the Bonds. It is possible that future action or inaction by the Borrower or some other party could cause the inclusion of interest on the Bonds in gross income for federal income tax purposes (in some cases retroactively to the date of their original issuance). Prospective purchasers of the Bonds should be aware that in such circumstance it is probable that certain of the interest payments received by them (perhaps all of them) would be subject to Federal income taxes thereby having the effect of reducing (perhaps substantially) the effective, after-tax yield on their investment in the Bonds. The Bond Indenture and the Loan Agreement do not provide for any increase in the interest rate on the Bonds or any other payment by the Borrower in the event that interest payments on the Bonds become subject to Federal income taxes.

Wisconsin Tax Matters

The interest on the Bonds is not exempt from present Wisconsin income taxes.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the Bonds by the Authority are subject to the approval of Quarles & Brady LLP, Bond Counsel. Certain matters will be passed upon for the Authority by its general counsel, Quarles & Brady LLP, for the Borrower by its counsel, Quarles & Brady LLP, and for M&I Bank and the Underwriter by their counsel, Whyte Hirschboeck Dudek S.C.

NO LITIGATION

There is no pending or, to the knowledge of the Borrower, threatened litigation against the Borrower which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to their issuance, sale or delivery or which may affect the Bond-Financed Property.

There is no pending or, to the knowledge of the Authority, threatened litigation against the Authority which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to their issuance, sale or delivery.

RATING

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "A2/VMIG 1" to the Bonds based upon the delivery of the M&I Bank Letter of Credit on the issue date. Such rating reflects only the view of Moody's and an explanation of the significance of such rating may be obtained from Moody's. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely, if in the judgment of Moody's, circumstances so warrant. Any changes in or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

M&I Marshall & Ilsley Bank (the "Underwriter") has agreed, subject to the terms of a Bond Purchase Agreement among the Authority, the Borrower and the Underwriter, to purchase from the Authority the entire principal amount of the Bonds at a purchase price of \$6,247,290 (representing the aggregate principal amount of the Bonds less Underwriter's discount of \$37,710). The Underwriter will also act as Remarketing Agent under the Bond Indenture, and will be paid a fee by the Borrower for its services in that capacity.

The Borrower has agreed to indemnify the Underwriter and the Authority against certain liabilities, including federal securities law liabilities arising from statements or omissions in this Official Statement.

The Bonds will be sold by the Underwriter only to entities, and will be remarketed by the Remarketing Agent only to entities, which represent that they are accredited investors as defined in Rule 501(a) of Regulation D under the Securities Act of 1933 (“Accredited Investors”).

To be eligible to purchase Bonds, a potential investor must demonstrate that it qualifies as an Accredited Investor and the Underwriter or the Remarketing Agent, as applicable, must reasonably believe, immediately prior to making the sale, that the prospective investor has knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of the prospective investment. The above-described standards represent minimum suitability requirements for the prospective investors and the satisfaction of such standards by a prospective investor does not necessarily mean that the Bonds are suitable investments for the prospective investors.

CONTINUING DISCLOSURE

No party is obligated to provide any ongoing disclosure or to update any information included in this Official Statement.

MISCELLANEOUS

The foregoing summaries and explanations do not purport to be comprehensive and are expressly made subject to the exact provisions of the complete documents referred to herein. For details of all terms and conditions, prospective purchasers are referred to the M&I Bank Letter of Credit, the Promissory Note, the Loan Agreement and the Bond Indenture, copies of which may be obtained from the Underwriter. The Appendices attached hereto are a part of this Official Statement. Any matters in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

This Official Statement has been approved, after due investigation on their parts and to the best of their knowledge and belief, by the Authority with respect to the information under the captions “The Authority” and “No Litigation” (as it relates to the Authority), and by the Borrower with respect to the remaining information herein (except for the information under the caption “DESCRIPTION OF BONDS – Book-Entry-Only System” and in Appendix A hereto) for distribution by the Underwriter to prospective purchasers of the Bonds. Appendix A hereto has been provided by M&I Bank.

The execution of this Official Statement has been duly authorized by the Authority and the Borrower.

WISCONSIN HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY

BY /s/ Lawrence R. Nines
Executive Director

This Official Statement is approved:

UNITED LUTHERAN PROGRAM FOR THE AGING, INC.

BY /s/ David J. Keller
President and Chief Executive Officer

APPENDIX A

M&I MARSHALL & ILSLEY BANK

M&I Marshall & Ilsley Bank, Milwaukee, Wisconsin (“M&I Bank”) is a state banking corporation organized under the laws of the State of Wisconsin. Its principal offices and banking facility are located at 770 North Water Street, Milwaukee, Wisconsin 53202, telephone (414) 765-7700. Founded in 1847, M&I Bank is the oldest continuously operating bank in the State of Wisconsin. It is the largest bank owned by Marshall & Ilsley Corporation. As of December 31, 2008, M&I Bank had total assets of \$56.97 billion, total deposits of \$35.90 billion and total equity capital of \$6.02 billion based on regulatory accounting principles. As of December 31, 2007, M&I Bank had total assets of \$53.72 billion, total deposits of \$33.99 billion and total equity capital of \$5 billion based on regulatory accounting principles. M&I Bank had net loss of \$552.82 million for the twelve months ended December 31, 2008 and net income of \$423.64 million for the twelve months ended December 31, 2007.

One hundred percent (100%) of the outstanding stock of M&I Bank is owned by M&I LLC, which in turn is 100% owned by Marshall & Ilsley Corporation, a publicly held and registered bank holding company under the Bank Holding Company Act of 1956, as amended. Marshall & Ilsley Corporation is also certified as a financial holding company under the Gramm-Leach-Bliley Act of 1999, and its common stock is registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Marshall & Ilsley Corporation files annual and other reports, containing audited, consolidated financial and other information, with the Securities and Exchange Commission, 100 F Street, NE, Washington, D.C. 20549, and copies of these reports may be obtained from the Commission upon payment of copying charges, examined at the Commission’s offices without charge, or accessed free of charge on the Commission's website, <http://www.sec.gov>. THE M&I BANK LETTER OF CREDIT IS AN OBLIGATION OF M&I BANK AND NOT OF MARSHALL & ILSLEY CORPORATION.

On November 14, 2008, Marshall & Ilsley Corporation announced that it had issued 1,715,000 shares of its Senior Preferred Stock, Series B to the U.S. Department of the Treasury in return for \$1.715 billion in cash. In addition, Marshall & Ilsley Corporation issued a warrant to Treasury to purchase 13,815,789 shares of Marshall & Ilsley common stock at an exercise price of \$18.62 per share. This transaction is part of Treasury’s Capital Purchase Program. A copy of the press release was filed by Marshall & Ilsley Corporation with the Securities and Exchange Commission on Form 8-K on November 14, 2008.

M&I Bank files quarterly reports called “Consolidated Reports of Condition and Income for a Bank with Domestic and Foreign Offices” (“Call Reports”). M&I Bank’s Call Reports are publicly available at the FDIC Disclosure Group, Room F-518, 550 17th Street, N.W., Washington, D.C. 20429 as well as at the FDIC’s web site. The Call Reports of M&I Bank, and any amendments or supplements thereto, for the period ended December 31, 2008, are incorporated herein by reference. Any subsequent Call Reports filed by M&I Bank prior to the date hereof are incorporated herein by reference.

M&I Bank will supply without charge a copy of the Marshall & Ilsley Corporation Form 10-K for the year ended December 31, 2007, any subsequent reports on Form 10-Q, and any reports on Form 8-K, in each case as filed with the Securities and Exchange Commission pursuant to the Exchange Act, and the publicly available portions of the most recent quarterly Call Report of M&I Bank delivered to the Federal Deposit Insurance Corporation, to any person to whom this Official Statement is delivered upon written request to: Secretary, Marshall & Ilsley Corporation, 770 North Water Street, Milwaukee, Wisconsin 53202. Telephone requests should be directed to (414) 765-7700. Marshall & Ilsley Corporation's Form 10-K for the period ended December 31, 2007 and any subsequent periodic or current reports of Marshall & Ilsley Corporation as filed with the Securities and Exchange Commission pursuant to the Exchange Act are incorporated herein by reference.

The information contained in this Appendix relates to and has been obtained from M&I Bank. The information concerning Marshall & Ilsley Corporation and M&I Bank contained or referred to herein is furnished solely to provide limited introductory information regarding Marshall & Ilsley Corporation and M&I Bank and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the documents and financial statements referenced above.

The delivery hereof shall not create any implication that there has been no change in the affairs of Marshall & Ilsley Corporation or M&I Bank since the date hereof, or that information contained in or referred to in this Appendix is correct at any time subsequent to its date.

APPENDIX B

SUMMARY OF THE BOND INDENTURE AND LOAN AGREEMENT

Brief descriptions of the Bond Indenture and the Loan Agreement are set forth below. Those descriptions do not purport to be comprehensive or definitive. All references in this Official Statement to those documents are qualified in their entirety by reference to each document, copies of which are available for review prior to the issuance and delivery of the Bonds at the offices of the Authority and thereafter at the offices of the Bond Trustee.

DEFINITIONS OF CERTAIN TERMS

“Act” means Chapter 231, Wisconsin Statutes, as from time to time supplemented and amended.

“Authority” means the Wisconsin Health and Educational Facilities Authority together with any successors.

“Authorized Borrower Representative” means the person, who may be an employee of the Borrower, identified in an Officer’s Certificate of the Borrower which contains a specimen of the Authorized Borrower Representative’s signature and which has been delivered to the Bond Trustee. Authorized Borrower Representative includes any alternate or alternates designated in the certificate in the same manner.

“Authorized Denomination” means while the Bonds bear interest at a Variable Rate, \$100,000 or any integral multiple of \$5,000 in excess of \$100,000.

“Bankruptcy Condition” means (a) the filing of a petition in bankruptcy by or against the Borrower or the Authority as debtor under the United States Bankruptcy Code, 11 U.S.C. Sections 101 et seq., or (b) the commencement or continuance of other judicial proceedings with respect to the Borrower or the Authority as debtor under similar or successor federal or state bankruptcy, reorganization or insolvency laws.

“Beneficial Owner” means, with respect to a Bond which is held in Book Entry Form, the person who owns the Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Bond Trustee.

“Beneficial Ownership Interest” means the right to receive payments and notices with respect to Bonds which are held by or on behalf of the Depository under a Book Entry System.

“Bond Counsel” means Independent Counsel whose legal and tax opinion on municipal bond issues is nationally recognized.

“Bond Financed Property” means any and all property financed or refinanced, directly or indirectly, with the proceeds of the Bonds, including without limitation all capital expenditures financed or refinanced with the proceeds of the Series 1989 Bonds.

“Bond Fund” means the Trust Fund by that name created by the Bond Indenture.

“Bond Indenture” means the Bond Trust Indenture between the Authority and the Bond Trustee, dated as of April 1, 2009 under which the Bonds are issued, as amended from time to time by Supplemental Indentures in accordance with the terms of the Bond Indenture.

“Bondowners” and “Owners” (when used with reference to Bonds) means, at the time or times of determination, the persons who are registered owners of Bonds.

“Bond Purchase Account” means the Trust Account by that name created by the Bond Indenture.

“Bond Purchase Agreement” means the Bond Purchase Agreement among the Borrower, the Authority and the purchaser relating to the Bonds.

“Bond Register” means the registration books maintained by the Bond Trustee pursuant to the Bond Indenture.

“Bonds” means the Authority’s Variable Rate Demand Revenue Bonds, Series 2009 (United Lutheran Program for the Aging, Inc.) issued under the Bond Indenture.

“Bond Trustee” means U.S. Bank National Association, Milwaukee, Wisconsin, and any successor banking corporation, banking association or trust company at the time serving as Bond Trustee under the Bond Indenture.

“Book Entry Form” or “Book Entry System” means, with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Owner, with the physical Bond Certificates “immobilized” in the custody of the Depository or its agent.

“Borrower” means United Lutheran Program for the Aging, Inc., a Wisconsin nonstock nonprofit corporation, or any successor.

“Borrower’s Closing Certificate” means the Officer’s Certificate of the Borrower dated the date of and delivered at the time of the issuance and sale of the Bonds.

“Borrower’s Documents” means the Loan Agreement, the Borrower’s Closing Certificate, the Note, the Bond Purchase Agreement, the Tax Exemption Agreement, the Credit Facility Reimbursement Agreement, the Remarketing Agreement and all other certificates and documents to which the Borrower is a party related to the issuance of the Bonds.

“Borrower’s Payments Account” means the Borrower’s Payments Account of the Bond Fund created by the Bond Indenture.

“Business Day” means a day (a) other than a Saturday, Sunday or legal holiday on which banks located in the city in which the Bond Trustee’s Principal Office is located, the city in which draws on the Credit Facility are to be made and the city in which the Remarketing Agent’s principal office is located, are required or authorized to remain closed and (b) on which neither The New York Stock Exchange nor the Federal Reserve Banks are closed.

“Calculation Period” means, while the Bonds bear interest at the Variable Rate, the period from Thursday of each week (whether or not a Business Day) or any Proposed Conversion Date through and including the earlier of (a) the following Wednesday (whether or not a Business Day) and (b) the day immediately preceding a Proposed Conversion Date.

“Commitment” means a written commitment to issue a Substitute Credit Facility from a regulated financial institution which (a) is addressed to the Borrower, (b) is signed by an authorized officer of such financial institution and (c) specifies terms for the Substitute Credit Facility (including its expiration date) meeting the requirements of the Bond Indenture.

“Completion Date” means the completion date of the Project as determined in accordance with the provisions summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Establishment of Project Completion Date.”

“Construction Fund” means the Trust Fund by that name created by the Bond Indenture.

“Conversion Date” means the date on which the interest rate on the Bonds is converted from the Variable Rate to the Fixed Rate as provided in the Bond Indenture.

“Conversion Notice” means a notice in the form required by the Bond Indenture from the Borrower to the Bond Trustee, the Remarketing Agent and the Credit Facility Provider designating a Proposed Conversion Date.

“Counsel” means an attorney admitted to practice before the highest court of any state.

“Credit Facility” means any letter of credit, or, on or after the Conversion Date, any standby purchase agreement, guaranty, bond insurance policy or similar credit enhancement instrument, meeting the requirements of the Bond Indenture, including any Substitute Credit Facility. The initial Credit Facility is an irrevocable direct pay letter of credit issued by M&I Marshall & Ilsley Bank on the date of the original issuance and delivery of the Bonds.

“Credit Facility Account” means the Credit Facility Account of the Bond Fund created by the Bond Indenture.

“Credit Facility Expiration Date” means the date on which a Credit Facility expires or terminates in accordance with the terms thereof.

“Credit Facility Provider” means any bank, savings and loan association, savings bank, insurance company or other regulated financial institution which issues a Credit Facility in accordance with the Bond Indenture. The initial Credit Facility Provider is M&I Marshall & Ilsley Bank.

“Credit Facility Reimbursement Agreement” means the agreement between the Borrower and the Credit Facility Provider pursuant to which the Credit Facility is issued and, with respect to the initial Credit Facility, means the Reimbursement Agreement dated as of April 1, 2009 between M&I Marshall & Ilsley Bank and the Borrower, as amended from time to time.

“Credit Facility Substitution Date” means the effective date of a Substitute Credit Facility delivered pursuant to the Bond Indenture.

“Default” means the occurrence of an event which, with the lapse of time or the giving of notice or both, is an Event of Default.

“Depository” means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of beneficial interests in the Bonds, and to effect transfers of the Bonds, in Book Entry Form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Determination Date” means (a) with respect to each Calculation Period commencing on a Thursday, the Wednesday immediately preceding the commencement of such Calculation Period or, if such Wednesday is not a Business Day, the next preceding Business Day, and (b) with respect to each Calculation Period commencing on a Proposed Conversion Date, such Proposed Conversion Date.

“Eligible Funds” means (a) all amounts (including investment earnings) in the Credit Facility Account and the Bond Purchase Account, and all amounts paid by the Credit Facility Provider with its own funds for the purchase or payment of Bonds, (b) Bond proceeds deposited with the Bond Trustee contemporaneously with the issuance and sale of the Bonds and which were continuously thereafter held subject to the lien of the Bond Indenture in a separate and segregated fund, account or subaccount established under the Bond Indenture in which no moneys which were not Eligible Funds were at any time held, together with investment earnings on such Bond proceeds and (c) other amounts (including investment earnings) in the Bond Fund and the Redemption Fund with respect to which the Bond Trustee has received a Preference Opinion acceptable to Moody’s.

“Event of Default” as used in or with reference to (a) the Loan Agreement has the meaning attributed to it under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Events of Default,” (b) the Bond Indenture has the meaning attributed to it under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,” (c) the Master Indenture has the meaning attributed to it in Appendix C of this Official Statement and (d) any other documents has the meaning attributed to it in such documents.

“Event of Taxability” means any act, omission or event which results in the interest paid or payable on any Bond becoming includable for federal income tax purposes in the gross income of any Bondowner.

“Existing Credit Facility” has the meaning attributed to it under the heading “THE CREDIT FACILITY – Substitute Credit Facility” in the forepart of this Official Statement.

“Financial Statement Recipients” means the Authority, the Credit Facility Provider, the Bond Trustee, the Remarketing Agent and the Underwriter.

“Fixed Rate” means the interest rate borne by the Bonds from and after the Conversion Date, as more specifically described in the Bond Indenture.

“Government Obligations” means direct, full faith and credit obligations of the United States of America.

“Independent Counsel” means any attorney or firm of attorneys who or which shall be acceptable to the Bond Trustee and who or which is not an employee of the Borrower or the Authority.

“Interest Payment Date” means each date on which interest is stated to be due on any Bond unless otherwise provided in the Bond Indenture.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Issuing Expenses” means fees and expenses incurred or to be incurred by or on behalf of the Authority, the Bond Trustee, the Borrower or Bond Counsel for the Bonds in connection with the issuance and sale of the Bonds including, but not limited to, underwriting costs (whether in the form of discount in the purchase of the Bonds or otherwise), fees and expenses of legal counsel (including Bond Counsel and Counsel for the Authority, the Credit Facility Provider, the Bond Trustee, the Underwriter and the Borrower), fees and expenses of financial advisors, feasibility consultants and accountants, rating agency fees, fees of the Bond Trustee, printing costs, recording expenses, title insurance and survey costs.

“Issuing Expenses Fund” means the Trust Fund by that name created by the Bond Indenture.

“Loan” means the loan made by the Authority to the Borrower under the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated as of April 1, 2009 between the Borrower and the Authority, as amended and supplemented from time to time.

“Mandatory Tender Date” means each date on which all Bonds are required to be tendered for purchase pursuant to the Bond Indenture.

“Master Indenture” has the meaning attributed to it in Appendix C of this Official Statement.

“Master Note” means any master note issued, authenticated and delivered under the Master Indenture.

“Maximum Rate” means the lesser of (a) 10% per annum or such higher rate as is then covered by the Credit Facility and (b) the maximum interest rate permitted by law. The maximum interest rate on the Bonds secured by the initial Credit Facility is 10% per annum.

“Moody’s” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, 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 Bond Trustee, at the written direction of the Borrower with written notice to the Authority, the Remarketing Agent and the Credit Facility Provider.

“Note” means the Promissory Note, Series 2009A issued by the Borrower to the Authority pursuant to the Master Indenture.

“Obligated Group” has the meaning attributed to it in Appendix C of this Official Statement.

“Officer’s Certificate” means (a) with respect to the Authority, a certificate of the Authority signed by the Chairperson, Vice Chairperson, Executive Director, Associate Executive Director or by any other person designated by resolution of the Authority to act for any of those persons, either generally or with respect to the execution of any particular document or other specific matter, if a certified copy of the resolution has been filed with the Bond Trustee and (b) with respect to any corporation, including the Borrower, a certificate of the corporation signed by (i) the president, by any vice president or by any other person designated by resolution of the board of directors of the corporation, either generally or with respect to the execution of any particular document or other specific matter, if a copy of the resolution has been filed with the Bond Trustee or (ii) in the case of the Borrower, by the Authorized Borrower Representative.

“Opinion of Bond Counsel” means a written opinion, satisfactory in form and substance to the Bond Trustee, of Bond Counsel selected and paid by the Borrower and not unsatisfactory to the Bond Trustee.

“Optional Tender Date” means, while the Bonds bear interest at the Variable Rate, the date specified in a Purchase Demand as the date on which the Owner or Beneficial Owner of the Bond(s) (or portions thereof) described therein is demanding purchase of such Bond(s) or Beneficial Ownership Interest(s) (or portions thereof), which date must be a Business Day not less than seven days after receipt by the Bond Trustee of such Purchase Demand.

“Outstanding Bonds” and “Outstanding”, when used with reference to Bonds, means all Bonds which have been authenticated and delivered by the Bond Trustee under the Bond Indenture, except: (a) Bonds or portions thereof canceled by the Bond Trustee or delivered to the Bond Trustee for cancellation; (b) Bonds in lieu of which other Bonds have been authenticated and delivered in accordance with the Bond Indenture; and (c) Bonds which are not deemed to be Outstanding in accordance with the provisions of the Bond Indenture.

“Pledged Bonds” means Bonds or Beneficial Ownership Interests therein, purchased with the proceeds of a draw under the Credit Facility pursuant to the Bond Indenture and not remarketed by the Remarketing Agent.

“Pledged Revenues” means all revenues and income derived by or for the account of the Authority from or for the account of the Borrower pursuant to the terms of the Loan Agreement, the Note and the Bond Indenture, including, without limitation (a) all amounts derived pursuant to the Credit Facility, (b) all cash and securities held from time to time in the Trust Funds, and the investment earnings thereon, and (c) all payments by the Borrower on the Note or pursuant to the provisions summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Payment of Note” but excluding any amounts derived by the Authority for its own account pursuant to the enforcement of Unassigned Rights.

“Preference Opinion” means an Opinion of Bond Counsel addressed to the Bond Trustee stating in effect that the use of the funds to which the opinion relates for the purchase of Bonds or for the payment of the principal of, premium, if any, or interest on the Bonds, as the case may be, will not, upon the occurrence of a Bankruptcy Condition on or after the date of such opinion, constitute a preference payment under the United States Bankruptcy Code (taking into account the “insider” provisions thereof) or a payment of similar import (that is, a payment subject to disgorgement upon the occurrence of certain bankruptcy events) under the then applicable federal and State bankruptcy, insolvency and reorganization laws.

“Principal Payment Date” means each date on which a payment of principal (whether upon maturity, redemption, acceleration or otherwise) on the Bonds is due.

“Project” means the capital expenditures described under the heading “PLAN OF FINANCING” in the forepart of this Official Statement.

“Project Cost” means any costs of the Project which are permitted to be financed under the Act, the payment of which will not cause an Event of Taxability to occur and which are not Issuing Expenses.

“Proposed Conversion Date” means the date identified in a Conversion Notice properly delivered by the Borrower pursuant to the Bond Indenture as the date on which the interest rate on the Bonds is to be converted from the Variable Rate to the Fixed Rate.

“Purchase Demand” means, while the Bonds bear interest at the Variable Rate, a written demand by an Owner or Beneficial Owner of a Bond or Beneficial Ownership Interest therein, as the case may be, meeting the requirements of the Bond Indenture, that such Bond or Beneficial Ownership Interest be purchased on the date specified therein.

“Qualified Investments” means, subject to the Tax Exemption Agreement,

(a) Government Obligations and bonds or securities issued or guaranteed as to principal and interest by a commission, board or other instrumentality of the federal government,

(b) short term discount obligations of the Federal National Mortgage Association,

(c) certificates of deposit or time deposits constituting direct obligations of any bank, the full amount of which is insured by the Federal Deposit Insurance Corporation,

(d) time deposits, which mature in not more than three years, in any credit union, bank, savings bank, trust company or savings and loan association, which is authorized to transact business in the State and which either (i) is approved by the Credit Facility Provider or (ii) has long-term unsecured debt rated at least “AA” by Standard & Poor’s Ratings Services or “Aa” by Moody’s Investors Service, Inc.,

(e) bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the State which are rated at least “AA” by Standard & Poor’s Ratings Services or “Aa” by Moody’s Investors Service, Inc.,

(f) any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor’s Ratings Services, Moody’s Investors Service, Inc. or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating,

(g) securities of an open end management investment company or investment trust if the investment company or investment trust does not charge a sales load, if the investment company or investment trust is registered under the Investment Company Act of 1940, 15 USC 80a 1 to 80a 64, and if the portfolio of the investment company or investment trust is limited to the following: (i) bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government, (ii) bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government and (iii) repurchase agreements that are fully collateralized by bonds or securities described under (i) or (ii) and

(h) any other obligation or security which constitutes a permitted investment for money of the Authority as a result of an amendment of the Act subsequent to April 1, 2009 if the prior written consent of the Authority, the Credit Facility Provider and the Bond Trustee are obtained.

“Rating” means, with respect to the issuer of a Credit Facility or Substitute Credit Facility, the rating assigned by a national rating firm to its long-term unsecured debt or to obligations secured by its letters of credit.

“Rating Agency” means each nationally recognized securities rating agency then maintaining a rating on the Bonds at the request of the Borrower, and initially means Moody’s.

“Rebate Fund” means the fund by that name created in the Tax Exemption Agreement.

“Record Date” means with respect of each regularly scheduled Interest Payment Date occurring on or before the Conversion Date, and with respect to any redemption date or Mandatory Tender Date that is not a regularly scheduled Interest Payment Date, the day (whether or not a Business Day) immediately preceding such date, as the case may be.

“Redemption Fund” means the Trust Fund by that name created by the Bond Indenture.

“Remarketing Agent” means M&I Marshall & Ilsley Bank and any successor institution serving as Remarketing Agent pursuant to the Bond Indenture.

“Remarketing Agreement” means the Remarketing Agreement dated as of April 1, 2009 between the Borrower and the Remarketing Agent.

“Required Substitution” means the delivery of a Substitute Credit Facility under the circumstances described in clause (d) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default.”

“Requisite Consent of Bondowners” means the affirmative written consent of Bondowners (or, if the Bonds are in a Book-Entry System, Beneficial Owners) owning in aggregate not less than a majority in principal amount of the Bonds or of the Beneficial Ownership Interests, as the case may be, (other than Bonds or Beneficial Ownership Interests owned by the Borrower or any “related person” as defined in Section 147(a) of the Internal Revenue Code), at the time Outstanding.

“Series 1989 Bonds” means the Authority’s Adjustable Demand Revenue Bonds, Series 1989 (United Lutheran Program for the Aging, Inc. Project).

“SIFMA Municipal Index” means the SIFMA Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then “SIFMA Municipal Index” shall mean such other reasonably comparable index selected by the Authority (at the direction of the Borrower).

“State” means the State of Wisconsin.

“Substitute Credit Facility” means a substitute or replacement letter of credit described in the Bond Indenture. See “THE CREDIT FACILITY – Substitute Credit Facility” in the forepart of this Official Statement. An amendment to the Existing Credit Facility which is merely an extension of the Existing Credit Facility does not constitute a Substitute Credit Facility.

“Supplemental Indenture” means any supplement to or amendment of the Bond Indenture entered into in accordance with the Bond Indenture.

“Surplus Construction Fund” means the Trust Fund by that name created by the Bond Indenture.

“Tax Exemption Agreement” means the Tax Exemption Certificate and Agreement between the Authority, the Borrower, and the Bond Trustee dated the date of issuance and delivery of the Bonds.

“Tender Date” means a Mandatory Tender Date or Optional Tender Date.

“Tendered Bonds” means Bonds tendered or deemed tendered for purchase in accordance with the Bond Indenture.

“Trust Funds” means the trust funds administered by the Bond Trustee under the Bond Indenture other than the Bond Purchase Account and the segregated trust accounts described in the Bond Indenture.

“Unassigned Rights” means the Authority’s rights (a) to receive indemnity, payments for its expenses and other payments under the Loan Agreement or any other document associated with the issuance of any Bonds specifically including but not limited to its rights to receive payments under the Loan Agreement, (b) subject to the Loan Agreement, to execute and deliver amendments to the Loan Agreement and the Bond Indenture and to receive notices and other documents and to provide its consent, acceptance or approval with respect to matters as to which that right is given in the Loan Agreement or the Bond Indenture and (c) to receive indemnification and payment of expenses under the Bond Purchase Agreement.

“Underwriter” means M&I Marshall & Ilsley Bank.

“Untendered Bonds” means Bonds which are required to be tendered for purchase in accordance with the provisions of the Bond Indenture but which in fact are not delivered to the Bond Trustee on or before the applicable Tender Date, redemption date or accelerated maturity date.

“Variable Rate” means the interest rate borne by the Bonds from time to time prior to the Conversion Date, if any, determined in accordance with the Bond Indenture.

SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE

Granting Clauses

In consideration of the acceptance by the Bond Trustee of the trusts created by the Bond Indenture, the purchase and acceptance of the Bonds by the Underwriter and other good and valuable consideration, and to secure the payment of the principal of, premium, if any, and interest on the Bonds and the performance and observance by the Authority of its obligations under the Bond Indenture and the Bonds, pursuant to the Bond Indenture the Authority pledges and assigns to the Bond Trustee and grants the Bond Trustee a security interest in, with power of sale, the following property: (1) except for the Unassigned Rights, the Authority’s entire right, title and interest in and to each of the Borrower’s Documents specifically including the Authority’s right to receive payments from the Borrower under the Note, the Loan Agreement and the other Borrower’s Documents; (2) the Authority’s entire right, title and interest in and to all Pledged Revenues and all cash, securities or other investments held by the Bond Trustee in any of the Trust Funds (which does not include the Rebate Fund or the Bond Purchase Account) or otherwise under the terms of the Bond Indenture; (3) all money and securities from time to time held by the Bond Trustee under the terms of the Bond Indenture (which does not include the Rebate Fund or the Bond Purchase Account) and all other real or personal property from time to time conveyed, pledged, assigned or transferred to the Bond Trustee as additional security under the Bond Indenture; and (4) all right, title and interest, if any, of the Authority in, to and under the Credit Facility.

Authorization and Issuance of the Bonds

The Bond Indenture authorizes the issuance of the Bonds and limits their aggregate principal amount to the amount specified on the front cover of this Official Statement.

Application of Bond Proceeds

The Authority agrees in the Bond Indenture to deposit the purchase price of the Bonds with the Bond Trustee and, upon receipt, the Bond Trustee agrees in the Bond Indenture to apply the purchase price as described in the forepart of this Official Statement under the heading “PLAN OF FINANCING.”

Nonpresentment of Bonds

In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at stated maturity or at the date fixed for redemption thereof, if cash sufficient to pay such Bond shall be held by the Bond Trustee for the benefit of the Owner thereof and available for such payment, all liability of the Authority to the Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Bond Trustee to hold such cash in a segregated trust account uninvested and without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such account for any claim of whatever nature on such person’s part under the Bond Indenture or on or with respect to said Bond. Such cash in such segregated trust account shall thereafter no longer be considered Pledged Revenues and any such Bond shall no longer be deemed Outstanding under the Bond Indenture. If any such Bond has not been presented within 60 days of the date the principal became due, the Bond Trustee shall promptly notify the person identified as the Owner of such Bond in the Bond Register (as of the date the principal of such Bond became due) by first class mail that such Bond has become due and that the amount due is being held by the Bond Trustee under the Bond Indenture.

After any such cash has been held in such segregated trust account for two years, the Bond Trustee shall certify the amount thereof and the identifying numbers of the particular Bonds whose Owners have a claim there against (which Owners shall also be identified, if known) and deliver such certificate and such cash to the Borrower. Thereafter such Owners shall have an unsecured claim against the Borrower in respect of payment of such unrepresented Bonds, and shall have no further claim whatever against the Authority, the Bond Trustee or the Credit Facility Provider in respect thereof.

Bond Purchase Account

The Bond Indenture creates a trust account to be designated with the names of the Authority and the Borrower and the label "Bond Purchase Account." There shall be deposited into the Bond Purchase Account, when and as received by the Bond Trustee (i) all funds received from the Remarketing Agent on a Tender Date for the purchase of Tendered Bonds (or Beneficial Ownership Interests therein) in accordance with the Bond Indenture, (ii) all funds received from the Credit Facility Provider pursuant to a draw made by the Bond Trustee under the Bond Indenture; and (iii) any other funds deposited therein by or on behalf of the Borrower if accompanied with a Preference Opinion acceptable to Moody's with respect thereto. No other funds shall be accepted by the Bond Trustee for deposit into the Bond Purchase Account. Funds in the Bond Purchase Account shall be held in trust for the account of the respective owners of such funds at the time of the deposit thereof into the Bond Purchase Account until such funds are applied by the Bond Trustee on the Tender Date to pay the purchase price of Tendered Bonds or Beneficial Ownership Interests. Application of such funds to pay the purchase price of Beneficial Ownership Interests shall be accomplished by the Bond Trustee through the Depository and its participants, and the Bond Trustee shall have no obligation to transmit any such funds directly to a Beneficial Owner. Such funds shall be held in the Bond Purchase Account uninvested and without liability for interest.

Funds for the payment of such purchase price shall be derived from the following sources in the following order:

First, from proceeds of the remarketing of Bonds (or Beneficial Ownership Interests) by the Remarketing Agent as described in the Bond Indenture;

Second, from proceeds of a draw on the Credit Facility; and

Third, from any other funds in the Bond Purchase Account.

Each Tendered Bond or Beneficial Ownership Interest delivered to the Bond Trustee pursuant to the Bond Indenture shall be held in trust for the account of the Owner of such Tendered Bond or the Beneficial Owner of such tendered Beneficial Ownership Interest until the purchase price shall have been paid in full to such Owner or Beneficial Owner. Upon payment in full of the purchase price of a Tendered Bond or Beneficial Ownership Interest from the Bond Purchase Account, the Tendered Bond or Beneficial Ownership Interest, as the case may be, shall (a) in the case of Bonds purchased with proceeds of the remarketing thereof, new Bond Certificates in an aggregate principal amount equal to the aggregate principal amount of the Bonds so purchased shall be executed by the Authority, authenticated, registered and delivered by the Bond Trustee as directed in writing by the Remarketing Agent, (b) in the case of Beneficial Ownership Interests purchased with the proceeds of the remarketing thereof, be recorded on the records of the Depository as directed by the Bond Trustee pursuant to written instructions from the Remarketing Agent, (c) in the case of Bonds purchased with the proceeds of a draw on the Credit Facility, a new Bond Certificate in the aggregate principal amount of the Bonds so purchased shall be executed by the Authority, authenticated by the Bond Trustee, registered in the name of the Credit Facility Provider and held by the Bond Trustee, except as otherwise directed in writing by the Credit Facility Provider, (d) in the case of Beneficial Ownership Interests purchased with the proceeds of a draw on the Credit Facility, be recorded on the records of the Depository as directed by the Bond Trustee pursuant to written instructions from the Credit Facility Provider, (e) in the case of Bonds purchased with other funds in the Bond Purchase Account, registered and delivered by the Bond Trustee as directed in writing by the Borrower and (f) in the case of Beneficial Ownership Interests purchased with other funds in the Bond Purchase Account, be recorded on the records of the Depository as directed by the Bond Trustee pursuant to written instructions of the Borrower.

Payment of Principal and Interest

The Authority covenants in the Bond Indenture that it will promptly pay from the Bond Fund the principal of, premium, if any, and interest on each Bond issued under the Bond Indenture at the place, on the dates, from the sources and in the manner provided in said Bond and the Bond Indenture. The principal of, premium, if any, and interest on the Bonds are payable solely from the Pledged Revenues, and nothing in the Bonds or the Bond Indenture shall be considered as pledging any other funds or assets of the Authority.

Rights Under Loan Agreement and Other Documents

The Authority covenants and agrees in the Bond Indenture that, except as provided in the Bond Indenture and in the Loan Agreement, it will not sell, assign, pledge, transfer, encumber or otherwise dispose of the Pledged Revenues. The Loan Agreement sets forth covenants and obligations of the Authority and Borrower, including provisions that subsequent to the issuance of the Bonds and prior to their payment in full or provision for payment thereof in accordance with the provisions of the Bond Indenture, the Loan Agreement shall not be effectively amended, changed, modified, altered or terminated (other than as provided therein) without the concurring written consent of the Bond Trustee and the Credit Facility Provider. The Authority agrees in the Bond Indenture that the Bond Trustee in its own name may enforce all rights of the Authority and all obligations of the Borrower under and pursuant to the Loan Agreement (other than the Unassigned Rights) and the Note for and on behalf of the Bondowners whether or not the Authority is in default under the Bond Indenture, but the Bond Trustee shall not thereby be deemed to have assumed the obligations of the Authority under the Loan Agreement or the Note and shall have no obligations thereunder except as expressly provided in the Bond Indenture or therein. The Authority agrees in the Bond Indenture to cooperate fully with the Bond Trustee (at the expense of the Borrower) in any proceedings or to join in or commence in its own name any proceedings necessary to enforce the rights of the Authority and all obligations of the Borrower under and pursuant to the Loan Agreement and the Note, if the Bond Trustee shall so request.

Issuing Expenses Fund

The Bond Indenture creates a Trust Fund to be designated with the names of the Authority and the Borrower and the label "Issuing Expenses Fund." Pursuant to the Bond Indenture the Bond Trustee is authorized and directed to disburse moneys from the Issuing Expenses Fund to pay (or reimburse the Borrower for) the Issuing Expenses.

If an Event of Default under the Bond Indenture shall have happened and be continuing, the Bond Trustee (without any authorization from the Borrower) shall make such disbursements from the Issuing Expenses Fund directly to the persons determined by the Bond Trustee to be entitled thereto, and after all Issuing Expenses have been paid any remaining balance in the Issuing Expenses Fund shall be applied in accordance with the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Application of Moneys."

If there shall be any balance in the Issuing Expenses Fund remaining after the earlier of (i) the first anniversary of the issuance and delivery of the Bonds, or (ii) the Bond Trustee's receipt of a certification by an Authorized Borrower Representative that all Issuing Expenses have been paid, the Bond Trustee shall transfer any moneys remaining in the Issuing Expenses Fund to the Construction Fund or, if the Construction Fund has been closed pursuant to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Closing of Construction Fund," to the Surplus Construction Fund.

Construction Fund

The Bond Indenture creates a Trust Fund to be designated with the names of the Authority and the Borrower and the label "Construction Fund". Pursuant to the Bond Indenture the Bond Trustee is authorized and directed to disburse moneys from the Construction Fund to pay (or reimburse the Borrower for) the Project Costs. Disbursements from the Construction Fund shall be subject to the requirements contained in the Credit Facility Reimbursement Agreement. In the event the Borrower, the Credit Facility Provider and the Bond Trustee shall have entered into an agreement with a title insurance company for the disbursement of the Bond proceeds, disbursements

from the Construction Fund shall be subject to such further terms and conditions as may be contained in such agreement.

If an Event of Default under the Bond Indenture shall have happened and be continuing, the Bond Trustee may, with the written consent of the Credit Facility Provider, (i) make disbursements from the Construction Fund, without the authorization of the Borrower, for the payment of any costs necessary to complete the Project, or (ii) to the extent consistent with an Opinion of Bond Counsel to the effect that such application will not result in an Event of Taxability, apply moneys in the Construction Fund in accordance with the provisions summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Application of Moneys.”

Upon the closing of the Construction Fund in accordance with the provisions summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Closing of Construction Fund,” any remaining balance in the Construction Fund shall be transferred to the Surplus Construction Fund.

Surplus Construction Fund

The Bond Indenture creates a Trust Fund to be designated with the names of the Authority and the Borrower and the label “Surplus Construction Fund”. Pursuant to the Bond Indenture the Bond Trustee is authorized and directed to use the moneys in the Surplus Construction Fund in any manner directed by the Borrower and accompanied by the written consent of the Credit Facility Provider and an Opinion of Bond Counsel to the effect that the application will not adversely affect the validity of the Bonds or cause an Event of Taxability to occur.

Until used for one or more of the foregoing purposes, any moneys in the Surplus Construction Fund shall be invested in Qualified Investments but may not be invested to provide a yield on such moneys (computed from the Completion Date and taking into account any investment of such moneys during the period from the Completion Date to the date of deposit of such moneys into the Surplus Construction Fund) greater than the yield on the Bonds from the proceeds of which such moneys were derived, all as such terms are defined and used in Section 148 of the Internal Revenue Code and any proposed, temporary or final regulations promulgated thereunder; provided that such yield restriction on the Surplus Construction Fund shall not apply if the Bond Trustee is furnished with an Opinion of Bond Counsel to the effect that the lack of a yield restriction on the Surplus Construction Fund will not result in an Event of Taxability.

Bond Fund

The Bond Indenture creates a Trust Fund to be designated with the names of the Authority and the Borrower and the label “Bond Fund”. Within the Bond Fund there are created two separate accounts to be designated the “Credit Facility Account” and the “Borrower’s Payments Account.”

All monies in the Bond Fund shall be used solely for the payment of interest on the Bonds and for the payment of principal of the Bonds when due (whether at maturity, by acceleration or call for redemption or otherwise). The Bond Trustee shall pay principal of and interest on the Bonds from the following sources and in the following priority:

First, from the Credit Facility Account (provided that no Pledged Bonds shall be paid from the Credit Facility Account);

Second, from Eligible Funds on deposit in the Borrower’s Payments Account; and

Third, from remaining monies in the Bond Fund, but only to the extent that the foregoing two sources are not likely, in the judgment of the Bond Trustee, to be available and sufficient therefor.

Redemption Fund

The Bond Indenture creates a Trust Fund to be designated with names of the Authority and the Borrower and the label “Redemption Fund.” Pursuant to the Bond Indenture the Authority authorizes and directs the Bond Trustee to (i) transfer Eligible Funds from the Redemption Fund to the Bond Fund when and as required to pay the principal of any Bonds called for redemption in accordance with the Bond Indenture; (ii) withdraw Eligible Funds

from the Redemption Fund to pay any premiums payable on Bonds called for redemption in accordance with the Bond Indenture; and (iii) transfer Eligible Funds from the Redemption Fund to the Bond Fund to pay the final payment of principal on the Bonds at the last maturity thereof. Except to the extent moneys in the Redemption Fund are needed for the purposes described in the foregoing clauses (i) and (ii), the Bond Trustee is authorized to use Eligible Funds in the Redemption Fund for the purchase of Bonds for cancellation; provided that such purchases shall be made only to the extent authorized by the Borrower in an Officer's Certificate; and provided further that the purchase price for any Bond so purchased shall not exceed the principal amount thereof plus any accrued and unpaid interest thereon. Moneys on deposit in the Redemption Fund may be used to reimburse the Credit Facility Provider for a draw on the Credit Facility when proceeds of the Credit Facility are used for the payment of the principal of Bonds called for redemption as provided in the Bond Indenture.

Permitted Investment of Trust Funds

Subject to the Tax Exemption Agreement, the Bond Trustee agrees in the Bond Indenture to invest and reinvest money on deposit in the Trust Funds and the Rebate Fund in Qualified Investments as directed in writing by the Borrower pursuant to the Loan Agreement and subject to the provisions of the Tax Exemption Agreement. The Bond Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments. The Qualified Investments acquired pursuant to the provisions summarized under this heading must be (i) securities which are traded on an established securities market and are purchased in such a market, (ii) direct obligations of the United States or (iii) other obligations purchased at their fair market value under circumstances where their fair market value may be established by published evidence. Investments made with money on deposit in the Trust Funds and the Rebate Fund may be made by the Bond Trustee through its own bond or investment department or the bond or investment department of an affiliated entity (and may charge its ordinary and customary fees for such trades, including cash sweep account fees) and (a) will have maturities as directed in writing by the Borrower or be readily marketable prior to maturity in the amounts and not later than the dates as may be necessary to provide funds for the purpose for which the money in any account is to be used, (b) will be held by or under the control of the Bond Trustee, (c) will at all times be considered a part of the account for whose benefit the investment was made, (d) will have any loss attributable to them charged to the account for whose benefit the investment was made, (e) in the case of the Redemption Fund, will have any interest or profit derived from them retained in the Fund in which the investment was made until applied as other amounts on deposit in the Fund will be applied, (f) in the case of the Issuing Expenses Fund, will have any interest or profit derived from them credited to the Issuing Expenses Fund until such time as such fund is closed pursuant to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Issuing Expenses Fund" and then to the Construction Fund until the Construction Fund has been closed in accordance with the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Closing of Construction Fund" and then to the Bond Fund to the extent necessary to make the next payments of principal of or interest on the Bonds (or reimburse the Credit Facility Provider for a draw on the Credit Facility therefor) so long as the next payments therefrom are required to be made within 13 months from the date of deposit therein, and then in the Redemption Fund, (g) in the case of the Construction Fund will have any interest or profit derived from them retained in the Construction Fund until the closing of the Construction Fund in accordance with the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Closing of Construction Fund" and then to the Bond Fund to the extent necessary to make the next payments of principal of or interest on the Bonds (or reimburse the Credit Facility Provider for a draw on the Credit Facility therefor) so long as the next payments therefrom are required to be made within 13 months from the date of deposit therein, and then in the Redemption Fund and (h) in all other cases will have any interest or profit derived from them retained in the Fund or Account from which the investment was made. Notwithstanding the foregoing or anything to the contrary in the Loan Agreement or the Bond Indenture, money on deposit in the Credit Facility Account shall not be invested.

Discharge

If the Authority shall pay or cause to be paid the principal, premium, if any, and interest due or to become due on the Bonds at the times and in the manner stipulated therein, and if the Authority shall not then be in default in any of the covenants and promises in the Bonds and in the Bond Indenture expressed as to be kept, performed and observed by it or on its part, and shall pay or cause to be paid to the Bond Trustee all sums of money due or to become due according to the provisions of the Bond Indenture, then these presents and the estate and rights granted by the Bond Indenture shall cease, terminate and be void, whereupon the Bond Trustee shall (i) return the Credit Facility to the Credit Facility Provider for cancellation and (ii) cancel and discharge the lien of the Bond Indenture

and execute and deliver to the Authority such instruments in writing as the Authority or its counsel shall determine to be requisite to cancel and discharge the lien of the Bond Indenture, and reconvey, release, assign and deliver unto the Authority any and all the estate, right, title and interest in and to any and all property conveyed, assigned or pledged to the Bond Trustee or otherwise subject to the lien of the Bond Indenture, except moneys or securities held by the Bond Trustee in separate segregated trust accounts pursuant to the provisions summarized under the headings “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Nonpresentment of Bonds” and “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Treatment of Untendered Bond Certificates” for the purchase of Untendered Bonds or the payment of the principal of, premium, if any, and interest on unrepresented Bonds.

A Bond shall be deemed to be paid within the meaning of the provisions summarized under this heading when payment of the principal of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Bond Indenture, or otherwise) either (A) shall have been made in accordance with the terms of the Bond Indenture, or (B) shall have been provided for by irrevocably depositing with the Bond Trustee, in trust and irrevocably set aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) Government Obligations not redeemable at the option of the Authority or anyone acting on its behalf maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys to make such payment, and all necessary and proper fees and expenses of the Bond Trustee pertaining to the Bond with respect to which such deposit is made; provided that if the Bond bears interest at the Variable Rate (y) moneys or Government Obligations must be deposited in an amount sufficient to cover all interest on the Bond at the maximum rate which could apply to such Bond and (z) the Bond must be called for mandatory redemption or purchase, in whole, on a date which is no later than the first possible mandatory or optional redemption or purchase date thereafter, as provided in and in accordance with the Bond Indenture. At such time as a Bond shall be deemed to be paid under the Bond Indenture as aforesaid, it shall no longer be deemed to be Outstanding under the Bond Indenture and shall no longer be secured by or entitled to the benefits of the Bond Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, no deposit under clause (B) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until:

- (a) the deposit shall have been made under the terms of an escrow trust agreement in form and substance satisfactory to the Bond Trustee consistent with the Bond Indenture, which shall identify the Bonds covered thereby;
- (b) in the case of an escrow trust deposit with respect to Bonds subject to redemption prior to maturity at the option of the Borrower, the Borrower shall have delivered an Officer’s Certificate designating when such Bonds are to be paid or redeemed under the terms of the Bond Indenture and of such escrow trust agreement;
- (c) in the case of Bonds which are subject to mandatory redemption or which are subject to mandatory or optional tender for purchase, the Bond Trustee shall have been furnished with evidence satisfactory to it that a redemption or purchase of such Bonds in accordance with their terms in advance of stated maturity will not create a deficiency in the escrow;
- (d) in case of Bonds which are to be redeemed prior to maturity from such escrow trust deposit, a redemption notice meeting the requirements of the Bond Indenture and stating that such Bonds are being redeemed from a deposit made pursuant to the provisions summarized under this heading either (i) shall have been given, or (ii) shall have been provided for by delivery to the Bond Trustee of irrevocable instructions for the giving of such notice;
- (e) the Bond Trustee shall have been furnished with an Opinion of Bond Counsel to the effect that the payment of the Bonds in accordance with said escrow trust agreement is permitted under the Bond Indenture and will not result in an Event of Taxability;
- (f) if Government Obligations have been deposited with the Bond Trustee in accordance with (B)(ii) above, if requested by the Bond Trustee, the Bond Trustee shall have been furnished with a verification report satisfactory to it concerning the sufficiency of the escrow deposit;

(g) the Bond Trustee and the Rating Agency shall have been furnished with a Preference Opinion in respect of the moneys so deposited; and

(h) the Bond Trustee shall have given notice of such deposit to the Owner of each Bond at the address shown on the Bond Register.

Notwithstanding any provision of the Bond Indenture which may be contrary to the provisions summarized under this heading, all moneys or Government Obligations set aside and held in trust pursuant to the provisions summarized under this heading for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereon, if any) with respect to which such moneys and Government Obligations have been so set aside in trust.

Anything in the Bond Indenture to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Bond Trustee pursuant to the provisions summarized under this heading for the payment of Bonds and the interest and premium, if any, thereon and such Bonds and the interest and premium, if any, thereon shall not have in fact been actually paid in full, no amendment to the provisions summarized under this heading shall be made without the consent of the Owner of each of the Bonds affected thereby.

Events of Default

Each of the following events is an “Event of Default” under the Bond Indenture:

(a) default in the due and punctual payment of the principal or purchase price of, premium, if any, or interest on any Bond whether on a Principal Payment Date, an Interest Payment Date, at the stated maturity thereof, on a Tender Date, or upon proceedings for redemption (or purchase in lieu of redemption) thereof, or upon the maturity thereof by declaration, acceleration or otherwise; or

(b) the acceleration of the maturity of the Note pursuant to the terms summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Acceleration;” or

(c) default in the performance or observance of any of the covenants, agreements or conditions on the part of the Authority in the Bond Indenture or in the Bonds contained and the continuance thereof for a period of 60 days after written notice given to the Authority by the Bond Trustee or to the Bond Trustee and the Authority by the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding; or

(d) the Credit Facility Provider admits its insolvency or becomes unable to pay its debts as they mature or a receiver is appointed for the Credit Facility Provider, or the Credit Facility Provider defaults in the payment when due of any amounts due under the Credit Facility, or the Credit Facility ceases to remain in full force and effect, and, in any such event, the Borrower fails to deliver to the Bond Trustee, within 45 days of receipt of notice of such event, a Substitute Credit Facility issued by another financial institution; or

(e) the Credit Facility Provider shall deliver a certificate to the Bond Trustee stating that an Event of Default has occurred under the Credit Facility Reimbursement Agreement and demanding an acceleration of the Bonds.

Acceleration

Upon the occurrence of an Event of Default summarized in clause (c) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,” the Bond Trustee (a) may with the written consent of the Credit Facility Provider, and (b) shall (i) upon the written request of the Credit Facility Provider or (ii) upon the written request of the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding with the written consent of the Credit Facility Provider, by notice in writing delivered to the Authority, the Credit Facility Provider and the Borrower, declare the principal of all Bonds then Outstanding and the

interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

Upon the occurrence of an Event of Default summarized in clause (b), (d) or (e) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,” or upon the continuance for two (2) Business Days of the Event of Default summarized in clause (a) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,” the Bond Trustee shall, by notice in writing delivered to the Authority, the Credit Facility Provider, the Rating Agency and the Borrower, declare the principal of all Bonds then Outstanding and the accrued interest thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

Upon the occurrence of an Event of Default summarized in clause (a) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,” and without regard to the continuance thereof, the Bond Trustee may, and upon the written request of the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding shall, by notice in writing delivered to the Authority, the Credit Facility Provider and the Borrower, declare the principal of all Bonds then outstanding and the accrued interest thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

Upon the acceleration of the maturities of the Bonds, the Bond Trustee shall forthwith demand payment from the Credit Facility Provider for the payment under the Credit Facility pursuant to the terms thereof in an amount sufficient to pay the principal of and interest on the Bonds (other than Pledged Bonds) to the expected payment date. Upon the occurrence of an Event of Default summarized in clause (e) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,” the Bond Trustee shall make such demand for payment under the Credit Facility within one (1) Business Day of its receipt of the notice from the Credit Facility Provider specified in said clause (e) in an amount sufficient to pay the principal of the Bonds plus accrued interest on the Bonds to the Business Day following receipt by the Bond Trustee of such notice from the Credit Facility Provider (which shall be the date on which interest on the Bonds shall cease to accrue).

Remedies

Upon the occurrence of an Event of Default under the Bond Indenture, the Bond Trustee, with the written consent of the Credit Facility Provider, may, in addition to acceleration as summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Acceleration,” pursue any available remedy by action at law or suit in equity to enforce the provisions of the Bond Indenture and the payment of the principal of, premium, if any, and interest on the Bonds or on the Note.

The Bond Trustee, as beneficiary of the Credit Facility, shall enforce such of its rights thereunder as it shall deem necessary or appropriate. The Bond Trustee, as an assignee of rights and interests of the Authority in and to the Loan Agreement shall, with the prior written consent of the Credit Facility Provider, enforce such of its rights and the rights of the Authority thereunder as it shall deem necessary or appropriate. In exercising such rights and the rights given the Bond Trustee under the Bond Indenture, the Bond Trustee shall take such action as, in the judgment of the Bond Trustee applying the standards described in the Bond Indenture, would best serve the interests of the Bondowners.

If an Event of Default under the Bond Indenture shall have occurred, and if requested so to do by the Owners of at least 25% in aggregate principal amount of Bonds then Outstanding and if indemnified as provided in the Bond Indenture, the Bond Trustee shall be obliged to exercise such one or more of the rights and powers conferred by the Bond Indenture as the Bond Trustee, being advised by counsel, shall deem most expedient in the interest of the Bondowners, subject to the rights of the Credit Facility Provider.

No remedy by the terms of the Bond Indenture conferred upon or reserved to the Bond Trustee (or to the Bondowners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Bond Trustee or to the Bondowners under the Bond Indenture or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Default or Event of Default under the Bond Indenture shall impair any such right or power or shall be construed to be a waiver of any such Default or Event of Default or acquiescence therein; and every such

right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Default or Event of Default under the Bond Indenture, whether by the Bond Trustee pursuant to the provisions summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Waivers of Events of Default” or by the Bondowners, shall extend to or shall affect any subsequent Default or Event of Default or shall impair any rights or remedies consequent thereon.

In the event that the Master Trustee has accelerated the Note and is pursuing its available remedies under the Master Indenture, the Bond Trustee, without waiving any Event of Default under the Bond Indenture, agrees in the Bond Indenture not to pursue its available remedies under the Bond Indenture or the Loan Agreement in a manner that would hinder or frustrate the pursuit by the Master Trustee of its remedies under the Master Indenture; provided that the Bond Trustee may take any action permitted of a noteholder under the Master Indenture.

Right of Bondowners to Direct Proceedings

Anything in the Bond Indenture to the contrary notwithstanding, the Credit Facility Provider (unless there has been an Event of Default as described in clause (d) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default” which has occurred and is continuing in which case the Owners of a majority in aggregate principal amount of Bonds then Outstanding) shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Bond Indenture, or for the appointment of a receiver or any other proceedings under the Bond Indenture; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Bond Indenture (including, where applicable, the consent of the Credit Facility Provider).

Application of Moneys

All moneys received by the Bond Trustee pursuant to any right given or action taken under the provisions of the Bond Indenture shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the outstanding fees, expenses, liabilities and advances incurred or made by the Bond Trustee (provided that no such costs or expenses may be taken or paid from Credit Facility proceeds or the proceeds of any remarketing of the Bonds), be deposited into the Bond Fund and all moneys held or deposited in the Bond Fund during the continuance of an Event of Default under the Bond Indenture shall be applied, in the order of priority summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Bond Fund,” as follows (provided that no Pledged Bonds shall be paid from Credit Facility proceeds):

(a) Unless the principal of all the Bonds has become or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest including interest (to the extent permitted by law) on overdue installments of interest at the same rate(s) per annum as borne by such Bonds on the date such interest became due, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto without any discrimination or privilege; and

Second: To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Bond Indenture), in the order of their due dates, with interest (to the extent permitted by law) on such Bonds from the respective dates upon which they became due at the same rate(s) per annum as borne by such Bonds on the date such principal became due and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal, with interest (to the extent permitted by law) on such principal from the respective dates on which such principal became due, due on such date, to the persons entitled thereto without any discrimination or privilege.

Third: To the payment to the persons entitled thereto of the unpaid premium, if any on any of the Bonds which have been called for redemption, in the order of the redemption dates, with interest (to the extent permitted by law) on such premiums from the respective dates on which such premiums became due, and, if the amount available shall not be sufficient to pay in full the premiums due on any particular redemption date, together with such interest, then to the payment ratably, according to the premium due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied first to the payment of the principal and interest then due and unpaid upon all of the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege, and secondly to the payment of the premium, if any, then due, ratably to the persons entitled thereto without any discrimination or privilege.

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

Whenever moneys are to be applied pursuant to the provisions summarized under this heading, such moneys shall be applied at such times from time to time as the Bond Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Bond Trustee shall apply such funds, it shall fix a date occurring within two (2) Business Days of any acceleration of the Bonds pursuant to the terms summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Acceleration" (which shall be a regularly scheduled Interest Payment Date unless it shall deem another date more suitable or unless the Credit Facility requires an earlier payment 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 Bond Trustee shall give such notice as it may deem appropriate of the deposit with it of such moneys and of the fixing of such date and shall not be required to make payment to the Owner of any unpaid Bond until such Bond shall be presented to the Bond Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all of the Bonds and interest thereon have been paid pursuant to the provisions summarized under this heading and all fees, charges and expenses of the Bond Trustee and any paying agents and all other amounts required to be paid under the Bond Indenture have been paid, any balance remaining in the Bond Fund shall be paid to the Credit Facility Provider to the extent, as certified in writing to the Bond Trustee, of any amounts due it pursuant to the Credit Facility Reimbursement Agreement, and thereafter to the Borrower.

Remedies Vested in Trustee

All rights of action (including the right to file proof of claims) under the Bond Indenture or under any of the Bonds may be enforced by the Bond Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Bond Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall, subject to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Application of Moneys," be for the equal and ratable benefit of the Owners of the Outstanding Bonds.

Rights and Remedies of Bondowners

No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Bond Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Bond Indenture, unless: (i) a Default has occurred of which the Bond Trustee has been notified as provided in the Bond Indenture, and or of which it is deemed to have notice, (ii) such Default shall

have become an Event of Default under the Bond Indenture and the Owners of at least 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Bond Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted in the Bond Indenture or to institute such action, suit or proceeding in its own name, (iii) such Owners shall have offered to the Bond Trustee indemnity as provided in the Bond Indenture, and (iv) the Bond Trustee shall thereafter have failed or refused to exercise the powers granted in the Bond Indenture, or to institute such action, suit or proceeding in its own name; and such notification, request and offer of indemnity are declared in every case at the option of the Bond Trustee to be conditions precedent to the execution of the powers and trust of the Bond Indenture, and to any action or cause of action for the enforcement of the Bond Indenture, or for the appointment of a receiver or for any other remedy under the Bond Indenture; it being understood and intended that no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security of the Bond Indenture by its, his, her or their action or to enforce any right under the Bond Indenture except in the manner provided in the Bond Indenture and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Bond Indenture and for the equal benefit of the Owners of all Bonds then Outstanding. Nothing in the Bond Indenture contained shall, however, affect or impair the right of any Owner of Bonds to enforce the payment of the principal of and interest on any Bond at and after the stated maturity thereof, or the obligation of the Authority to pay the principal of, premium, if any, and interest on each of the Bonds issued under the Bond Indenture to the respective Owners of the Bonds at the time and place, from the source and in the manner in the Bond Indenture and in said Bonds expressed.

Waivers of Events of Default

The Bond Trustee shall waive any Event of Default under the Bond Indenture and its consequences and rescind any declaration of maturity of principal of and interest on the Bonds upon the written request of the Owners of a majority in aggregate principal amount of all of the Bonds then Outstanding; provided, however, that the Event of Default summarized in clause (e) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default” may be waived only (a) with the written consent of the Credit Facility Provider, (b) upon the reinstatement of funds available under the Credit Facility and (c) with respect to an Event of Default summarized in clause (e)(i) under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Events of Default,” upon the written agreement of the Credit Facility Provider to waive the Event of Default under the Credit Facility Reimbursement Agreement; and provided further that there shall not be waived without the consent of the Owners of all the Bonds Outstanding (i) any Event of Default in the payment of the principal of any Outstanding Bonds at the date of maturity specified therein or at the date fixed for the redemption or mandatory purchase thereof, or (ii) any Event of Default in the payment when due of the interest on any such Bonds unless, prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) on overdue installments of interest at the same rate(s) per annum as borne by such Bonds, or all arrears of payments of principal, with interest (to the extent permitted by law) on overdue principal at the same rate(s) per annum as borne by such provided in the Bonds, as the case may be, and all expenses of the Bond Trustee in connection with such default shall have been paid or provided for; and in case of any such waiver or rescission, or in case any proceeding taken by the Bond Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the Bond Trustee and the Bondowners shall be restored to their former positions and rights under the Bond Indenture respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon. No Event of Default for which the Bond Trustee has made a draw on the Credit Facility may be waived unless there has been a reinstatement of the funds available under the Credit Facility related to such draw.

Notice to Bondowners if Default Occurs

If a default occurs of which the Bond Trustee has actual notice, or is presumed to have knowledge as provided in the Bond Indenture, then the Bond Trustee shall give written notice thereof by first-class mail to the Owners of all Bonds then Outstanding.

Removal of Bond Trustee

The Bond Trustee may be removed at any time without cause (a) at the direction of the Borrower (so long as no Default or Event of Default under the Bond Indenture or any of the Borrower’s Documents has occurred, whether or not continuing), with the written consent of the Credit Facility Provider or (b) by an instrument or

concurrent instruments in writing signed by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding and delivered to the Bond Trustee, the Rating Agency and the Authority. A removal takes effect upon the appointment of a successor (or temporary Bond Trustee as provided in the Bond Indenture) by the Owners or the Authority, the successor or temporary Bond Trustee's acceptance of its appointment and the transfer of the Credit Facility to the successor or temporary Bond Trustee.

Supplemental Indentures

Amendments and Supplements Without Bondowners' Consent. The Bond Indenture may be amended or supplemented from time to time by a Supplemental Indenture, without the consent of the Bondowners for one or more of the following purposes: (a) to add additional covenants of the Authority or to surrender any right or power conferred in the Bond Indenture upon the Authority; and (b) for any purpose not inconsistent with the terms of the Bond Indenture or to cure any ambiguity or to correct or supplement any provision contained in the Bond Indenture or in any Supplemental Indenture which may be defective or inconsistent with any other provision contained in the Bond Indenture or in any Supplemental Indenture, or to make such other provisions in regard to matters or questions arising under the Bond Indenture which shall not be inconsistent with the provisions of the Bond Indenture and which, in the judgment of the Bond Trustee, shall not materially and adversely affect the interests of the Owners of the Bonds or the Bond Trustee.

Amendments With Bondowners' Consent. The Bond Indenture may be amended from time to time by a Supplemental Indenture consented to by the Borrower and approved by the Requisite Consent of Bondowners; provided that no amendment shall be made which affects the rights of some but less than all the Outstanding Bonds without the Requisite Consent of Bondowners so affected; and provided further that unanimous written consent of the Bondowners shall be required for any amendment with respect to (i) the amount or due date of any principal, purchase price, premium or interest payment upon any Bonds, (ii) the mandatory redemption provisions of any Bonds, (iii) the provisions for optional or mandatory tender of Bonds and (iv) the provisions summarized under the headings "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Supplemental Indentures" and "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Amendment of Loan Agreement, Note and Credit Facility."

If at any time the Authority shall request the Bond Trustee to enter into any Supplemental Indenture for any of the purposes summarized under this heading, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, mail a copy of the notice by first-class mail to each Owner of the Bonds. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Bond Trustee's Principal Office for inspection by all Bondowners. If within six months following the giving of such notice, the execution of any such Supplemental Indenture shall have been consented to and approved as provided in the Bond Indenture, no Owner of any Bond shall have any right 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 Bond Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture, the Bond Indenture shall be and be deemed to be modified and amended in accordance therewith.

Amendment of Loan Agreement, Note and Credit Facility

Amendments Not Requiring Consent of Bondowners. The Authority and the Bond Trustee may without the consent of or notice to the Bondowners agree to any amendment, change or modification of the Loan Agreement, the Note or the Credit Facility in connection with any change therein for any of the following purposes: (a) to add additional covenants of the Borrower or the Credit Facility Provider, as the case may be, or to surrender any right or power therein conferred upon the Borrower or the Credit Facility Provider, as the case may be, or to add additional security for the performance of their respective obligations; (b) to extend the expiration date of the Credit Facility or increase the interest coverage of the Credit Facility; and (c) to make such other provisions in regard to matters or questions arising thereunder which shall not be inconsistent with the provisions of the Bond Indenture and which, in the judgment of the Bond Trustee, shall not materially and adversely affect the interests of the Owners of the Bonds.

Amendments Requiring Consent of Bondowners. Except for amendments, changes or modifications as summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE –

Amendment of Loan Agreement, Note and Credit Facility – Amendments Not Requiring Consent of Bondowners,” neither the Authority nor the Bond Trustee shall consent to any amendment of the Loan Agreement, the Note or the Credit Facility without the giving of notice and the Requisite Consent of Bondowners; provided, that no amendment shall be consented to which affects the rights of some but less than all the Outstanding Bonds without the Requisite Consent of Bondowners so affected; and provided further that the Bond Trustee shall not without the unanimous written consent of the Bondowners consent to any amendment which would (i) decrease the amounts payable on the Credit Facility or Note, (ii) change the date of payment of principal of or premium or interest on the Note, or (iii) change the provisions of the Loan Agreement summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Unconditional Obligation to Provide the Authority with Sufficient Revenues.”

If at any time the Bond Trustee shall be requested to consent to any such proposed amendment, change or modification, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, notify the Authority and the Borrower and cause notice of such proposed amendment, change or modification to be given in the same manner described under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Supplemental Indentures – Amendments With Bondowners’ Consent” with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Bond Trustee’s Principal Office for inspection by all Bondowners.

Supplemental Indentures and Amendments Require Consent of Credit Facility Provider

No Supplemental Indenture and no amendment, change or modification of the Loan Agreement, Note and Credit Facility shall become effective unless the Credit Facility Provider shall have consented in writing thereto.

Consent of Bondowners

Any consent, request, direction, approval, objection or other instrument required by the Bond Indenture to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent, if made in the following manner, shall be sufficient for any of the purposes of the Bond Indenture, and shall be conclusive in favor of the Bond Trustee with regard to any action taken under such request for other instrument, namely: 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 had power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him or her the execution thereof, or by an affidavit of any witness to such execution.

Consent of the Credit Facility Provider

The particular provisions of the Bond Indenture and the Loan Agreement which require notice to, or an approval, consent or direction from, the Credit Facility Provider do not apply if (a) the Credit Facility Provider is in default in any payment required to be made on the Credit Facility or (b) if there is no Credit Facility outstanding against which draws may be made to pay the principal of, or interest or redemption premium on, any Bonds or the purchase price for any Tendered Bonds. The provisions of the Bond Indenture which require notice to, or an approval, consent or direction from, the Credit Facility Provider do not apply in the case of any Credit Facility Provider whose Credit Facility is no longer outstanding.

Rights as Holder of Note

When a Credit Facility is in not effect under the provisions of the Bond Indenture and the Loan Agreement, the Bondowners delegate to the Bond Trustee the rights of the Bondowners pursuant to the Master Indenture to take any action (including the making of any demand or request, the giving of any notice, consent, or waiver or the taking of any other action) under the Master Indenture as Holders (as defined in Appendix C of this Official Statement) of the Note.

When a Credit Facility is in effect under the provisions of the Bond Indenture and the Loan Agreement and subject to the provisions summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Consent of the Credit Facility Provider,” the Bondowners delegate to the Credit Facility Provider the rights of the Bondowners pursuant to the Master Indenture to take any action (including the making of any demand or request, the giving of any notice, consent, or waiver or the taking of any other action) under the Master Indenture as Holders (as defined in Appendix C of this Official Statement) of the Note; provided, however, that the Credit Facility Provider shall not have the right to take any action under the Master Indenture as Holder of the Note (a) if the terms of the Master Indenture require action by 100% of the Holders of the Master Notes, or (b) if the action to be taken would (i) effect a change in the times, amounts or currency of payment of the principal of, premium, if any, or interest on the Note, (ii) reduce the percentage of Master Notes, the Holders of which are required to consent to any Supplemental Master Indenture pursuant to the provisions of the Master Indenture, or (iii) permit the preference or priority of any Master Note or Master Notes over any other Master Note or Master Notes.

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

Obligation of the Borrower Unconditional

The Borrower agrees in the Loan Agreement that its obligation to make the payments described in the Loan Agreement and the Note and to perform its obligations under the Loan Agreement and the Note is absolute and unconditional and is not subject to diminution by any defense (other than payment), by any right of set off, counterclaim or abatement, by the happening or non-happening of any event or for any other reason whatsoever.

Pledge of the Loan Agreement and Note

Except for Unassigned Rights, all of the Authority’s right, title and interest in the Loan Agreement and the Note (including the right to receive the payments to be made by the Borrower pursuant to the Note) have been assigned to the Bond Trustee by the Bond Indenture. The Borrower consents to that assignment and agrees in the Loan Agreement that the Bond Trustee may enforce any of the rights, privileges and remedies of the Authority under the Loan Agreement and the Note other than the Unassigned Rights.

Agreement to Complete the Project

The Borrower agrees in the Loan Agreement to complete, or cause to be completed, the construction of the Project with all reasonable dispatch in accordance with timelines set forth in the Tax Exemption Agreement. If the moneys in the Construction Fund shall be insufficient to pay the costs of completing the Project, the Borrower shall nevertheless complete the same and shall be responsible for causing the costs thereof to be paid. The Borrower shall procure any and all building permits, use and occupancy permits, and other permits, licenses and authorizations necessary for the construction, completion, occupancy and use of the Project.

Establishment of Project Completion Date

The Borrower shall evidence the completion of the Project by filing an Officer’s Certificate of the Borrower with the Authority, the Credit Facility Provider and the Bond Trustee certifying, without prejudice to any rights against third parties: (a) the date of Project completion and, if applicable, the respective dates of completion of each of the component phases of the Project; (b) that all labor, services, materials and supplies used to construct, acquire and install the Project have been paid in full, except for such portion thereof (which shall be identified in detail) which the Borrower is disputing in good faith and by appropriate proceeding; (c) that all permits necessary for the occupancy and use of the Project have been obtained and are in full force and effect; (d) if any item was added, deleted or substituted from the Project as described in the Tax Exemption Agreement, the average reasonably expected economic life of the Project recalculated provided in the Bond Indenture; and (e) no Event of Default has occurred and is continuing under the Loan Agreement or under the Bond Indenture.

Closing of Construction Fund

Upon the earlier of receipt by the Bond Trustee of the items described under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Establishment of Project Completion Date” or the third anniversary of the issuance and delivery of the Bonds, the Bond Trustee shall close the Construction Fund and transfer the remaining balance therein, if any, to the Surplus Construction Fund.

Agreements for the Use of the Project

The Borrower shall have the right to use the Project for any lawful purpose which in the opinion of Bond Counsel will not affect adversely the validity of the Bonds or cause an Event of Taxability.

Concerning Substitute Credit Facilities

The Borrower may furnish Substitute Credit Facilities (or extensions of the then Existing Credit Facility) from time to time in accordance with the Bond Indenture. The Borrower acknowledges and agrees in the Loan Agreement that the conditions for the acceptance by the Bond Trustee of such a Substitute Credit Facility or extension of the then Existing Credit Facility shall be as set forth in the Bond Indenture. If the Borrower desires such a Substitute Credit Facility or extension of the then Existing Credit Facility to be in effect, it shall be responsible for compliance with the requirements and conditions therefor set forth in the Bond Indenture.

Corporate Existence

The Borrower represents and warrants in the Loan Agreement that it has been incorporated as a nonstock nonprofit corporation and is validly existing and in good standing under the laws of the State with all requisite corporate power and authority to own, operate and lease its properties and to carry on its business as it is now being conducted and that no proceedings looking toward the Borrower’s liquidation or dissolution have been commenced or are contemplated. The Borrower represents and warrants in the Loan Agreement that it is also an organization described in Section 501(c)(3) of the Internal Revenue Code, is exempt from federal income tax under Section 501(a) of the Internal Revenue Code and is not a private foundation under Section 509(a) of the Internal Revenue Code.

Payment of Note

The Borrower agrees in the Loan Agreement to make the principal, premium, if any, and interest payments on the Note in the manner and amounts and the times and places specified therein.

Unconditional Obligation to Provide the Authority with Sufficient Revenues

The Borrower unconditionally agrees in the Loan Agreement that it shall make payments to the Bond Trustee (for the account of the Authority) in lawful money of the United States of America and in such amounts and at such times (if not sooner required under the terms of the Loan Agreement) as shall be necessary to enable the Bond Trustee to make full and prompt payment when due (whether at stated maturity, upon redemption prior to stated maturity or upon acceleration of stated maturity), of the principal and purchase price of, premium, if any, and interest on all Bonds issued under the Bond Indenture. The obligation of the Borrower to make the payments required by the provisions summarized under this heading shall be absolute and unconditional and shall not be subject to diminution by set off, counterclaim, abatement or otherwise; and until such time as the principal of, premium, if any, and interest on the Bonds shall have been paid or provided for in accordance with the Bond Indenture, the Borrower: (i) will not suspend or discontinue, or permit the suspension or discontinuance of, any payments described under this heading; (ii) will perform and observe all its other agreements contained in the Loan Agreement; and (iii) will not terminate the Loan Agreement for any cause including without limiting the generality of the foregoing, failure or any defect in title to the Bond Financed Property, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Bond Financed Property, frustration of commercial purpose, any change in the tax or other laws or administrative rulings of or administrative actions by the United States of America or the State or any political subdivision of either, or any failure of the Authority to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or in connection with the Loan Agreement.

Tax Status of Bonds

It is intended that the interest on the Bonds be excluded from gross income for federal income tax purposes pursuant to Sections 103(a) and 145 of the Internal Revenue Code. The Borrower agrees in the Loan Agreement that it will comply with the provisions of the Tax Exemption Agreement in respect to the Bonds and will take no action which would (and will omit no action the omission of which would) cause an Event of Taxability to occur. The obligations of the Borrower summarized under this heading shall survive a defeasance of the Bonds pursuant to the discharge provisions of the Bond Indenture and continue until all of the Bonds have been paid in full.

Maintenance of Tax Status

Subject to the provisions summarized under the heading “SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT – Tax Status of Bonds,” the Borrower agrees in the Loan Agreement that it will at all times maintain its existence as a nonprofit corporation and its status as an organization described in Section 501(c)(3) of the Internal Revenue Code and exempt from federal income taxation under Section 501(a) of the Internal Revenue Code. The Borrower agrees in the Loan Agreement that it will not take any action or permit any action to be taken by others which will adversely affect its agreement made in this paragraph.

Financial Information and Reports

The Borrower agrees in the Loan Agreement to (a) keep proper books of record and account in which full, true and correct entries will be made of all its business and affairs in accordance with generally accepted accounting principles consistently maintained and (b) furnish to the Financial Statement Recipients, at the same time it is provided to the Master Trustee, the materials and notices required to be delivered to the Master Trustee under the Master Indenture. The Bond Trustee shall have no duty to review or analyze such financial statements and shall hold such financial statements solely as a repository for the benefit of the Bondholders; the Bond 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.

Maintenance of Status as a Member of the Obligated Group

The Borrower agrees in the Loan Agreement that as long as any Bonds remain outstanding it will be a member of the Obligated Group.

Damage

If prior to the full payment of the Bonds (or provision for payment thereof having been made to the satisfaction of the Bond Trustee in accordance with the provisions of the Bond Indenture) the Bond Financed Property shall be damaged by fire, flood, windstorm or other casualty to such extent that the Borrower has the option of prepaying the Note pursuant to the Loan Agreement, the Borrower shall either (i) prepay the entire outstanding balance of the Note in accordance with the Loan Agreement, or (ii) repair, replace or restore the damaged property to such condition as in the judgment of the Borrower will restore the Bond Financed Property to substantially the same condition as existed immediately prior to such damage.

Events of Default

Each of the following events is an “Event of Default” under the Loan Agreement:

- (a) failure by the Borrower to pay when due the principal of, premium, if any, or interest on the Note (whether at maturity, redemption, acceleration or otherwise);
- (b) failure by the Borrower to perform or observe any other of the covenants, agreements or conditions on the part of the Borrower in the Loan Agreement, any of the other Borrower’s Documents and the continuance thereof for a period of 30 days after receipt by the Borrower of written notice (from the Authority, the Bond Trustee or the Owners of at least 10% in aggregate principal amount of the Bonds at the time Outstanding) specifying such default and requesting that it be cured; provided, however, that if the default is capable of being cured, but not so within such 30 day period, such default shall not become an

Event of Default if the Borrower institutes reasonable corrective action within such period and pursues such action diligently until such default is cured;

(c) the Borrower shall: (i) become insolvent; or (ii) be unable, or admit in writing its inability, to pay its debts as they mature; or (iii) make a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its property; or (iv) have a court order relief against it under the United States Bankruptcy Code; or (v) file a petition with respect to itself as debtor under Chapter 7 or 11 of the United States Bankruptcy Code; or (vi) have a petition under Chapter 7 or 11 of the United States Bankruptcy Code filed against it as debtor and fail to have such petition vacated or discharged within 90 days following the filing thereof; or (vii) file an answer to a creditor's petition, admitting the material allegations thereof, for liquidation, reorganization or to effect a plan or other arrangement with creditors; or (viii) apply to a court for the appointment of a receiver for any of its assets; or (ix) have a receiver appointed for any of its assets (with or without the consent of the Borrower) and such receiver shall not be discharged within 30 days after its appointment;

(d) any representation or warranty made by the Borrower in the Loan Agreement, any of the other Borrower's Documents or any financial statement, certificate or other document delivered in connection with the issuance of the Bonds proves to have been false or misleading in any material respect as of the date given or made;

(e) an Event of Default shall have occurred under the Bond Indenture; or

(f) the occurrence of an Event of Default under the Master Indenture which would permit the acceleration of any Master Note issued pursuant to the Master Indenture.

Acceleration

If an Event of Default under the Loan Agreement shall occur, the Bond Trustee, on behalf of the Authority, may with the written consent of the Credit Facility Provider (provided that the Credit Facility Provider is not in default with respect to its obligations under the Credit Facility), and shall upon the written request of the Credit Facility Provider or if the Bonds have been accelerated pursuant to the provisions summarized under the heading "SUMMARY OF CERTAIN PROVISIONS OF THE BOND INDENTURE – Acceleration," by written notice to the Master Trustee, request that the Master Trustee declare the entire outstanding principal balance of the Note together with all interest accrued thereon (to the date of such acceleration) to be immediately due and payable subject to the provisions of the Master Indenture regarding waiver of events of default, and such principal and interest shall thereupon become and be immediately due and payable, notwithstanding anything contained in the Note or in the Loan Agreement to the contrary. There may be no acceleration of the Note unless there is an acceleration of the Bonds under the Bond Indenture; and any acceleration of the Bonds under the Bond Indenture shall result in an automatic acceleration of the Note.

Remedies

If an Event of Default under the Loan Agreement shall occur, the Authority or the Bond Trustee may, with the written consent of the Credit Facility Provider (provided that the Credit Facility Provider is not in default with respect to its obligations under the Credit Facility), pursue any available remedy at law or in equity to realize the payment of the principal of, premium, if any, and interest on the Note and amounts due under the Loan Agreement and to enforce performance and observance of any obligation, agreement or covenant of the Borrower under the Loan Agreement.

Without waiving any Event of Default under the Loan Agreement, the Authority agrees in the Loan Agreement that in the event that the Master Trustee has accelerated the Note and is pursuing its available remedies under the Master Indenture, neither the Authority nor the Bond Trustee on its behalf shall pursue any available remedies under the Loan Agreement in a manner that would hinder or frustrate the pursuit by the Master Trustee of its remedies under the Master Indenture; provided that the Bond Trustee may take any action permitted it as a noteholder under the Master Indenture.

APPENDIX C

SUMMARY OF THE MASTER INDENTURE AND THE MORTGAGES

Set forth below are brief descriptions of the Master Indenture and Master Mortgages. Those descriptions do not purport to be comprehensive or definitive. All references in this Official Statement to those documents are qualified in their entirety by reference to each document, copies of which are available for review prior to the issuance and delivery of the Bonds at the offices of the Authority and thereafter at the offices of the Master Trustee.

Definition of Certain Words and Terms

The terms defined below are those used in the Official Statement and the Summary of the Master Indenture which follows:

"Accountant's Certificate" means a certificate prepared and executed by a firm of independent certified public accountants.

"Additional Indebtedness" means any Indebtedness incurred or assumed subsequent to the date of the Master Indenture.

"Authority" means the Wisconsin Health and Educational Facilities Authority.

"Balloon Indebtedness" means Indebtedness, 25% or more of the original principal amount of which matures during any consecutive twelve-month period, if such maturing principal amount is not required to be amortized below such percentage by mandatory redemption or prepayment prior to such twelve-month period. Balloon Indebtedness does not include Indebtedness which otherwise would be classified as Put Indebtedness.

"Board of Directors" means either the Board of Directors of the Corporation or any duly authorized committee of that Board (and not the Governing Body of any other Obligated Issuer).

"Book Value" when used in connection with Property of the corporation or any other Obligated Issuer, means that value of such Property, net of accumulated depreciation, and any unimproved Property or interest therein, as it is carried on the books of account of the Corporation or any other Obligated Issuer and in conformity with generally accepted accounting principles, and when used in connection with Property of the Obligated Group, means the aggregate of the values so determined with respect to Property of each member of the Obligated Group.

"Business Day" means a day on which the Master Trustee shall be scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

"Code" means the Internal Revenue Code of 1986 as amended.

"Commitment Indebtedness" means the obligation of any Person to repay amounts disbursed pursuant to a commitment from a financial institution to pay or refinance when due or tendered for purchase other Indebtedness of such Person, which other Indebtedness would be classified as Short-Term, Balloon or Put Indebtedness and was incurred in accordance with the provisions of the Master Indenture, and the obligation to pay any related fees, charges or expenses.

"Completion Indebtedness" means any Long-Term Additional Indebtedness incurred by the Corporation or any other Obligated Issuer for the purpose of financing, without changing the scope thereof, (a) the completion of facilities for which Long-Term Indebtedness, Balloon Indebtedness or Put Indebtedness has been incurred, or (b) the improvement, replacement or substitutions for, or additions to, facilities of the corporation or any other Obligated Issuer for which Long-Term Indebtedness, Balloon Indebtedness or Put Indebtedness has been incurred, necessitated by faulty design, damage to or destruction of such facilities, or required by enactment of legislation or the promulgation of any ruling affecting the operation of the Corporation or any other Obligated Issuer by a government agency.

"Completion Notes" means any Notes that constitute Completion Indebtedness.

"Construction Index" means the then current health care component of the implicit price deflator for the gross national product as most recently reported by the United States Department of Commerce or its successor agency, or, if such index is no longer published, such other index as is certified to be comparable and appropriate by the Corporation in an Officer's Certificate delivered to the Master Trustee, which other index is acceptable to the Master Trustee.

"Corporation" means United Lutheran Program for the Aging, Inc., a Wisconsin nonstock nonprofit corporation or any successor as permitted by the Master Indenture.

"Cross-Over Date" means, with respect to Cross-Over Refunding Indebtedness, the date on which the principal portion of the Cross-Over Refunded Indebtedness is paid or redeemed, or on which it is anticipated that such principal portion be paid or redeemed, from the proceeds of such Cross-Over Refunding Indebtedness.

"Cross-Over Refunded Indebtedness" means Indebtedness of a Person refunded by Cross-Over Refunding Indebtedness.

"Cross-Over Refunding Indebtedness" means Indebtedness of a Person issued for the purpose of refunding other Indebtedness of such Person if the proceeds of such Cross-Over Refunding Indebtedness are irrevocably deposited in escrow to secure the payment on the applicable Cross-Over Date of the Cross-Over Refunded Indebtedness and earnings on such escrow deposit are required to be applied to pay interest on either or both of such Cross-Over Refunding Indebtedness or such Cross-Over Refunded Indebtedness until the Cross-Over Date.

"Debt Service" means the aggregate annual principal (whether at maturity or pursuant to sinking fund redemption requirements), interest payments and other payments of the Corporation and the other Obligated Issuers on all Outstanding Long-Term Indebtedness with respect to which the term is used including Balloon Indebtedness, Commitment Indebtedness, Guaranties (other than any Guaranty by one Obligated Issuer of Indebtedness of another Obligated Issuer) and Put Indebtedness, for the period of time for which calculated; provided, however, that for purposes of calculating such amount:

(a) The amount of such payments for any future period shall be calculated in accordance with the assumptions described under the caption "Summary of the Master Indenture" -- Restrictions as to the Incurrence of Additional Indebtedness" and Summary of the Master Indenture -- Calculation of Debt Service"; and

(b) Principal and interest shall be excluded from the determination of Debt Service to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Master Trustee, a related Bond Trustee or another Person approved by the Master Trustee.

"Debt Service Coverage Ratio" means the ratio of Net Income Available for Debt Service for the period or periods in question to the Maximum Annual Debt Service on all Outstanding Long-Term Indebtedness.

"Debt Service Reserve Fund Master Note" shall mean the Series 1998B Master Note executed by the Corporation to M&I related to the provision of a letter of credit by M&I as security for the Debt Service Reserve Fund and any note issued to extend, replace, modify, refinance or substitute for it.

"Defeasance Obligations" means:

(a) Direct general obligations of, or obligations the payment of principal of and interest on which is unconditionally guaranteed by, the United States of America;

(b) Evidences of ownership of proportionate interest in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated;

(c) Evidences of indebtedness issued by any of the following: Bank for Cooperatives; Federal Home Loan Banks, Federal Home Loan Mortgage Corporation (including participation certificates); Federal Land Banks; Federal Financing Banks; or any other agency or instrumentality of the United States of America created by an act of Congress which is substantially similar to the foregoing in its legal relationship to the United States of America;

(d) Debt obligations, whether or not interest thereon is exempt from federal income taxes, which, at the time of deposit, are rated by either Moody's Investors Service "Moody's") or Standard Poor's Corporation ("S&P") in either of the two highest long-term debt rating categories of such rating agency, without regard to any refinement or gradation of such rating category by numerical modifier or otherwise; provided, that if any Note or Related Bond being provided for is then rated by Moody's or S&P, the obligations deposited must be rated by each rating agency having a rate in effect on such Notes or Related Bonds in a rating category no lower than that in effect on such Notes or Related Bonds; and

(e) Obligations described in Section 103(a) of the Code, provision for the payment of the principal of, premium, if any, and interest on which shall have been made by the irrevocable deposit with a bank or trust company acting as a trustee or escrow agent for holders of such obligations of securities described in clauses (a) or (b) the maturing principal of and interest on which, when due and payable, will provide sufficient moneys to pay when due the principal of, premium, if any, and interest on such obligations, and which securities described in clauses (a) or (b) are not available to satisfy any other claim, including any claim of the trustee or escrow agent or of any person claiming through the trustee or escrow agent or to whom the trustee or escrow agent may be obligated, including in the event of the insolvency of the trustee or escrow agent or proceedings arising out of such insolvency.

"Eighth Supplemental Indenture" means the Eighth Supplemental Master Trust Indenture between the Corporation and the Master Trustee dated as of April 1, 2009.

"Event of Default" has the meaning set forth under the caption "Summary of the Master Indenture -- Events of Default" herein.

"Excluded Property" means any Property of an Obligated Issuer which is not used or needed in any significant respects at the time of determination in connection with the operation of revenue producing facilities or activities of an Obligated Issuer.

"Existing Restrictions" means the limitations imposed upon an Obligated Issuer in the covenants of debt instruments pertaining to its Indebtedness as of the date of the Master Indenture (as listed in Annex I of the Master Indenture) or as of the date a Person becomes an Obligated Issuer which restricts such Obligated Issuer's ability to guarantee payment of Notes issued under the Master Indenture.

"Facilities" means the real and personal property owned by each Obligated Issuer and used by any such Obligated Issuer in its operations other than Excluded Property.

"Federal Bankruptcy Code" means United States Code, Title 11-Bankruptcy, as amended.

"First Supplemental Indenture" means the First Supplemental Master Trust Indenture between the Corporation and the Master Trustee dated as of February 1, 1989.

"Fiscal Year" means the period commencing on the first day of January of each year and ending on the thirty-first day of December of such year. So long as any Obligated Issuer uses and with respect to any period during which any Obligated Issuer used a fiscal year for its internal purposes which is or was different from the Fiscal Year provided for in the Master Indenture, the financial information for any Fiscal Year may include financial information from the most recently completed fiscal year of such Obligated Issuer ending on a date prior to the ending date of such Fiscal Year.

"Governing Body" means with respect to any corporation the board of trustees or directors or other analogous body established as required by the law of the state of incorporation of such corporation.

"Guaranty," when used in connection with a particular Person, means all obligations of such Person guaranteeing or in effect guaranteeing any indebtedness or other obligation of any other Person (the "primary

obligor") in any manner, whether directly or indirectly, including without limitation, obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such indebtedness or obligation or any Property or assets constituting security therefor;

(b) to advance or supply funds:

(i) for the purchase of payment of such indebtedness or obligation at any time after its original incurrence, or

(ii) to maintain working capital or other balance sheet condition;

(c) to lease Property or to purchase securities or other Property or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of the primary obligor to make payment of the indebtedness or obligation; or

(d) otherwise to assure the owner of the indebtedness or obligation of the primary obligor against loss in respect thereof;

provided, however, that notwithstanding the foregoing, none of the following shall be deemed to constitute a Guaranty: (A) the endorsement in the ordinary course of business of negotiable instruments for deposit or collection; (B) the discount or sale with recourse of any such person's notes receivable or accounts receivable (C) rentals payable in future years under operating leases, provided such leases be for an original term of 84 months or less; (D) the obligation to make payments on Notes pursuant to the provisions of the Master Indenture; and (E) any obligation of such person incurred in the ordinary course of its business guaranteeing or in effect guaranteeing any obligation (other than Indebtedness) of the primary obligor that does not constitute a sum certain).

"Indebtedness" means the Notes and all other obligations appearing as liabilities on the balance sheet for the payment of moneys incurred or assumed by the Corporation or any other Obligated Issuer, all as determined in accordance with generally accepted accounting principles consistently applied, and Guaranties, except that Indebtedness shall not include:

(a) Indebtedness of one Obligated Issuer to another Obligated Issuer;

(b) liabilities (other than for borrowed money and other than rents payable under lease agreements) incurred in the regular operations of an Obligated Issuer;

(c) rentals with respect to operating leases payable in future years, provided such leases be for an original term of 84 months or less; and

(d) any continuing obligation of any Obligated Issuer to pay principal of and interest on Indebtedness or Related Bonds which is deemed to be discharged or defeased in accordance with the terms of the instrument or instruments creating or evidencing such Indebtedness or Related Bonds, as the case may be; provided, however, that there is delivered to the Master Trustee a letter from a nationally recognized firm of independent certified public accountants verifying the adequacy of any escrow established in connection with the discharge or defeasance of such Indebtedness or Related Bonds.

For purposes of calculating Debt Service Coverage Ratio as applicable under the heading "Debt Service Coverage Ratio", the Debt Service Reserve Fund Master Note shall be considered "Indebtedness" only to the extent and in the amount that moneys have actually been lent by M&I and are outstanding under the Debt Service Reserve Fund Master Note. The annual principal and interest due with respect to any Guaranty (other than any Guaranty by any Obligated Issuer of indebtedness of any other Obligated Issuer) shall be taken into account in the manner described under the caption "Summary of the Master Indenture -- Calculation of Debt Service."

"Independent Architect" means an architect, engineer or firm of architects or engineers selected by the Corporation or any other Obligated Issuer, acceptable to the Master Trustee and licensed by, or permitted to practice in, the state where the construction involved is located, which architect, engineer or firm of architects or

engineers shall have no interest, direct or indirect, in the Corporation or any other Obligated Issuer and, in the case of an individual, shall not be a partner, member, director, officer or employee of either the Corporation or any other Obligated Issuer and, in the case of a firm, shall not have a partner, member, director, officer or employee of either the Corporation or any other Obligated Issuer; it being understood that an arm's-length contract with either the Corporation or any other Obligated Issuer for the performance of architectural or engineering services shall not in and of itself be regarded as creating an interest in or an employee relationship with such entity and that the term Independent Architect may include an architect or engineer or a firm of architects or engineers who otherwise meet the requirements of this definition and who also are under contract to construct the facility which they have designed.

"Independent Consultant" means a firm in which no employee or officer is a partner, member, director, employee or officer of the Corporation or any other Obligated Issuer or an employee or elected official of any Related Issuer, which is appointed by the Corporation or any other Obligated Issuer and satisfactory to the Master Trustee, qualified to pass upon questions relating to the financial affairs of organizations engaged in like operations to those of the Corporation and the other Obligated Issuers and having a favorable reputation for skill and experience in such financial affairs.

"Independent Insurance Consultant" means a Person who is not a partner, member, director, employee or officer of the Corporation or any other Obligated Issuer, appointed by the Corporation and satisfactory to the Master Trustee, qualified to survey risks and to recommend insurance coverage for organizations engaged in like operations to those of the Corporation and the other Obligated Issuers and having a favorable reputation for skill and experience in such surveys and such recommendations, and who may be a broker or agent with whom the Corporation or any other Obligated Issuer transacts business.

"Insurance Subsidiary" means any corporation of which the Corporation or another Obligated Issuer is the sole voting member which is in the business of providing insurance coverage to the Corporation or any other Obligated Issuer.

"Issuer" means the Corporation or another Obligated Issuer, depending on the context.

"Long-Term," when used in connection with Indebtedness, means Indebtedness having an original maturity greater than one year or renewable or extendible at the option of the Corporation or any other Obligated Issuer for a period greater than one year from the date of original issuance thereof.

"M&I" means M&I Marshall & Ilsley Bank or its successor(s) or any substitute(s) as the provider of letters of credit with respect to the Series 1994 Bonds, the Series 2000 Bonds and the Series 2009 Bonds, or as the provider of a letter of credit to secure the Debt Service Reserve Fund with respect to the Series 1998 Bonds.

"Market Value" means (i) with respect to Net Plant, Property and Equipment: (a) the aggregate fair market value of such Net Plant, Property and Equipment as reflected in the most recent written report of an appraiser acceptable to the Master Trustee and, in the case of real property, who is a member of the American Institute of Real Estate Appraisers (MAI), delivered to the Master Trustee (which report shall be dated not more than three years prior to the date as of which Market Value is to be calculated) increased or decreased by a percentage equal to the aggregate percentage increase or decrease in the Construction Index from the date of such report to the date as of which Market Value is to be calculated; plus (b) the Book Value of any Net Plant, Property and Equipment acquired since the last such report increased or decreased by a percentage equal to the aggregate percentage increase or decrease in the Construction Index from the date of such acquisition to the date as of which Market Value is to be calculated; minus (c) the greater of the Book Value or the fair market value (as reflected in such most recent appraiser's report) of any Net Plant, Property and Equipment disposed of since the last such report increased or decreased by a percentage equal to the aggregate percentage increase or decrease in the Construction Index from the date of such report to the date as of which Market Value is to be calculated; (ii) with respect to Property referred to under the heading "Ratio of Amount of Outstanding Notes to Market Value of Mortgaged Property" and for purposes of the provisions described under that heading, the aggregate fair market value of such Property as reflected in the most recent written report of an appraiser acceptable to the Master Trustee who is a member of the American Institute of Real Estate Appraisers (MAI), delivered to the Master Trustee and dated not more than one year prior to the date as of which Market Value is to be determined; and (iii) with respect to any other Property the fair market value of such Property, which fair market value shall be evidenced in a manner satisfactory to the Master Trustee.

"Master Indenture" means the Master Trust Indenture between the Corporation and the Master Trustee dated as of February 1, 1989 as supplemented and amended from time to time in accordance with the provisions thereof.

"Master Trustee" shall mean First Bank (N.A.), Milwaukee, Wisconsin, or its successor.

"Maximum Annual Debt Service" means the Debt Service on all Outstanding Long-Term Indebtedness with respect to which the term is used as computed for the then or any future Fiscal Year in which such sum shall be the greatest in any Fiscal Year.

"Member" means, with respect to any corporation organized on a not-for-profit basis under state law, a Person so designated under such corporation's Articles of Incorporation (or similar organization document) or by-laws having the power to elect or appoint, together with any other Members, the Governing Body of such corporation.

"Mequon Mortgage" means the Mortgage and Security Agreement dated as of October 1, 2000 between the Corporation and the Master Trustee, as supplemented and amended from time to time.

"Mortgage" means any mortgage of, security interest in, lien, charge or encumbrance on or pledge of Property excepting, however, any lease and leaseback or similar arrangements entered into by an Obligated Issuer with a Related Issuer to the extent required in connection with the issuance of Related Bonds.

"Mortgaged Property" means the property pledged under and subject to the lien of the Mortgages and any other property pledged and made subject to the lien of the Mortgages from time to time.

"Mortgages" when referred to under the heading "Summary of the Mortgages" means collectively the Mequon Mortgage and the Wauwatosa Mortgage.

"Net Income Available for Debt Service" means, as to any period of time, all Revenues of the Corporation and each other Obligated Issuer minus Total Expenses of the Corporation and each other Obligated Issuer other than depreciation, amortization and interest, all as determined on a pro forma consolidated or combined basis in accordance with generally accepted accounting principles or as otherwise specifically required.

"Net Plant, Property or Equipment" means, with respect to the Corporation and each other Obligated Issuer, the entire complex of tangible long-lived assets used by the Corporation and each other Obligated Issuer as shown on the balance sheet of the Corporation and each other Obligated Issuer, determined on a combined basis in accordance with generally accepted accounting principles.

"Net Proceeds," when used with respect to any insurance or condemnation award, means the gross proceeds from the insurance or condemnation award remaining after payment of all expenses (including attorneys' fees and expenses of any Related Bond Trustee or Related Issuer) incurred in the collection of such gross proceeds.

"Notes" means any Note issued, authenticated and delivered under the Master Indenture. References to Notes of a series or such series means the Notes or series issued pursuant to a single Supplemental Master Indenture.

"Noteholder" or **"Holder,"** when used with reference to any Note or Notes, means the Person in whose name the Note is registered on the Note Register.

"Note Register" means the register kept at the principal office of the Master Trustee in which, subject to such reasonable regulations as it may prescribe, the Master Trustee shall provide on behalf of the Obligated Issuers for the registration and transfer of Notes.

"Note Year" means, with respect to any series of Notes, any 12-month period specified as a Note Year pursuant to a Supplemental Master Indenture, the last day of which period shall be the anniversary date of such

Notes and any Related Bonds upon which payments of principal and interest (if any) are customarily paid and upon which final maturity occurs.

"Obligated Group" means the Corporation and each other Obligated Issuer.

"Obligated Issuer" means the Corporation, each other Person named on the signature pages of the Master Indenture which have executed the Master Indenture and any Person which shall have become an Obligated Issuer pursuant to the Master Indenture and shall not have withdrawn as such pursuant to the Master Indenture.

"Officer's Certificate" means a certificate signed by the President or any Vice President of one or more Obligated Issuers.

"Opinion of Bond Counsel" means an opinion in writing signed by legal counsel who shall be nationally recognized as expert in matters pertaining to the validity of obligations of governmental issuers (as such term is defined within the definition of the term "Related Bonds") and the exemption from federal income taxation of interest on such obligations.

"Opinion of Counsel" mean an opinion in writing signed by legal counsel who may be an employee of or counsel to the Corporation or any other Obligated Issuer and who shall be satisfactory to the Master Trustee.

"Outstanding," when used in connection with Indebtedness, means, as of any time, Indebtedness issued or incurred and not paid or for which payment has not been provided by deposit of money or securities with the Master Trustee and shall not include Notes surrendered for exchange or Notes for which replacement Notes have been issued or Notes that the Master Indenture otherwise provides shall be deemed not to be Outstanding.

"Permitted Encumbrances" means:

(a) liens arising by reason of good faith deposits with the Corporation or any other Obligated Issuer in connection with tenders, leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the Corporation or any other Obligated Issuer 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;

(b) statutory rights of the United States of America to recover against the Corporation or any other Obligated Issuer by reason of federal funds made available under 42 U.S.C. § 291 et seq. and similar rights under federal and state statutes;

(c) any lien arising by reason of deposits to enable the Corporation, any other Obligated Issuer or an Insurance Subsidiary to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with worker's compensation, unemployment insurance, old age pensions or other social security, or to share in the privileges or benefits required for companies participating in such arrangements;

(d) any judgment lien against the Corporation or any other Obligated Issuer so long as such judgment is being contested and execution thereon is stayed, and so long as such lien or contest shall not materially impair the ability of the Obligated Issuers to meet their obligations under the Master Indenture;

(e) (i) 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, to (A) terminate such right, power, franchise, grant, license or permit, provided that the exercise of such right would not materially impair the use of such Property or materially and adversely affect the value thereof, or (B) purchase, condemn, appropriate or recapture, or designate a purchaser of, such Property, provided that the exercise of such right would not materially impair the use of such Property or materially and adversely affect such Property; (ii) 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 and laborers 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 of validity of which, are being contested and execution thereon is stayed or, with respect to liens of mechanics, materialmen and laborers,

have been due for less than 31 days; (iii) easements, rights-of-way, servitudes, restrictions and other minor defects, encumbrances, and irregularities in the title of any Property which do not materially impair the use of such Property and which do not materially and adversely affect the value thereof; (iv) rights reserved to or vested in any municipality or public authority to control or regulate any Property or to use such Property in any manner, which rights do not materially impair the use of such Property or materially and adversely affect the value thereof; and (v) to the extent that it affects title to any Property, the Master Indenture;

(f) any Mortgage described in the Master Indenture which is existing on the date of the Master Indenture, provided that no Mortgage so described may be modified to apply to any Property of the Corporation or any other Obligated Issuer not subject to such Mortgage on the date of the Master Indenture, and provided further that no Additional Indebtedness may be incurred which is secured by such Mortgage;

(g) Mortgages securing an aggregate amount of Indebtedness not in excess of 30% of the Book Value or, at the option of the Corporation, the Market Value of Unencumbered Net Plant, Property and Equipment of the Corporation and the other Obligated Issuers on a combined basis;

(h) security interests in the accounts of any Obligated Issuer, as defined in Article 9 of the Wisconsin Uniform Commercial Code, securing Short-Term Indebtedness of that Obligated Issuer, provided that at the time of the creation of any such security interest the aggregate principal amount of all such Short-Term Indebtedness of Obligated Issuers so secured by security interests permitted by this clause (h) shall not exceed 25% of the Revenues of the Obligated Group for the most recent Fiscal Year for which audited financial statement are available;

(i) any Mortgage or restriction on use, expressed or implied, on Property of an Obligated Issuer received as a gift, pursuant to the terms of such gift;

(j) security interests in Indebtedness of an Obligated Issuer or Related Bonds securing Indebtedness incurred in connection with the purchase thereof by an Obligated Issuer;

(k) liens on moneys deposited by patients or others with the Corporation or any Obligated Issuer as security for or as prepayment for the cost of patient care or other services; and

(l) liens arising under law or by contract with respect to initial deposits made under resident contracts.

"Person" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated organization, or a government or any agency or political subdivision thereof.

"Pledged Revenues" means all rents, issues, income, revenues and receipts of any Obligated Issuer or the Corporation referred to in, and not excepted by, Granting Clause B of the Master Indenture.

"Projected Rate" means the projected yield at par of an obligation, as set forth in the report of an Independent Consultant (which Consultant and report, including, without limitation, the scope, form, substance and other aspects thereof, are acceptable to the Master Trustee) which report shall state that in determining the Projected Rate such Independent Consultant reviewed the yield evaluations at par of not less than five obligations selected by such Independent Consultant, the interest on which is excludible from gross income for federal income tax purposes (or, if it is not expected that it will be possible to issue such tax-exempt obligations to refinance the Indebtedness with respect to which debt service is being estimated, obligations the interest on which is subject to federal income tax) which obligations such Independent Consultant states in its opinion are reasonable comparators to be utilized in developing such Projected Rate and which obligations: (i) were outstanding on a date selected by the Independent Consultant which date so selected occurred during the 45-day period preceding the date of the calculation utilizing the Projected Rate in question, (ii) to the extent practicable, are obligations of persons engaged in operations similar to those of the Obligated Group and having a credit rating similar to that of the Obligated Group, (iii) are not entitled to the benefits of any credit enhancement including without limitation any letter of credit or insurance policy (except in a case where the Obligated Group has a commitment for comparable credit enhancement of Indebtedness that would be issued to refinance the Indebtedness with respect to which debt service is being estimated), and (iv) to the

extent Practicable, have a remaining term and amortization schedule substantially the same as the obligation with respect to which such Projected Rate is being determined.

"Property," when used in connection with a particular Person, means any and all rights, title and interests of such Person in and to any and all property (including cash) whether real or personal, tangible or intangible, and wherever situated, but not including Excluded Property.

"Put Date" means any date on which a holder of Put Indebtedness may elect to have such Put Indebtedness paid, purchased or redeemed prior to its stated maturity date.

"Put Indebtedness" means Indebtedness which is payable or required to be purchased or redeemed, upon mandatory tender or at the option of the holder thereof, prior to its stated maturity date.

"Qualified Swap Agreement" means an agreement between the Corporation or any Obligated Issuer and a Swap Provider under which the Corporation or any Obligated Issuer agrees to pay the Swap Provider for a specified period of time an amount calculated at an agreed-upon rate or index based upon a notional amount and the Swap Provider agrees to pay the Corporation or any Obligated Issuer for the same period of time an amount calculated at an agreed-upon rate or index based upon the same notional amount, where each rating agency then rating any Related Bonds or Notes has assigned to the unsecured obligations of the Swap Provider, or of the person who guarantees the obligation of the Swap Provider to make its payments to the Corporation or any Obligated Issuer, as of the date the swap agreement is entered into, a rating that is equal to or higher than the rating then assigned to the Related Bonds or Notes by such rating agency.

"Refunding Indebtedness" means any Additional Indebtedness including any Cross-Over Refunding Indebtedness issued for the purpose of refunding any Outstanding Long-Term Indebtedness, Balloon Indebtedness or Put Indebtedness and financing the funding of related reserve funds, costs of issuance and other costs related to such refunding.

"Refunding Notes" means any additional Notes that constitute Refunding Indebtedness.

"Registered Owner" means the Person or Persons in whose name or names a particular Note shall be registered on the register maintained pursuant to the Master Indenture.

"Related Bond Indenture" means any indenture or other document pursuant to which a series of Related Bonds is issued or incurred.

"Related Bond Trustee" means the trustee and its successors in the trusts created under any Related Bond Indenture.

"Related Bonds" means the bonds, participation certificates, debentures or other obligations of any Related Issuer issued or incurred pursuant to a Related Bond Indenture, the proceeds of which are loaned or otherwise made available to any Obligated Issuer in consideration of the execution, authentication and delivery of a Note or Notes to such Related Issuer.

"Related Issuer" means any state of the United States or any municipal corporation or political subdivision formed under the laws thereof or any body corporate and politic or any constituted authority or any agency or instrumentality of any of the foregoing empowered to issue or incur obligations on behalf thereof which is the issuer or obligor of any series of Related Bonds.

"Responsible Officer of the Master Trustee" means the chairman and vice-chairman of the board of directors, the president, the chairman and vice-chairman of the standing committee of the board of directors, the chairman of the trust committee, every vice president or officer senior thereto, every assistant vice president, the secretary, every assistant secretary, the treasurer, every assistant treasurer, every corporate trust officer, every assistant corporate trust officer, and every other officer and assistant officer of the Master Trustee customarily performing functions similar to those performed by the persons who at the time shall be such an officer, respectively, or to whom any corporate trust matter is referred because of his knowledge of, and familiarity with, a particular subject.

"Revenues" means for any period, (i) in the case of any Obligated Issuer providing nursing home or independent or assisted living services, the sum of (a) gross resident revenues less contractual allowances and provisions for uncollectible accounts, free care and discounted care, plus (b) all rents and income derived from any Obligated Issuer from the regular course of its operations including founders fees (net of refunds), minus amortization of founders fees, minus retained founders fees, but excluding any amounts reflecting the change in obligation to provide future services and use of facilities to current residents on the financial statements of any Obligated Issuer, plus (c) all proceeds of business interruption insurance received with respect to the period of determination, plus (d) other operating revenues including, but not limited to, investment income but excluding unrealized gains and losses; and (ii) in the case of any other Obligated Issuer, gross resident revenues less contractual allowances and provisions for uncollectible accounts, free care and discounted care; provided, however, that no determination thereof under clause (i) or clause (ii) and no determination of Total Expenses shall take into account (u) any gain or loss resulting from the early extinguishment of Indebtedness or any other extraordinary items as determined in accordance with generally accepting accounting principles, (v) the equity in the earnings or losses from investments in affiliates, (w) any gains or losses resulting from the sale, exchange or other disposition of investments not in the ordinary course of business, (x) any gains or losses resulting from the sale, exchange or other disposition of property, plant and equipment or other intangibles, (y) gifts, grants, bequests or donations restricted as to use for a purpose inconsistent with the payment of Debt Service and (z) insurance (other than business interruption) and condemnation proceeds.

"Second Supplemental Indenture" means the Second Supplemental Master Trust Indenture between the Corporation and the Master Trustee dated as of February 1, 1989.

"Secured Indebtedness" means any Indebtedness secured by a Mortgage.

"Series 1994 Bonds" means the \$4,700,000 Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 1994 (United Lutheran Program for the Aging, Inc.).

"Series 1994B Master Note" means the Promissory Note, Series 1994B from the Corporation to M&I, or registered assigns, in the original principal amount of \$4,804,301.37.

"Series 1998 Bonds" means the \$18,670,000 Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 1998 (United Lutheran Program for the Aging, Inc. Project).

"Series 1998B Master Note" means the Promissory Note, Series 1998B from the Corporation to M&I, or registered assigns, in the original principal amount of \$1,311,448.75.

"Series 2000 Bonds" means the \$1,000,000 Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2000 (United Lutheran Program for the Aging, Inc. Project).

"Series 2000 Credit Agreement" means a Credit Agreement dated October 1, 2000 between the Corporation and M&I.

"Series 2000 Master Notes" means the Promissory Note, Series 2000A and the Promissory Note, Series 2000B.

"Series 2000A Master Note" means the Promissory Note, Series 2000A from the Corporation to the Authority, or registered assigns, in the original principal amount of \$1,000,000.

"Series 2000B Master Note" means the Promissory Note, Series 2000B from the Authority to M&I, or registered assigns, in the original principal amount of \$1,009,864.

"Series 2009 Bonds" means the \$6,285,000 Wisconsin Health and Educational Facilities Authority Variable Rate Demand Revenue Bonds, Series 2009 (United Lutheran Program for the Aging, Inc.).

"Series 2009 Credit Agreement" means a Reimbursement Agreement dated April 1, 2009 between the Corporation and M&I.

"Series 2009 Master Notes" means the Promissory Note, Series 2009A and the Promissory Note, Series 2009B.

"Series 2009A Master Note" means the Promissory Note, Series 2009A from the Corporation to the Authority, or registered assigns, in the original principal amount of \$6,285,000.

"Series 2009B Master Note" means the means the Promissory Note, Series 2009B from the Corporation to M&I, or registered assigns, in the original principal amount of \$6,343,546.

"Short-Term," when used in connection with Indebtedness, means Indebtedness having an original maturity less than or equal to one year, and not renewable or extendible at the option of the obligor thereon for a term greater than one year beyond the date of original issuance, but shall not mean Balloon Indebtedness, Commitment Indebtedness or Put Indebtedness.

"Subordinated Indebtedness" means Indebtedness which, with respect to any issue thereof, is evidenced by instruments, or issued under an indenture or other document, containing provisions meeting the requirements set forth in the Master Indenture for the subordination of such Indebtedness to all payment obligations under the Master Indenture, as from time to time amended and supplemented, and the Notes.

"Supplemental Master Indenture" means an indenture supplemental to, and authorized and executed pursuant to the terms of, the Master Indenture for the purpose of creating one or more series of Notes issued under the Master Indenture or amending or supplementing the terms of the Master Indenture.

"Swap Provider" means the counterparty with whom the Corporation or any Obligated Issuer enters into a Qualified Swap Agreement.

"Tax-Exempt Organization" means a Person organized under the laws of the United States of America or any state thereof which is an organization described in Section 501(c)(3) of the Code, which is exempt from federal income taxes under Section 501(a) of the Code and which is not a "private foundation" within the meaning of Section 509(a) of the Code, or corresponding provisions of federal income tax laws from time to time in effect.

"Total Expenses" shall mean total operating and non-operating expenses of the Corporation and each other Obligated Issuer, determined on a pro forma consolidated or combined basis in accordance with generally accepted accounting principles consistently applied except as provided in the definition of "Revenues".

"Unencumbered" means not subject to a Mortgage other than a Mortgage that secures the Notes as contemplated by the provisions described under the heading "Summary of the Master Indenture -- Restrictions as to the Creation of Mortgages."

"United States Government Obligations" means direct, noncallable obligations of the United States of America and non-callable obligations the timely payment of principal of and interest on which is fully and unconditionally guaranteed by the United States of America.

"Unsecured Indebtedness" means any Indebtedness not secured by any Mortgage.

"Wauwatosa Mortgage" means the Mortgage and Security Agreement dated as of March 16, 1989 between the Corporation and the Master Trustee, as supplemented and amended from time to time.

SUMMARY OF THE MASTER INDENTURE

General

The Master Indenture authorizes Obligated Issuers to issue Notes which are full and unlimited obligations of the Obligated Issuer issuing the Notes but are not secured by a mortgage on or security interest in any assets of any of the Obligated Issuers other than Pledged Revenues. The Notes are entitled to the benefit of certain operational and financial restrictions and other contractual obligations contained in the Master Indenture. Subject to

Existing Restrictions, each Obligated Issuer has jointly and severally guaranteed any and all amounts payable under any Note issued under the Master Indenture if, for any reason, the amount due under any Note is not punctually paid by the Obligated Issuer issuing the Note. Set forth below is a summary of certain provisions of the Master Indenture primarily relating to restrictions imposed on the Obligated Group with respect to debt service coverage requirements, the incurrence of additional indebtedness and certain other matters. The summary is not comprehensive and reference is made to the Master Indenture for a complete recital of its terms.

The Obligated Group

The original member of the Obligated Group is the Corporation. The composition of the Obligated Group may change as other Persons become Obligated Issuers and Obligated Issuers withdraw from the Obligated Group. The Corporation may not withdraw from the Obligated Group so long as the Series 1994 Bonds are outstanding within the meaning of the Related Bond Indenture under which they are issued, so long as the Series 1998 Bonds are outstanding within the meaning of the Related Bond Indenture under which they are issued, so long as the Series 2000 Bonds are outstanding within the meaning of the Related Bond Indenture under which they are issued and so long as the Series 2009 Bonds are outstanding within the meaning of the Related Bond Indenture under which they are issued.

Any person may, with the consent of the Corporation, become an Obligated Issuer. Prior to becoming an Obligated Issuer, a Person shall deliver to the Master Trustee and each Related Issuer:

(a) a written instrument in the form specified in the Master Indenture pursuant to which it agrees to be bound by all the terms of the Master Indenture and to which is attached (i) an itemization of its Existing Restrictions, (ii) an Opinion of counsel addressed and reasonably satisfactory to the Master Trustee to the effect that all conditions precedent to the addition of a member to the Obligated Group, as set forth in the Master Indenture, have been satisfied and that each such Person has the corporate power and authority to execute and deliver the instrument evidencing its request to be accepted into the Obligated Group and the Supplemental Master Indenture making it a part of the Obligated Group and to perform its obligations under such instruments and that such instruments have been duly authorized, executed and delivered by such Person and constitute valid and binding obligations of each of such parties, enforceable in accordance with their terms, except as limited by bankruptcy laws, insolvency laws and other similar laws affecting creditors' rights generally;

(b) an Opinion of Bond Counsel, in form and substance satisfactory to the Master Trustee, to the effect that the consummation of such transaction would not adversely affect the consequences under the Code of the receipt of interest payable on any issue of Related Bonds then outstanding; and

(c) an Officer's Certificate of the Corporation to the effect that:

(i) giving effect to the inclusion of the proposed Obligated Issuer at the beginning of the most recently completed Fiscal Year, the Debt Service Coverage Ratio for the most recently completed Fiscal Year (A) would not have been less than 90% of the actual Debt Service Coverage Ratio for such period, and (B) would in no event have been less than 1.20; provided, however, that in the event that an Independent Consultant shall deliver a report to the Master Trustee to the effect that state or federal laws or regulations or administrative interpretations of such laws or regulations then in existence did not permit or by their application made it impracticable for the Obligated Issuers to produce the required ratio set forth above in clause (B) of 1.20, then it shall be reduced to the highest practicable ratio permitted by such laws or regulations then in effect but in no event less than 1.00; provided further, however, that if the actual Debt Service Coverage Ratio for such period calculated as if such proposed Obligated Issuer had been included as an Obligated Issuer at the beginning of such period is 1.50 or more, the 90% test in (A), above, shall not apply; and

(ii) giving effect to the inclusion of the proposed Obligated Issuer, no event of default would occur and be continuing under the Master Indenture or any Related Bond Indenture; and

(iii) the provisions described in clause (g) of the definition of Permitted Encumbrances with respect to Mortgages have been met; and

(iv) the Corporation has approved the acceptance of the proposed Obligated Issuer.

Upon becoming an Obligated Issuer, the Person shall be jointly and severally liable for the guaranty of principal of and interest on all of the Outstanding Notes and the Person shall be required to perform the various covenants applicable to Obligated Issuers contained in the Master Indenture. A Person becoming an Obligated Issuer shall remain an Obligated Issuer until such time as the Master Indenture is discharged or the person is permitted to withdraw from the Obligated Group.

An Obligated Issuer may not withdraw from the terms of the Master Indenture and the obligation of such Obligated Issuer under the Master Indenture unless, in each case, the Obligated Issuer delivers to the Master Trustee and each Related Issuer an written instrument evidencing its withdrawal. In addition, an Obligated Issuer may not withdraw unless the Corporation shall deliver to the Master Trustee an Officer's Certificate to the effect that:

(a) giving effect to the proposed withdrawal of the Obligated Issuer, as if such withdrawal had occurred at the beginning of the most recently completed Fiscal Year, the Debt Service Coverage Ratio for the most recently ended Fiscal Year (i) would not have been less than 90% of the actual Debt Service Coverage Ratio for such period, and (ii) would in no event have been less than 1.20; provided, however, that in the event that an Independent Consultant shall deliver a report to the Master Trustee to the effect that state or Federal laws or regulations or administrative interpretations of such laws or regulations then in existence did not permit or by their application made it impracticable for the Obligated Issuers to produce the required ratio set forth above in clause (ii) of 1.20, then it shall be reduce to the highest practicable ration permitted by such laws or regulations then in effect but in no event less than 1.00; provided further, however, that if the actual Debt Service Coverage Ratio for such period calculated as if such withdrawal had occurred at the beginning of such period is 1.50 or more, the 90% test in (i) above shall not apply; and

(b) giving effect to the proposing withdrawal of the Obligated Issuer, no event of default would occur and be continuing under the Master Indenture or any Related Bond Indenture; and

(c) the Obligated Issuer proposed to withdraw has no series of Notes Outstanding or any such Note has been reissued or assumed by an Obligated Issuer which is not withdrawing in accordance with the provisions of the Master Indenture as if it were new Indebtedness and all applicable provisions of law pursuant to which the Note and any other Indebtedness secured by the Note and any Related Bonds were issued or incurred.

Notes Issued Under the Master Indenture

Members of the Obligated Group may issue notes under the Master Indenture to evidence or secure Indebtedness as permitted under the Master Indenture. See "Summary of the Master Indenture -- Restrictions as to the Incurrence of Additional Indebtedness." Each series of Notes issued under the Master Indenture will be created by a separate Supplemental Master Indenture and will be designated to differentiate the Notes of such series from the Notes of any other series. All notes issued under the Master Indenture are on a parity with each other.

Payment on Notes

Each Obligated Issuer agrees that it will duly and punctually pay the principal of, the premium, if any, and the interest on each Note issued by it on the dates, at the times and at the place and in the manner provided in such Note, the Supplemental Master Indenture relating thereto and the Master Indenture when and as the same become payable, whether at maturity, upon call for redemption, by acceleration of maturity or otherwise. Subject to Existing Restrictions, each Obligated Issuer jointly and severally guarantees the payment of any and all amounts payable under any Note issued under the Master Indenture if, for any reason, said amount is not punctually paid by the applicable Obligated Issuer. These agreements on the part of each Obligated Issuer shall be continuing, irrevocable, absolute and unconditional and shall remain in full force and effect until an Obligated Issuer shall withdraw, in which event they shall terminate only with respect to the withdrawing Obligated Issuer, or until the Master Indenture has been satisfied and discharged.

Covenants as to Corporate Existence and Maintenance of Property

The Corporation and each other Obligated Issuer agrees to:

(a) subject to the provisions described under the caption "Summary of the Master Indenture -- Consolidation, Merger, Sale and Conveyance," preserve its corporate existence as a corporation and all its rights and licenses to the extent necessary or desirable in the operation of its business and affairs and be qualified to do business in each jurisdiction where its ownership of Property or the conduct of its business requires such qualification; provided, however, that nothing contained in this Section shall be construed to obligate it to retain or preserve any of its rights or licenses no longer used or, in the judgment of its Governing Body, no longer useful in the conduct of its business;

(b) at all times cause its business to be carried on and conducted in an effective manner and its Property to be maintained, preserved and kept in good repair, working order and condition and all needful and proper repairs, renewals and replacements thereof to be made; provided, however, that nothing contained in this Section shall be construed (i) to prevent it from ceasing to operate any portion of its Property, if in the judgment of its Governing Body it is advisable not to operate the same for the time being, or if it intends to sell or otherwise dispose of the same and within a reasonable time endeavors to effect such sale or other disposition, or (ii) to obligate it to retain, preserve, repair, renew or replace any Property, leases, rights, privileges or licenses no longer used or, in the judgment of its Governing Body, no longer useful in the conduct of its business;

(c) 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 of America 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 contained in this Section 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 shall be contested in good faith;

(d) promptly pay all lawful taxes, governmental charges and assessments at any time levied or assessed and due upon or against it or its Property; provided, however, that it shall have the right to contest in good faith by appropriate proceedings any such taxes, charges or assessments or the collection of any such sums and pending such contest may delay or defer payment thereof and shall have the right to pay taxes in installments; and provided further that such contest shall not materially impair the ability of the Obligated Issuers to meet their obligations under the Master Indenture;

(e) promptly pay or otherwise satisfy and discharge all of its obligations and Indebtedness (including, in addition to Indebtedness, Guaranties by any Obligated Issuer of Indebtedness of any other Obligated Issuer) (subject to Existing Restrictions) and all demands and claims against it as and when the same become due and payable, other than any thereof (exclusive of the Notes issued and Outstanding under the Master Indenture and the obligations to make payments on those Notes) whose validity, amount or collectability is being contested in good faith by appropriate proceedings, so long as such contest shall not materially impair the ability of the Obligated Issuers to meet their obligations under the Master Indenture;

(f) at all times comply with all terms, covenants and provisions contained in any Mortgages at such time existing upon its Property or any part thereof or securing any of its Indebtedness and pay or cause to be paid, or to be renewed, refunded or extended or to be taken up, by it, all of its Mortgages, as and when the same shall become due and payable; and

(g) procure and maintain all necessary licenses and permits and, if appropriate, maintain accreditation of its health care facilities and maintain, if appropriate, the status of its health care facilities as a provider of health care services eligible for reimbursement under the Medicare, Medicaid, commercial and equivalent insurance programs, including future federal programs; provided, however, that an Obligated Issuer need not comply with this provision if and to the extent that its Governing Body shall have determined in good faith, evidenced by a resolution of the Governing Body, that such compliance is no longer in the best interests of such Obligated Issuer and that lack of such compliance would not materially impair the ability of such Obligated Issuer to pay its Indebtedness, if any, when due.

Restrictions as to the Creation of Mortgages

The Corporation and each other Obligated Issuer, respectively, agrees that it will not create or suffer to be created or exist any Mortgage upon Property other than Excluded Property now owned or hereafter acquired by it (i) other than Permitted Encumbrances whenever created which may be superior to the lien of the

Master Indenture or any Mortgage securing the Notes, (ii) other than on Property conveyed in the ordinary course of business or as described in paragraphs (b) and (c) under the caption "Summary of the Master Indenture -- Sale, Lease or Other Disposition of Property," and (iii) other than on any unimproved property or interest therein, without effective provision being made, in each instance and by the instrument creating such Mortgage, whereby each series of Notes issued and Outstanding under the Master Indenture is directly secured thereby equally and ratably with the Indebtedness to be issued under and secured by such Mortgage.

Restrictions as to the Incurrence of Additional Indebtedness

The Corporation and each other Obligated Issuer, respectively, agrees that it will not incur or assume any Additional Indebtedness, other than Additional Indebtedness described under this heading; and no such Additional Indebtedness shall be incurred or assumed at a time when there exists any Event of Default of the Corporation or such Obligated Issuer under the Master Indenture or under any Related Bond Indenture (unless such Additional Indebtedness is to be incurred or assumed to cure such Event of Default):

(a) Long-Term Additional Indebtedness in the form of Notes or otherwise provided that:

(1) the Corporation shall certify in an Officer's Certificate delivered to the Master Trustee the intended uses of the proceeds of such Long-Term Indebtedness and, if such intended uses include financing of all or a portion of the cost of a project involving the acquisition, construction or installation of land, facilities, equipment or other capital improvements, the estimated total cost of the project and the anticipated sources of funds for the payment of that total cost; and

(2) the Corporation shall have delivered to the Master Trustee either:

(i) Report on Historical Coverage. A report or opinion of a nationally recognized firm of independent certified public accountants acceptable to the Master Trustee to the effect that for the average of the two most recently ended Fiscal Years for which audited financial statements are available, the Debt Service Coverage Ratio was not less than 1.10 for all Outstanding Long-Term Indebtedness (exclusive of any Outstanding Long-Term Indebtedness which is to be refunded or redeemed with proceeds of the Indebtedness proposed to be incurred) and the Long-Term Indebtedness than proposed to be incurred; or

(ii) Reports on Historical and Pro Forma Coverage. The following reports or opinions:

(x) a report or opinion of a nationally recognized firm of independent certified public accountants to the effect that for the average of the two most recently ended Fiscal Years for which audited financial statements are available the Debt Service Coverage Ratio was not less than 1.10 for all Outstanding Long-Term Indebtedness (not including the Long-Term Indebtedness then proposed to be incurred); and

(y) a report or opinion of an Independent Consultant (a "Consultant's Report") to the effect that the estimated Debt Service Coverage Ratio for each of the first two full Fiscal Years following the estimated completion of the acquisition, construction, renovation or replacement being paid for with the proceeds of such Additional Indebtedness, or following the Incurrence of Long-Term Indebtedness for other purposes, will be not less than 1.10 for all Outstanding Long-Term Indebtedness after giving effect to the Incurrence of such additional Long-Term Indebtedness and the application of the proceeds thereof;

provided, however, that in the event that an Independent Consultant shall deliver a report to the Master Trustee to the effect that state or federal laws or regulations or administrative interpretations of such laws or regulations then in existence do not permit or by their application make it impracticable for the Obligated Issuers to produce the required ratios set forth above, then such ratios shall be reduced to the highest practicable ratios then permitted by such laws or regulations but in no event less than 1.00.

(b) Completion Indebtedness if there is delivered to the Master Trustee: (i) an Officer's Certificate stating that at the time the original Long-Term Indebtedness for the facilities to be completed was incurred, the Corporation or other Obligated Issuer had reason to believe that the proceeds of such Indebtedness together with other monies then expected to be available would provide sufficient monies for the completion of such

facilities; (ii) a statement of an Independent Architect or an expert acceptable to the Master Trustee setting forth the amount estimated to be needed to complete the facilities; and (iii) an Officer's Certificate stating that the proceeds of such Completion Indebtedness to be applied to the completion of the facilities, together with other monies available therefor, will be in an amount not less than the amount set forth in the statement of an Independent Architect referred to in (ii).

(c) Refunding Indebtedness, provided that, the requirements of paragraph (a) (2) above are satisfied or the Corporation has delivered an Accountant's Certificate to the Master Trustee certifying that the Maximum Annual Debt Service on all Long-Term Indebtedness will not be increased by more than 10% by such refunding.

(d) Balloon Indebtedness without limit if:

(1) (i) there is in effect at the time such Balloon Indebtedness is incurred a binding commitment by a financial institution generally regarded as responsible, which commitment provides for repayment of amounts drawn under such commitment provides for repayment of amount drawn under such commitment over a term of at least 18 months commencing with the last day of each consecutive twelve-month period during which 25% or more of such Balloon Indebtedness matures, which commitment and institution are acceptable to the Master Trustee, to provide financing sufficient to pay such Balloon Indebtedness coming due during such twelve-month period; and (ii) the conditions set forth in paragraph (a) (2) are met when it is assumed that, with respect to the portion of such Balloon Indebtedness coming due during such twelve-month period, (A) such Balloon Indebtedness is Long-Term Indebtedness maturing over a term equal to the term of such Balloon Indebtedness plus the term provided in such commitment for the amortization of Indebtedness incurred thereunder or a term of 20 years from the date of issuance of the Balloon Indebtedness, whichever is greater, and (B) (x) such Balloon Indebtedness bears interest on the unpaid principal balance at the rate set forth in such commitment and is payable in accordance with such commitment if the term of such Balloon Indebtedness plus the term provided in such commitment for the amortization of Indebtedness incurred thereunder is greater than 20 years, or, (y) if the term of such Balloon Indebtedness plus the term provided in such commitment of the amortization of Indebtedness incurred thereunder is not greater than 20 years, such Balloon Indebtedness bears interest at the Projected Rate and is payable on a level debt service basis over a twenty-year period; or

(2) (i) such Balloon Indebtedness has a remaining term in excess of five years; (ii) the Corporation or the Obligated Issuer incurring such Balloon Indebtedness establishes in an Officer's Certificate filed with the Master Trustee, an amortization schedule for such Balloon Indebtedness, which amortization schedule shall provide for payments of principal and interest for each Fiscal Year that are not less than the amounts required to make any actual payments required to be made in such Fiscal Year by the terms of such Balloon Indebtedness; (iii) the Corporation or the Obligated Issuer incurring such Balloon Indebtedness agrees in such Officer's Certificate to cause to be deposited each Fiscal Year with a bank or trust company (pursuant to an agreement between the Corporation or an Obligated Issuer and such bank or trust company, which agreement shall be satisfactory in form and substance to the Master Trustee) the amount of principal shown on such amortization schedule net of any amount of principal actually paid on such Balloon Indebtedness during such Fiscal Year (other than from amounts on deposit with such bank or trust company) which deposit shall be made prior to any such required actual payment during such Fiscal Year if the amounts so on deposit are intended to be the source of such actual payments; and (iv) the conditions described in paragraph (a) (2) above are met with respect to such Balloon Indebtedness when it is assumed that such Balloon Indebtedness is Long-Term Indebtedness which is actually payable in accordance with such amortization schedule.

(e) Put Indebtedness if (i) when the aggregate principal amount of the Put Indebtedness to be issued, together with the outstanding principal amount of Put indebtedness already incurred, does not exceed 30% of the Revenues of the Obligated Group for the most recent Fiscal year for which combined financial statements reported upon by an independent certified public accountant are available and the conditions set forth in Section 5.5 (a) (2) above are met when it is assumed that such Put Indebtedness is Long-Term Indebtedness which bears interest at the Projected Rate and is amortized on a level debt service over a twenty-year period; or (ii) when the aggregate principal amount of the Put Indebtedness to be issued, together with the outstanding principal amount of Put Indebtedness already incurred, exceeds 30% of the Revenues of the Obligated Group for the most recent Fiscal Year for which combined financial statements reported upon by an independent certified public accountant are available, (a) there is in effect at the time such Put Indebtedness is incurred a binding commitment by a financial institution generally regarded as responsible, which commitment provides for the amortization of Indebtedness incurred under

such commitment over a term of at least 18 months commencing with the next succeeding Put Date, and which commitment and institution are acceptable to the Master Trustee, to provide financing sufficient to pay such Put Indebtedness on any Put Date occurring during the term of such commitment, and (b) the conditions set forth in paragraph (a) (2) above are met with respect to such Put Indebtedness when it is assumed that such Put Indebtedness is Long-Term Indebtedness which bears interest at the projected Rate and is payable on a level debt service basis over a twenty-year period commencing with the next succeeding Put Date.

(f) Subordinated Indebtedness without limit.

(g) Commitment Indebtedness without limit.

(h) Guaranties given by Obligated Issuers to staff physicians or other professionals with respect to the maintenance of income levels of such physicians or other professionals as considered necessary by such Obligated Issuers to secure professional services.

(i) Any other Additional Indebtedness provided that at the time of Incurrence of such Additional Indebtedness the aggregate of all such Additional Indebtedness plus Additional Indebtedness to be incurred does not exceed 20% of Revenues of the Obligated Group for the most recent Fiscal Year for which audited financial statements are available and provided further that with respect to Short-Term Indebtedness, Secured or Unsecured, no such Short-Term Indebtedness in excess of 5% of Revenues of the Obligated Group shall be Outstanding for a thirty (30) day period during each Fiscal Year except a Fiscal Year during the last 90 days of which any third party reimbursor or insurance providing in excess of 25% of the Revenues of the Obligated Group is in arrears in excess of 90 days on accounts payable to any Obligated Issuer.

For purposes of this Section, the Debt Service Reserve Fund Master Note shall be treated as outstanding in the maximum amount thereof, regardless of whether and the extent that any monies have actually been lent by M&I to the Corporation.

Calculation of Debt Service

The various calculations of the amount of Indebtedness of a Person, the amortization schedule of such Indebtedness and the Debt Service payable with respect to such Indebtedness for future periods required under certain provisions of the Master Indenture shall be made in a manner consistent with that described under the caption "Summary of the Master Indenture - Restrictions as to the Incurrence of Additional Indebtedness" above was first calculated shall continue to be utilized for the calculation of Debt Service payable with respect to such Indebtedness for future periods unless such Indebtedness is reclassified as provided in the Master Indenture.

In determining the amount of Debt Service payable on Indebtedness in the course of the various calculations required under certain provisions of the Master Indenture, except as otherwise described under the caption "Summary of the Master Indenture --Restrictions as to the Incurrence of Additional Indebtedness" above with respect to interest rate assumptions, if the terms of the Indebtedness being considered are such that interest thereon for any future period of time is expressed to be calculated at a varying rate per annum, a formula rate or a fixed rate per annum based on a varying index, then for the purpose of making such determination of Debt Service, interest on such Indebtedness for such period (the "Determination Period") shall be computed by assuming that the rate of interest applicable to the Determination Period is equal to the average annual rate of interest (calculated in the manner in which the rate of interest for the Determination Period is expressed to be calculated) that was or would have been in effect for the 12-month period immediately preceding the date on which such calculation is made; provided, however, that if such entire 12-month period but can be calculated for a shorter period, then the assumed interest rate for the Determination Period shall be the average annual rate of interest that was or would have been in effect for such shorter period; and provided further, that if such average annual rate of interest cannot be calculated for any preceding period of time, then the assumed interest rate for the Determination Period shall be the initial annual rate of interest which is actually applicable to such Indebtedness upon the incurrence thereof.

With respect to Long-Term Indebtedness arising from any Guaranty issued by any Obligated Issuer, the annual Debt Service on such Long-Term Indebtedness shall be deemed payable as follows:

(i) if at any time within the three full Fiscal Years immediately preceding the computation date, the obligee of the guaranteed indebtedness shall have demanded that the guarantor pay principal of or interest

on the guaranteed indebtedness and if within thirty (30) calendar days of the guarantor's receipt of such demand the Corporation or any Obligated Issuer shall have failed to deliver to the Master Trustee an Opinion of Counsel to the effect that the guarantor is not legally obligated to honor such demand, then 100% of the annual principal and interest payments scheduled to become due on the guaranteed indebtedness; and

(ii) if the average income available for debt service for the Person whose debt is so guaranteed (determined with respect to such Person in the same manner as Net Income Available for Debt Service) for the most recently completed fiscal year of such Person for which financial statements are available at the time of determination was at least the percentage indicated below of the maximum annual principal and interest requirements on all debt of such Person with a duration of more than twelve months (including the debt guaranteed) then the annual Debt Service on Long-Term Indebtedness arising from the Guaranty shall be deemed to be the percentage of such requirement listed opposite the respective percentages below:

<u>Percentage Coverage</u>	<u>Applicable Coverage</u>
More than 250	5%
201-250	20
151-200	25
131-150	50
115-130	75
Less than 115	100

provided, however, that if such Person has not had substantial operations during such preceding fiscal year the applicable percentage shall be 50 percent. The aggregate principal amount of Guaranties outstanding at any time as to which this subparagraph (ii) may apply shall not exceed 20% of Revenues of the Obligated Group for the most recent Fiscal Year for which audited financial statements are available.

Balloon Indebtedness described in paragraph (d) under the caption "Summary of the Master Indenture -- Restrictions on the Incurrence of Additional Indebtedness" above shall be deemed payable in accordance with the assumptions set forth in said paragraph (d).

Put Indebtedness described in paragraph (e) under the caption "Summary of the Master Indenture -- Restrictions as to the Incurrence of Additional Indebtedness" above shall be deemed payable in accordance with the assumptions set forth in said paragraph (e); provided that if the option of the holder to require that such Put Indebtedness be paid, purchased or redeemed prior to its stated maturity date has expired as of the date of calculation, such Put Indebtedness shall be deemed payable in accordance with its terms.

Notes issued to secure Indebtedness permitted to be incurred as described under the caption of "Summary of the Master Indenture -- Restrictions as to the Incurrence of Additional Indebtedness" shall not be treated as Additional Indebtedness.

No debt service shall be deemed payable with respect to Commitment Indebtedness until such time as funding occurs under the commitment which gave rise to such Commitment Indebtedness, except to the extent that the terms of such Commitment Indebtedness are to be considered in determining the amortization schedule and debt service payable with respect to the Indebtedness supported by the commitment which gave rise to such Commitment Indebtedness. From and after such funding, the amount of such debt service shall be calculated in accordance with the actual amount required to be repaid on such Commitment Indebtedness and the actual interest rate and amortization schedule applicable thereto, utilizing the various assumptions described above. No Additional Indebtedness shall be deemed to arise when any funding occurs under any such commitment or any such commitment is renewed upon terms which provide for substantially the same terms of repayment of amounts disbursed pursuant to such commitment as obtained prior to such renewal.

No Additional Indebtedness shall be deemed to arise when variable rate Indebtedness converts to fixed rate Indebtedness if such conversion is in accordance with the provisions applicable to such variable rate Indebtedness when it was initially incurred. In making any determination of or with regard to Debt Service hereunder, the Master Trustee may rely on such opinions or reports of Independent Consultants as it deems appropriate.

The Corporation or any other Obligated Issuer may elect to have Indebtedness issued pursuant to one provision of the Master Indenture classified as having been incurred under another provision of the Master Indenture by demonstrating compliance with such other provision on the assumption that such Indebtedness is being reissued on the date of delivery of the materials required to be delivered under such other provision including the certification of any applicable Projected Rate. From and after such demonstration, such Indebtedness shall be deemed to have been incurred under the provision with respect to which such compliance has been demonstrated until any subsequent reclassification of such Indebtedness.

If the Corporation or any Obligated Issuer shall enter into a Qualified Swap Agreement with a Swap Provider requiring the Corporation or any Obligated Issuer to pay a fixed interest rate on a notional amount, or requiring the Corporation or any Obligated Issuer to pay a variable interest rate on a notional amount, and the Corporation or any Obligated Issuer has made a determination that such Qualified Swap Agreement was entered into for the purpose of providing substitute interest payments (or portion thereof) for Indebtedness of a particular maturity or maturities in a principal amount equal to the notional amount of the Qualified Swap Agreement, then during the term of the Qualified Swap Agreement and so long as the Swap Provider under such Qualified Swap Agreement is not in default under such Qualified Swap Agreement, then, for purposes of any calculation of Debt Service, the interest rate (or portion thereof) on the Indebtedness of such maturity or maturities shall be determined as if such Indebtedness bore interest at the fixed interest rate or the variable interest rate, as the case may be, payable by the Corporation or any Obligated Issuer after giving effect to such Qualified Swap Agreement. Any obligations under the Qualified Swap Agreement, whether or not secured by a Note, shall not be separately included in any calculation of Debt Service payable on Indebtedness. No Additional Indebtedness shall be deemed to arise when a Qualified Swap Agreement is entered into or terminated with respect to any Indebtedness.

For purposes of calculating Debt Service for each section of the Master Indenture other than under the heading "Debt Service Coverage Ratio", the Debt Service Reserve Fund Master Note shall be treated as outstanding in the maximum principal amount thereof, regardless of whether and the amount that any moneys have actually been lent by M&I to the Corporation.

Debt Service Coverage Ratio

The Corporation and each other Obligated Issuer agrees that it will set rates and charges for its facilities such that the Debt Service Coverage Ratio, calculated at the end of each Fiscal Year, will not be less than 1.10. If the Debt Service Coverage Ratio, as calculated at the end of any Fiscal Year, is below 1.10 or if the Debt Service Coverage Ratio, as calculated at the end of each of any two consecutive Fiscal Years, is below 1.25, the Corporation covenants to retain an Independent Consultant to make recommendations to increase the Debt Service Coverage Ratio for subsequent Fiscal Years to at least 1.10, provided, however, that in the event that an Independent Consultant shall deliver a report to the Master Trustee to the effect that state or federal laws or regulations or administrative interpretations of such laws or regulations then in existence do not permit or by their application make it impracticable for the Obligated Group to produce the required Debt Service Coverage Ratio of 1.10, then it shall be reduced to the highest practicable ratio permitted by the laws or regulations then in effect. The Corporation and each other Obligated Issuer, respectively, agrees that it will, to the extent feasible, follow the recommendations of the Independent Consultant. So long as the Corporation shall retain an Independent Consultant and the Corporation and each other Obligated Issuer shall follow such Independent Consultant's recommendations to the extent feasible, this provision of the Master Indenture shall be deemed to have been complied with for such Fiscal Year even if the Debt Service Coverage Ratio is below 1.10, and such circumstances will not constitute an Event of Default.

For purposes of calculating the Debt Service Coverage Ratio as applicable in this Section, the Debt Service Reserve Fund Master Note shall be considered "Indebtedness" only to the extent and in the amount that moneys have actually been lent by M&I and are outstanding under the Debt Service Reserve Fund Master Note.

Sale, Lease or Other Disposition of Property

(a) The Corporation and each other Obligated Issuer, respectively, agrees that, except as provided under the caption "Summary of the Master Indenture -- Consolidation, Merger, Sale or Conveyance," it will not sell, lease or otherwise dispose of any of its Property other than Excluded Property except in the ordinary course of business, except to another Obligated Issuer or except as described in paragraphs (b) or (c) of this section, unless the Corporation shall certify to the Master Trustee in an Officer's Certificate that:

(i) in the judgment of the Corporation and each other Obligated Issuer which is the owner of such Property such Property has, or within the next succeeding 24 calendar months is reasonably expected to, become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, provided the sale, lease, removal or other disposition thereof will not materially impair the structural soundness, efficiency or economic value of its remaining Property; or

(ii) (A) immediately after such transaction, the condition described in paragraph (a) (2) (ii) under the caption "Summary of the Master Indenture -- Restrictions as to the Incurrence of Additional Indebtedness" would be met for the incurrence of one dollar of Long-Term Additional Indebtedness after giving effect to such transaction; and (B) that the Debt Service Coverage Ratio for the most recently ended Fiscal Year, calculated as if the sale, lease or other disposition had occurred at the beginning of the period, (1) would not have been less than 90% of the actual Debt Service Coverage Ratio for such period, and (2) would in no event have been less than 1.20 provided, however, that in the event that an Independent Consultant shall deliver a report to the Master Trustee to the effect that state or federal laws or regulations or administrative interpretations of such laws or regulations then in existence do not permit or by their application make it impracticable for the Obligated Issuers to produce the required ratio set forth above in clause (2) of 1.20, then it shall be reduced to the highest practicable ratio permitted by the laws or regulations then in effect but in no event less than 1.00; provided further, however, that if the Debt Service Coverage Ratio calculated as if the sale, lease or other disposition had occurred at the beginning of the period, is 1.50 or more, the 90% test in (B), above, shall not apply.

(b) The Corporation or any other Obligated Issuer may sell, lease or otherwise dispose of its Property in arm's-length transaction for value (other than in the ordinary course of business), without satisfying the conditions that must be certified pursuant to paragraph (a) above, if the Corporation or such other Obligated Issuer applies the gross proceeds of such sale or other disposition, less the amount of any related indebtedness being retired and all reasonable and necessary costs of sale or disposition, either (i) to the payment of Indebtedness related to the asset being sold, leased or otherwise disposed of, (ii) to the payment of principal of outstanding Indebtedness evidenced by its Notes, (iii) to the purchase of replacement assets, or (iv) to the future purchase of assets, provided that such net proceeds are restricted to the future purchase of assets.

(c) In addition, the Corporation or any other Obligated Issuer may sell, lease or otherwise dispose of its Property (other than in the ordinary course of business), without satisfying the conditions that must be certified pursuant to paragraph (a) above, if such Property is sold, leased or otherwise disposed of pursuant to this paragraph (c) and the aggregate Book Value of the Property sold, leased or otherwise disposed of as described in this paragraph (c) in the current and two prior Fiscal Years does not exceed the sum of 10% of the aggregate Book Value of Unencumbered Property of the Obligated Group as of the beginning of each of the then current and the two prior Fiscal Years.

(d) Any Property that is subject to a Mortgage in favor of the Master Trustee or the holders of the Notes may be sold, leased or otherwise disposed of pursuant to the provisions described above under this heading only if, and to the extent, permitted by that Mortgage.

Consolidation, Merger, Sale or Conveyance

(a) The Corporation and each other Obligated Issuer, respectively, covenants that it will not merge or consolidate with any other corporation not an Obligated Issuer or sell or convey all or substantially all of its assets to any Person not an Obligated Issuer unless: (i) either (A) such Obligated Issuer shall be the surviving corporation, or (B) the successor corporation (if other than such Obligated Issuer) shall be a corporation organized and existing under the laws of the United States of America or a state thereof and such corporation shall expressly assume in writing all of the obligations of such Obligated Issuer to pay principal of and interest on the Notes issued under the Master Indenture, and the due and punctual performance and observance of all of the covenants and conditions of the Master Indenture to be performed or observed by such Obligated Issuer by a Supplemental Master Indenture satisfactory to the Master Trustee, executed and delivered to the Master Trustee by such corporation; (ii) the Corporation or such other Obligated Issuer shall have furnished to the Master Trustee an Opinion of Bond Counsel that such merger, consolidation, sale or conveyance does not affect the exemption of interest on outstanding Related Bonds from taxation under Section 103(a) of the Internal Revenue Code; (iii) the total net assets of such Obligated Issuer or such successor corporation, as the case may be, will not be less than 90% of the total net assets of such Obligated Issuer prior to such merger or consolidation, or such sale or conveyance; and (iv) (A) such

Obligated Issuer or such successor corporation, as the case may be, immediately after such merger or consolidation, or such sale or conveyance, would not be in default in the performance or observance of any such covenants or conditions of the Master Indenture, (B) the conditions described in paragraph (a) (2) (ii) under the caption "Summary of the Master Indenture - Restrictions as to the Incurrence of Additional Indebtedness" would be met for the incurrence of one dollar of Long-Term Additional Indebtedness by such Obligated Issuer or successor corporation, and (C) the conditions described in paragraph (c) (i) under the caption "Summary of the Master Indenture - The Obligated Group" would be met.

(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 such Obligated Issuer, with the same effect as if it had been named in the Master Indenture as the Corporation or another Obligated Issuer, as the case may be. Such successor corporation thereupon may cause to be signed, and may issue in its own name, Notes issuable under the Master Indenture; and upon the order of such successor corporation, instead of such Obligated Issuer, and subject to all the terms, conditions and limitations in the Master Indenture prescribed, the Master Trustee shall authenticate and shall deliver Notes that such successor corporation shall have caused to be signed and delivered to the Master Trustee. All Outstanding Notes so issued by such successor corporation under the Master Indenture shall in all respects have the same legal rank and benefit under the Master Indenture as Notes theretofore or thereafter issued in accordance with the terms of the Master Indenture as though all of such Notes had been issued under the Master Indenture at the date of the execution of the Master Indenture.

(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 Notes thereafter to be issued as may be appropriate.

(d) The Master Trustee, subject to the provisions of the Master Indenture, may receive an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale or conveyance, and any such assumption, complies with the provisions described under this caption and that it is proper for the Master Trustee under the provisions of the Master Indenture to join in the execution of the Supplemental Master Indenture described under this caption.

(e) Any corporation which controls the Corporation (the "New Parent") may assume all obligations, rights and duties and succeed to all interests of the Corporation under the Master Indenture, and upon completion of such assumption will be the "Corporation" hereunder if: (i) there shall be filed with the Master Trustee (1) a resolution of the Governing Body of the New Parent agreeing to assume all obligations, rights and duties of the Corporation under the Master Indenture, approving the form or and authorizing the execution of the document mentioned in clause (2) below, (2) a document, in the form and substance satisfactory to the Master Trustee, executed by the Corporation and the New Parent evidencing such assumption, (3) an Opinion of Bond Counsel, in form and substance satisfactory to the Master Trustee to the effect that such assumption will not adversely affect the exemption from federal income taxation of interest payable on any Related Bond, and (4) an Officer's Certificate certifying compliance with the requirements of this section; and (ii) the requirements of subsections (a) through (d) of this Section shall have been met to the same extent as if the New Parent and the Corporation had merged.

Insurance

Subject to their rights to enter into a program of self insurance as described below, the Corporation and each other Obligated Issuer, respectively, agrees that it will maintain, or cause to be maintained, insurance covering such risks and in such amounts as, in its judgment, is adequate to protect it and its Properties and operations. The insurance or self insurance program required to be maintained pursuant to the Master Indenture shall be subject to the review of an Independent Insurance Consultant not less frequently than once every two years with respect to general and professional liability insurance, once every four years with respect to all other insurance and every year with respect to self-insurance and the Corporation and each other Obligated Issuer, respectively, agrees that it will follow any recommendations of the Independent Insurance Consultant to the extent feasible. In order to establish compliance with the insurance requirements contained in the Master Indenture, the Corporation and each other Obligated Issuer, respectively, agrees that it will deliver or cause to be delivered to the Master Trustee not less frequently than once every two years, on or prior to a date designated by it upon reasonable prior notice to the Master Trustee, a report of the Independent Insurance Consultant setting forth a description of the insurance maintained, or caused to be maintained, by such Obligated Issuer then in effect and stating whether, in the opinion of the Independent Insurance Consultant, such insurance and any reduction or elimination of the amount of any

insurance coverage during the elimination of the amount of any insurance coverage during the period covered by such report complies with the requirements of the Master Indenture and adequately protects such Obligated Issuer and its Properties and operations. Such report shall also set forth any recommendations of the Independent Insurance Consultant as to additional insurance, if any, reasonably required (during the period preceding the next such report) for the protection referred to in this Section in light of available insurance coverage in the health care industry (or other industry applicable to an Obligated Issuer).

If the Corporation or any other Obligated Issuer has or hereafter obtains any of the following types of insurance, whether from an Insurance Subsidiary or other insurer, it must secure the concurrence of an Independent Insurance Consultant before it may reduce or eliminate the amounts of its insurance coverage for the following types of insurance:

- (a) comprehensive general public liability insurance, including product liability, blanket contractual liability and automobile insurance including owned, nonowned and hired automobile (excluding collision and comprehensive coverage thereon),
- (b) professional liability or medical malpractice insurance,
- (c) worker's compensation insurance, and
- (d) boiler insurance.

In making its decision whether to concur in such reductions or eliminations, the Independent Insurance Consultant shall make an estimate of the added financial risk, if any, assumed by the Corporation or the Obligated Issuer, as the case may be, as a result of the lower or amended coverage; it shall consider the availability of commercial insurance, the terms upon which such insurance is available and the cost of such available insurance, and the effect of such terms and such cost upon such Obligated Issuer and charges for its services; and it shall determine whether the additional financial risk, if any, being assumed by such Obligated Issuer, is prudent in light of the savings to be realized from lowered insurance premiums or in light of the general availability of such coverage.

Before the Corporation or any other Obligated Issuer may enter into a program of self insurance against any particular risk for which it is not on the date of the Master Indenture self-insuring, it must receive a certificate from an Independent Insurance Consultant to the effect that adequate reserves for such insurance program are deposited and maintained with an independent corporate trustee if recommended by the Independent Insurance Consultant. The Corporation or any other Obligated Issuer may not enter into a program of self insurance against risks of damage to property, plant and equipment, including business interruption insurance.

Damage, Destruction and Condemnation

In the event of damage, destruction or condemnation of Property of the Obligated Issuers which results in the receipt by one or more Obligated Issuer of proceeds of insurance or condemnation awards, in any instance, in excess of 5% of the consolidated total net assets of the Obligated Issuers at the end of the most recent Fiscal Year for which financial statements are available, such proceeds shall be deposited with the Master Trustee and shall be used, at the option of the Obligated Issuers, to repair, reconstruct and restore the Property involved or to make other capital improvements to revenue producing facilities or to prepay Outstanding Notes selected by the Obligated Issuer or any combination of the two.

Ratio of Amount of Outstanding Notes to Market Value of Mortgaged Property.

Except for Notes that evidence or secure Completion Indebtedness, no Note may be issued unless the Corporation has established to the reasonable satisfaction of the Master Trustee that the Market Value of the Property that is subject to a Mortgage in favor of the Master Trustee or the holders of all Outstanding Notes is not less than 125% of the aggregate principal amount of all Notes to be Outstanding immediately after the issuance of such Note.

Events of Default

The following are Events of Default:

(a) There shall be a failure to make any payment of the principal of, the premium, if any, and interest on any Notes issued and Outstanding under the Master Indenture when and as the same shall become due and payable, whether at maturity, by acceleration or otherwise, in accordance with the terms thereof, of the Master Indenture and any Supplemental Master Indenture; or

(b) Subject to force majeure (as defined below), the Corporation or any other Obligated Issuer shall fail duly to observe or perform any covenant or agreement on its part contained in the Master Indenture or any Supplemental Master Indenture (other than a failure of the Corporation or any other Obligated Issuer to make a payment required under the Master Indenture that would result in a default described in (a) above) for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Corporation and the other Obligated Issuers by the Master Trustee, or to the Corporation, the other Obligated Issuers and the Master Trustee by the Holders of at least 25% in aggregate principal amount of Notes then Outstanding except that, if such failure can be remedied but not within such thirty (30) day period, such failure shall not become an Event of Default for so long as the Corporation and the other Obligated Issuers shall diligently proceed to remedy same in accordance with and subject to any directions or limitations of time established by the Master Trustee; or

(c) The Corporation or any other Obligated Issuer shall default in the payment of any Indebtedness for borrowed money (other than Notes issued and Outstanding under the Master Indenture), whether such Indebtedness now exists or shall hereafter be created, and any period of grace with respect thereto shall have expired, or an event of default as defined in any mortgage, indenture or instrument, under which there may be issued, or by which there may be secured or evidenced, any Indebtedness, whether such Indebtedness now exists or shall hereafter be created, shall occur, which default in payment or event of default shall result in such Indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, provided, however, that such default shall not constitute an Event of Default within the meaning of the Master Indenture if within the time allowed for service of a responsive pleading in any proceeding to enforce payment of the Indebtedness under the laws of the state having jurisdiction or other laws governing such proceeding (i) the Obligated Issuers in good faith commence proceedings to contest the existence or payment of such Indebtedness, and (ii) sufficient moneys are escrowed with a bank or trust company for the payment of such Indebtedness; or

(d) (i) Without the consent of the Corporation or any other Obligated Issuer, a decree or order by a court having jurisdiction in the premises shall have been entered adjudging the Corporation or any other Obligated Issuer a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization or arrangement of the Corporation or any other Obligated Issuer under the Federal Bankruptcy Code or any other similar applicable Federal or state law, and such decree or order shall have continued undischarged and unstayed for a period of 90 days; or, without the consent of the Corporation or any other Obligated Issuer, a decree or order of a court having jurisdiction in the premises for the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of the Corporation or any other Obligated Issuer or of its Property, or for the winding up or liquidation of its affairs, shall have been entered and such decree or order shall have remained in force undischarged and unstayed for a period of 90 days; and (ii) the Obligated Issuers (other than the one subject to such decree or order described above) shall have failed to deposit with the Master Trustee within 15 calendar days of their receipt of written notice from the Master Trustee that an event described in this paragraph (d) has occurred, either (A) an amount sufficient to pay in full all Notes of such Obligated Issuer, or (B) if acceptable to the Master Trustee in its sole discretion, and then only under such terms and conditions as the Master Trustee in its sole discretion shall prescribe, a Note or Notes executed by one or more other Obligated Issuers in substitution for the Note or Notes of such Obligated Issuer; or

(e) (i) The Corporation or any other Obligated Issuer shall institute proceedings to be adjudicated a voluntary bankrupt, or shall consent to the institution of a bankruptcy proceedings against it, or shall file a petition or answer or consent seeking reorganization or arrangement under the Federal Bankruptcy Code or any other similar applicable Federal or state law, or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or trustee or assignee in bankruptcy or insolvency of it or of its Property, or shall make assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due, or corporate action shall be taken by the Corporation or any other Obligated Issuer in furtherance of any of the

aforsaid purposes; and (ii) the Obligated Issuers (other than those subject to such proceedings described above) shall have failed to deposit with the Master Trustee within 15 calendar days of their receipt of written notice from the Master Trustee than an event described in this paragraph (e) has occurred, either (A) an amount sufficient to pay in full all Notes of such Obligated Issuer, or (B) if acceptable to the Master Trustee in its sole discretion, and then only under such terms and conditions as the Master Trustee in its sole discretion shall prescribe, a Note or Notes executed by one or more other Obligated Issuers in substitution for the Note or Notes of such Obligated Issuer.

The provisions of paragraph (b) above are subject to the following limitations: If by reason of force majeure, any Obligated Issuer is unable in whole or in part to carry out its agreements on its part contained in the Master Indenture, such Obligated Issuer shall not be deemed in default during the continuance of such disability. The term "force majeure" includes the following: acts of God; strikes; lockouts or other employee disturbances; acts of public enemies; orders of any kind of the government of the United States of America, the state or states in which such Obligated Issuer is doing business, or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; storms; floods; washouts; droughts; civil disturbances; explosions, breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or similar acts or events other than financial not within the control of the Obligated Issuer.

Remedies Upon the Occurrence of an Event of Default

Upon the occurrence of an Event of Default described in paragraph (a), (b), (c), (d) and (e) above, then and in each and every such case, unless the principal of Notes shall have already become due and payable, the Master Trustee may, and if requested by the Holders of not less than 25% in aggregate principal amount of all Notes then Outstanding, the Master Trustee shall, by notice in writing to the Obligated Issuers declare the principal of all such Notes to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the Master Indenture or in such Notes contained to the contrary notwithstanding. In such event, there shall be due and payable on the Notes an amount equal to the aggregate principal amount of all such Notes, plus all interest accrued thereon and, to the extent permitted by applicable law, interest on such principal and interest to the date of payment. This provision, however, is subject to the condition that if, at any time after the principal of all Notes shall have been so declared due and payable, and before any judgment or decree for the payment of the monies due shall have been obtained or entered as hereinafter provided, the Obligated Issuers shall pay or shall deposit with the Master Trustee a sum sufficient to pay all matured installments of interest upon all such Notes and the principal and premium, if any, of all such Notes that shall have become due otherwise than by acceleration (with interest on overdue installments of interest and on such principal and premium, if any, at the respective rates borne by such Notes to the date of such payment or deposit) and the expenses of the Master Trustee, and any and all Events of Default under the Master Indenture, other than the nonpayment of principal of and accrued interest on such Notes that shall have become due by acceleration, shall have been remedied, then and in every such case the Holders of a majority in aggregate principal amount of all Notes then Outstanding, by written notice to the Obligated Issuers and to the Master Trustee, may waive such Events of Default and rescind and annul such declaration and its consequences; but no such waiver or rescission and annulment shall extent to or affect any subsequent Event of Default, or shall impair any right consequent thereon.

The Master Trustee, in its own name and as trustee of an express trust shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of the sums so due and unpaid and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including a reasonable compensation to the Master Trustee, its agents, attorneys and counsel, and any expenses incurred by the Master Trustee other than as a result of its negligence or bad faith. The Master Trustee may prosecute any such action or proceedings to judgment of final decree, and may enforce any such judgment or final decree against the Corporation and each other Obligated Issuer, and collect in the manner provided by law out of the Property of the Corporation and each other Obligated Issuer, whether situated, the moneys adjudged or decreed to be payable. The Master Trustee, upon the bringing of any action or proceeding at law or in equity under the Master Indenture as a matter of right, without notice and without giving bond to the Corporation or any other Obligated Issuer may, to the extent permitted by law, have a receiver appointed for all of the Property of the Corporation and each other Obligated Issuer pending such action or proceeding with such powers as the court making such appointment shall confer.

Upon the occurrence and continuance of any Event of Default described in paragraphs (a) through (e) above, the Master Trustee may, and upon the written request of the Holders of not less than 25% in aggregate principal amount of the Notes then 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:

- (a) enforcement of the rights of the Holders to collect and enforce the payment of amounts due or becoming due under the Notes and the Master Indenture, including the joint and several liability of the Obligated Issuers for the guaranty of principal and interest on Outstanding Notes;
- (b) suit upon all or any part of the Notes;
- (c) 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 Notes to account as if it were the trustee of an express trust for the Noteholders;
- (d) civil action to enjoin any acts or things which may be unlawful or in violation of the rights of the Noteholders and to compel the performance of any action required under the Master Indenture;
- (e) upon bringing any such suit or other proceeding, as a matter of right and without notice or giving bond, to the extent permitted by law, have a receiver appointed of all or any part of the Property of any Obligated Issuer pending such suit or other proceeding with such powers as the court making such appointment shall confer; and
- (f) enforcement of any other rights or remedy of the Noteholders conferred by law or equity or by the Master Indenture.

Regardless of the happenings of an Event of Default, the Master Trustee may, and if requested in writing by the Holders of not less than 25% in aggregate principal amount of the Notes then Outstanding, shall, upon being indemnified to its satisfaction therefore, 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 under the Master Indenture by any acts which may be unlawful or in violation under the Master Indenture, or (ii) to preserve or protect the interest of the Noteholders, provided that such request and the caption to be taken by the Master Trustee are not in conflict with any applicable law or the provisions of the Master Indenture and, in the sole judgment of the Master Trustee, not unduly prejudicial to the interest of the Noteholders not making such request.

Application of Monies Collected

Any amounts collected by the Master Trustee during the continuance of an Event of Default shall be applied, for the equal and ratable benefit of the holders of the Notes of all series then due and payable by acceleration or otherwise in the order following, at the date or dates fixed by the Master Trustee for the distribution of such moneys, upon presentation of such Notes and stamping thereon the payment, if only partially paid, and upon surrender thereof if fully paid:

- (a) to the payment of costs and expenses of collection, and any fees, expenses and indemnification payments due to the Master Trustee;
- (b) unless the principal of all of the Notes shall have become or shall have been declared due and payable, all such moneys shall be applied in the following order:

First: to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments shall have become due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Notes; and

Second: to the payment to the persons entitled thereto of the unpaid principal of any of the Notes which shall have become due and payable (other than Notes previously called for redemption for the payment of which moneys are held pursuant to the provisions of the Master

Indenture) in the order of their due dates, and, if the amount available shall not be sufficient to pay in full principal of the Notes due and payable on any particular date, then to the payment of the principal, ratably, according to the amount of the principal due on that date, to the persons entitled thereto without any discrimination or preference; and

(c) if the principal of all Notes shall have become or shall have been declared due and payable, moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Notes, (other than for Notes previously called for redemption for the payment of which moneys are held pursuant to the provisions of the Master Indenture) 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 Note over any other Note, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any differences in the respective rates of interest specified in the Notes; and

(d) to the payment of the remainder, if any, to the Obligated Issuers, their successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Suit by Noteholders

Unless otherwise provided in the applicable Supplemental Master Indenture, no Noteholder shall have any right by virtue of any provision of the Master Indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Master Indenture or for the appointment of a receiver or trustee, or any other remedy under the Master Indenture, unless such Noteholder previously shall have given to the Master Trustee written notice of default and of the continuance thereof, as provided under the Master Indenture, and unless also the Holders of not less than 25% in aggregate principal amount of all series of Notes then Outstanding shall have made written request upon the Master Trustee to institute such action, suit or proceeding in its own name as Master Trustee under the Master Indenture and shall have offered to the Master Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Master Trustee, for 30 days after its receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding and no direction inconsistent with such written request shall have been given to the Master Trustee; it being understood and intended, and being expressly covenanted by the taker and Holder of a Note with every other taker and Holder of a Note and the Master Trustee, that no one or more Noteholders shall have any right in any manner whatever by virtue or by availing of any provision of the Master Indenture to affect, disturb or prejudice the rights of any other Noteholders or to obtain or seek to obtain priority over or preference to any other such Noteholder, or to enforce any right under the Master Indenture, except in the manner provided in the Master Indenture and for the equal, ratable and common benefit of all Noteholders.

Direction of Proceedings

The Holders of a majority in aggregate principal amount of Notes then Outstanding shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Master Trustee, or exercising any trust or power conferred on the Master Trustee; provided, however, that the Master Trustee shall have the right to decline to follow any such direction if the Master Trustee, being advised by counsel, determines that the action so directed may not lawfully be taken, or if the Master Trustee in good faith shall, by a responsible officer or officers of the Master Trustee, determine that the proceedings so directed would be illegal or involve it in personal liability, and provided further that nothing in the Master Indenture shall impair the right of the Master Trustee in its discretion to take any action deemed proper by the Master Trustee and which is not inconsistent with such direction by the Noteholders.

Waiver of Events of Default

Prior to the declaration of the maturity of Notes, the Holders of a majority in aggregate principal amount of Notes then Outstanding may on behalf of the Holders of all Notes waive any past Event of Default and its consequences, except a default in the payment of the principal of or interest on such Notes or in respect of a covenant or provision under the Master Indenture which cannot be modified or amended without the consent of all the Holders of such Notes then Outstanding. See "Summary of the Master Indenture -- Supplements and Amendments." In the case of any such waiver the Corporation, each other Obligated Issuer, the Master Trustee and

the Noteholders of all series shall be restored to their former positions and rights, respectively; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Notice of Default

The Master Trustee shall, within 10 days after the occurrence of an Event of Default, mail to all Noteholders as the names and addresses of such Noteholders appear upon the list maintained by 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 (the term "Event of Default" for the purposes of this section is defined to be the events specified in paragraphs (a), (b), (c), (d) and (e) under the caption "Summary of the Master Indenture -- Events of Default" and not including any periods of grace provided for in paragraphs (b) and (d) respectively, and irrespective of the giving of written notice specified in paragraph (b)); and provided that, except in the case of default in the payment of the principal of or premium, if any, or interest on any of the Notes and the Events of Default specified in paragraphs (d) and (e), the Master Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors or responsible officers of the Master Trustee in good faith determines that the withholding of such notice is in the interest of the Noteholders.

The Master Trustee shall also give notice of the occurrence of an Event of Default promptly to the holders of the Series 1994 Bonds, the Series 1998 Bonds, the Series 2000 Bonds and the Series 2009 Bonds.

Supplements and Amendments

(a) The Corporation, when authorized by its Board of Directors, and each other Obligated Issuer, and the Master Trustee may from time to time and at any time enter into one or more Supplemental Master Indentures for one or more of the following purposes:

(i) to evidence the succession of another corporation to the Corporation or any other Obligated Issuer, or successive successions, and the assumption by the successor corporation of the covenants, agreements and obligations of the Corporation or any other Obligated Issuer pursuant to the Master Indenture;

(ii) to add to the covenants of the Corporation or any other Obligated Issuer such further covenants, restrictions or conditions as its Governing Body and the Master Trustee shall consider to be for the protection of the holders of Notes issued under the Master Indenture, and to make the occurrence, or the occurrence and continuance, of a default in any of such additional covenants, restrictions or conditions an Event of Default permitting the enforcement of all or any of the several remedies provided in the Master Indenture; provided, however, that in respect of any such additional covenant, restriction or condition such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Master Trustee upon such default;

(iii) to cure any ambiguity or to correct or supplement any provision contained in the Master Indenture or in any Supplemental Master Indenture which may be defective or inconsistent with any other provision contained in the Master Indenture or in any Supplemental Master Indenture, or to make any other changes that, in the Master Trustee's judgment, shall not impair the security of the Master Indenture or adversely affect the interest of the Noteholders;

(iv) to modify or supplement the Master Indenture in such manner as may be necessary or appropriate to qualify the Master Indenture under the Trust Indenture Act of 1939 as then amended (the "1939 Act"), or under any similar federal statute hereafter enacted, or as may be necessary to comply with any applicable state securities laws which require the Master Indenture to comport with any requirements of the 1939 Act regardless of the applicability of the 1939 Act to the Master Indenture, including provisions whereby the Master Trustee accepts such powers, duties, conditions and restrictions under the Master Indenture and the Corporation and each other Obligated Issuer, undertakes such covenants, conditions or restrictions additional to those contained in the Master Indenture as would be necessary or appropriate so to qualify the Master Indenture or so to comply with such state securities laws; and

(v) to provide for the issuance of additional Notes;

(vi) to add new Obligated Issuers and, if applicable, to add details with respect to existing Mortgages applicable to the new Obligated Issuers; and

(vii) to reflect the granting of a Mortgage securing less than all Outstanding Notes to the extent permitted by the Master Indenture.

(b) The Master Trustee is authorized to join with the Corporation and each other Obligated Issuer in the execution of any Supplemental Master Indenture, to make any further appropriate agreements and stipulations which may be therein contained and to accept the conveyance, transfer, mortgage, pledge or assignment of any Property thereunder, but the Master Trustee shall not be obligated to enter into any such Supplemental Master Indenture that affects the Master Trustee's own rights, duties or immunities under the Master Indenture or otherwise.

(c) Any Supplemental Master Indenture authorized by the provisions of the Master Indenture may be executed by the Corporation, by each other Obligated Issuer without adoption of resolutions by the Governing Body of such Obligated Issuers, and by the Master Trustee without the consent of the Noteholders.

With the consent of the Holders of not less than 60% in aggregate principal amount of Notes then Outstanding, the Corporation and each other Obligated Issuer, when authorized by resolution of the Board of Directors and the Governing Bodies, respectively, and the Master Trustee may from time to time and at any time enter into a Supplemental Master Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Master Indenture or of any Supplemental Master Indenture or of modifying in any manner the rights of the Noteholders; provided, however, that no such Supplemental Master Indenture shall, without the consent of the Holders of all Notes then Outstanding, which are affected thereby, (i) effect a change in the times, amounts or currency of payment of the principal of, premium, if any, or interest on any Note or a reduction in the principal amount or redemption price of any Note or the rate of interest thereon, (ii) reduce the aforesaid percentage of Notes, the Holders of which are required to consent to any such Supplemental Master Indenture, or (iii) permit the preference or priority of any Note or Notes over any other Note or Notes.

(d) Upon the request of the Corporation and each other Obligated Issuer, accompanied by a copy of a resolution of each Governing Body certified by the Secretary or an Assistant Secretary of each Obligated Issuer authorizing the execution of any such Supplemental Master Indenture, and upon the filing with the Master Trustee of evidence of the consent of the Noteholders as aforesaid, the Master Trustee shall join with the Corporation and each other Obligated Issuer in the execution of such Supplemental Master Indenture unless such Supplemental Master Indenture affects the Master Trustee's own rights, duties or immunities under the Master Indenture or otherwise, in which case the Master Trustee may in its discretion, but shall not be obligated to, enter into such Supplemental Master Indenture.

(e) It shall not be necessary for the consent of the Noteholders to approve the particular form of any proposed Supplemental Master Indenture, but it shall be sufficient if such consent shall approve the substance thereof.

(f) Promptly after the execution by the Corporation, each other Obligated Issuer and the Master Trustee of any Supplemental Master Indenture, the Corporation shall mail to each Noteholder a letter setting forth in general terms the substance of each Supplemental Master Indenture. Any failure of the Corporation to publish such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Master Indenture.

The Corporation or any other Obligated Issuer, when authorized by a resolution of the Governing Body of the entity planning to create a series of Notes, and the Master Trustee may from time to time enter into a Supplemental Master Indenture in order to create a series of Notes. Such Supplemental Master Indenture shall, with respect to the series of Notes created thereby, set forth the date thereof, and the date or dates upon which principal of and premium, if any, and interest on such Notes shall be payable, and shall contain such other terms and provisions as shall be established in the Supplemental Master Indenture. Any Supplemental Master Indenture authorized by the provisions described in this paragraph may be executed without the consent of the Noteholders.

Satisfaction and Discharge

If (i) all Notes authenticated and not canceled are delivered to the Master Trustee for cancellation, or (ii) all Notes not canceled or delivered to the Master Trustee for cancellation shall have become due and payable, or (iii) the Corporation or any Obligated Issuer shall deposit with the Master Trustee (or with a bank or trust company acceptable to the Master Trustee pursuant to an agreement between the Corporation or any Obligated Issuer and such bank or trust company in form acceptable to the Master Trustee) as trust funds the entire amount of moneys or Defeasance Obligations or both which, together with investment income or increment to accrue thereon, will be sufficient to pay at maturity or upon redemption or combination of payment and redemption all Notes not theretofore canceled or delivered to the Master Trustee for cancellation, including principal and interest due or to become due to such date of maturity or redemption date or combination thereof, as the case may be and if in any such case the Corporation or any Obligated Issuer shall also pay or cause to be paid all other sums payable under the Master Indenture by the Corporation or any Obligated Issuer, then the Master Indenture shall cease to be of further effect, and the Master Trustee, on demand of the Corporation or any Obligated Issuer, and at the cost and expense of the Corporation and the Obligated Issuers, shall execute proper instruments acknowledging satisfaction of and discharging the Master Indenture.

Voting Rights of M&I

Whenever Noteholders are permitted or required under the Master Indenture to vote on or consent to any matter, the outstanding principal amount of the Debt Service Reserve Fund Master Note shall be deemed to be the maximum amount which could ever be outstanding thereunder, regardless of whether and the amount that any moneys represented by such Debt Service Reserve Fund Master Note have actually been lent by M&I to the Corporation.

Holder of Series 2000 Master Notes and Series 2009 Master Notes

So long as the Letter of Credit (as defined in the Series 2000 Credit Agreement) is outstanding, M&I shall be deemed to be the holder of the Series 2000 Master Notes for all purposes under the Master Indenture.

So long as the Letter of Credit (as defined in the Series 2009 Credit Agreement) is outstanding, M&I shall be deemed to be the holder of the Series 2009 Master Notes for all purposes under the Master Indenture.

SUMMARY OF CERTAIN PROVISIONS OF FIRST SUPPLEMENTAL INDENTURE AND SECOND SUPPLEMENTAL INDENTURE

The following provisions shall apply, and modify or supplement the Master Indenture accordingly, with respect to the First Supplemental Indenture and the Second Supplemental Indenture.

The Obligated Group

Under the heading "Summary of Master Indenture--Obligated Group", each reference to the Debt Service Coverage Ratio shall be 1.25 rather than 1.20.

Restrictions as to the Incurrence of Additional Indebtedness

Under the heading "Summary of Master Indenture--Restrictions as to the Incurrence of Additional Indebtedness", each reference to the Debt Service Coverage Ratio in paragraph (a)(2)(i) and in paragraph (a)(2)(ii)(y) shall be 1.25 rather than 1.10. and each reference to the Debt Service Coverage Ratio in paragraph (a)(2)(ii)(x) shall be 1.20 rather than 1.10.

Debt Service Coverage Ratio

The Corporation and each other Obligated Issuer agrees that it will set rates and charges for its facilities such that the Debt Service Coverage Ratio, calculated at the end of each Fiscal Year, will not be less than 1.25. If the Debt Service Coverage Ratio, as calculated at the end of any Fiscal Year, is below 1.10 or if the Debt Service Coverage Ratio, as calculated at the end of each of any two consecutive Fiscal Years, is below 1.25, the Corporation covenants to retain an Independent Consultant to make recommendations to increase the Debt Service

Coverage Ratio for subsequent Fiscal Years to at least 1.25, provided, however, that in the event that an Independent Consultant shall deliver a report to the Master Trustee to the effect that state or federal laws or regulations or administrative interpretations of such laws or regulations then in existence do not permit or by their application make it impracticable for the Obligated Group to produce the required Debt Service Coverage Ratio of 1.25, then it shall be reduced to the highest practicable ratio permitted by the laws or regulations then in effect. The Corporation and each other Obligated Issuer, respectively, agrees that it will, to the extent feasible, follow the recommendations of the Independent Consultant. So long as the Corporation shall retain an Independent Consultant and the Corporation and each other Obligated Issuer shall follow such Independent Consultant's recommendations to the extent feasible, this provision of the Master Indenture shall be deemed to have been complied with for such Fiscal Year even if the Debt Service Coverage Ratio is below 1.25, and such circumstances will not constitute an Event of Default.

For purposes of calculating the Debt Service Coverage Ratio as applicable in this Section, the Debt Service Reserve Fund Master Note shall be considered "Indebtedness" only to the extent and in the amount that moneys have actually been lent by M&I and are outstanding under the Debt Service Reserve Fund Master Note.

Sale, Lease or Other Disposition of Property

Under the heading "Summary of Master Indenture--Sale, Lease or Other Disposition of Property", each reference to the Debt Service Coverage Ratio in paragraph (a)(ii) shall be 1.25 rather than 1.20.

SUMMARY OF CERTAIN PROVISIONS OF EIGHTH SUPPLEMENTAL INDENTURE

The Eighth Supplemental Indenture entered in connection with the Series 2009 Bonds provides that the financial covenant provisions of the First Supplemental Indenture and the Second Supplemental Indenture as described under the heading "Summary of Certain Provisions of First Supplemental Indenture and Second Supplemental Indenture" shall apply, and modify or supplement the Master Indenture accordingly, only for so long as the Series 2009B Master Note is outstanding and shall apply to each Indebtedness issued and secured by Notes issued on or before April 1, 2009 only for so long as each such Note is outstanding.

SUMMARY OF THE MORTGAGES

The following is a summary of certain provisions of the Mortgages from the Corporation to the Master Trustee. Reference is made to the Mortgages for a full and complete statement of their provisions.

Description of the Mortgage

The Mortgages will be given by the Corporation to the Master Trustee to secure obligations on the Notes. The property pledged under the Mortgages are described herein as "Mortgaged Property." The Mortgages will remain in effect until the Notes are fully paid or provided for unless released under the conditions described below under the caption "Summary of Mortgages -- Release of Mortgages."

Taxes, Charges and Assessments

Corporation covenants and agrees, subject to other provisions of the Mortgages relating to permitted contests, to pay or cause to be paid (when the same shall become due or payable):

(a) all taxes and charges on account of the ownership, use, occupancy or operation of the Mortgaged Property, including but not limited to all sales, use, occupation, real and personal property taxes, all permit and inspection fees, occupation and license fees and all water, gas, electric light, power or other utility charges assessed or charged on or against the Mortgaged Property or on account of the Corporation's use or occupancy thereof, or the activities conducted thereon or therein; and

(b) all taxes, assessments and impositions, general and special, ordinary and extraordinary, of every name and kind, which shall be taxed, levied, imposed or assessed upon all or any part of the Mortgaged Property, or the interest of the Master Trustee and of the Corporation of either of them in and to the Mortgaged Property.

If under applicable law any such tax, charge, fee, rate, imposition or assessment may at the option of the taxpayer be paid in installments, the Corporation may exercise such option.

Nothing contained in the Mortgages shall be deemed to constitute an admission by either the Master Trustee or the Corporation that either the Master Trustee or the Corporation is liable for any tax, charge, fee, rate, imposition or assessment.

Repairs, Maintenance and Alterations

The Corporation will at its own cost and expense keep the Mortgaged Property in good repair and order, reasonable wear and tear excepted, and in as reasonably safe condition as its operation will permit and will make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary as well as extraordinary and foreseen as well as unforeseen, and all necessary replacements or renewals.

The Corporation has the right, from time to time at its sole cost and expense to make additions, alterations, demolitions and other changes, whether structural or non-structural (hereinafter collectively referred to as "alterations") in or to the Mortgaged Property, subject, however, in all cases to the following conditions:

(a) No alteration of any kind shall be made which would result in a violation of the provisions of the Master Indenture;

(b) The Corporation shall permit no demolition of buildings constituting part of the Mortgaged Property if such action would have a material adverse effect on Net Income Available for Debt Service. In the event of the demolition of any building constituting a substantial part of the Mortgaged Property as part of a project to replace such building or to relocate the operations, as the case may be, shall be located on or in the Mortgaged Property; and

(c) All the alterations to the Mortgaged Property shall be located wholly within the boundary lines of property which is subject to the Mortgages.

With respect to any repairs, construction, restoration, replacement or alterations performed upon the Mortgaged Property by the Corporation during the term of the Mortgages, in accordance with or as required by any provisions of the Mortgages, the Corporation agrees that:

(a) No work in connection therewith shall be undertaken until the Corporation shall have procured and paid for, so far as the same may be required, from time to time, all municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction;

(b) All work in connection therewith shall be done promptly and in good workmanlike manner and in compliance with applicable building and zoning laws and with all applicable laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments and the appropriate departments, commissions, boards and officers thereof, and shall not violate the provisions of any policy of insurance covering the Mortgaged Property, and the work shall be prosecuted with reasonable dispatch, unavoidable delays excepted; and

(c) Worker's compensation insurance covering all persons employed in connection with the work and with respect to whom death or bodily injury claims could be asserted against the Corporation and employers liability insurance in an amount not less than \$100,000 for the benefit of the Corporation and general liability insurance (specifically covering this class of risk) for the mutual benefit of the Master Trustee and the Corporation with limits of not less than \$1,000,000 per occurrence in the event of bodily injury, and with limits of not less than \$500,000 per occurrence for property damage, shall be maintained at the Corporation's sole cost and expense, or during the period of such construction the Corporation will require all contractors to maintain insurance of similar kinds and amounts against all similar liabilities on their part at all times when any substantial work is in process. All such insurance shall be effected with one or more financially sound and reputable insurance companies, and, upon the Master Trustee's written request, the Corporation shall deliver to the Master Trustee all policies or certificates therefor issued by the respective insurers.

Removal of Equipment by the Corporation

So long as the Corporation is not in default under the Mortgages, in any instance where the Corporation in its sound discretion determines that any item of equipment included within the Mortgaged Property has become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary for the operation of the Mortgaged Property, the Corporation may, at its expense, remove and dispose of it free of the security interest created by the Mortgages, provided that such removal (and substitution, if any, therefor) shall not impair the operational integrity and unity of the Mortgaged Property. So long as the Corporation is not in default under the Mortgages, all amounts received by the Corporation from the sale or other disposition of such equipment, including any value allowed for trade purposes, may be retained by the Corporation but may be expended only for the acquisition of capital equipment for, or for the improvement or repair of, the Mortgaged Property. If at any time the aggregate fair market value of all property disposed of as described in this paragraph (determined at the respective times of disposition thereof) exceeds the amount expended for the acquisition of capital equipment pursuant to the preceding sentence by more than \$100,000, the Corporation shall file a notice to that effect with the Master Trustee.

Master Trustee's Right to Perform Corporation's Covenants

In the event the Corporation shall fail to (i) perform any covenant as described under the caption "Summary of the Mortgages -- Taxes, Charges and Assessments" above, (ii) remove any lien, encumbrance or charge, (iii) maintain the Mortgaged Property in repair, or (iv) make any other payment or perform any other act required to be performed under the Mortgages, then and in each such case (unless the same is being contested or other appropriate action is being taken with respect thereto), the Master Trustee upon not less than 10 days prior written notice to the Corporation, may (but shall not be obligated to) remedy such default for the account of the Corporation and make advances for that purpose. No such performance or advance shall operate to release the Corporation from any such default and any sums so advanced by the Master Trustee shall be repayable by the Corporation on demand and shall bear interest at a rate per annum to be agreed upon by the Corporation and the Master Trustee from the date of the advance until repaid.

Indemnity

The Corporation will pay, and will protect, indemnify and save the Master Trustee harmless from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees and expenses of the Corporation and the Master Trustee), causes of action, suits, claims, demands and judgments of any nature arising from:

- (a) any injury to or death of any person or damage to property in or upon the Mortgaged Property, or resulting from or connected with the use, non-use, condition or occupancy of the Mortgaged Property or a part thereof;
- (b) violation of any agreement or condition of the Mortgages, except by the Master Trustee;
- (c) violation of any contract, agreement or restriction by the Corporation relating to the Mortgaged Property; and
- (d) violation of any law, ordinance or regulation arising out of the ownership, occupancy or use of the Mortgaged Property or a part thereof;

provided, however, that nothing contained in the Mortgages shall prohibit the Corporation from pursuing its remedies against the Master Trustee for damages to the Corporation resulting from personal injury or property damage caused by the negligent or willful acts of the Master Trustee.

Sale and Release of Mortgaged Property

Except for Permitted Encumbrances and as described under the captions "Summary of the Master Indenture -- Sale, Lease or Other Disposition of Property" and "Summary of the Master Indenture -- Consolidation, Merger, Sale or Conveyance" above or elsewhere specifically provided in the Mortgages, the Corporation will not sell, lease or transfer or otherwise dispose of all or any substantial part of the Mortgaged Property. If no event of default shall have occurred and then be continuing, at the request of the Corporation and without the approval or consent of Noteholders, the Mortgages shall be amended to release therefrom any land on which operating facilities are not located, provided that the Corporation furnishes the Master Trustee with the following:

- (a) A notice in writing containing an adequate legal description of land to be released; and
- (b) A certificate of an Independent Architect who is acceptable to the Master Trustee, dated not more than 90 days prior to the date of such notice and stating that in the opinion of the person signing such certificate, (i) the land to be released is not needed for the operation of the Mortgaged Property, and (ii) the release will not impair the usefulness of the Mortgaged Property and, after taking into account appropriate easements and licenses, will not destroy the means of ingress and egress therefrom

Release of Mortgages

If the Corporation shall pay and discharge or provide, in a manner satisfactory to the Master Trustee and consistent with the Master Indenture, for the payment and discharge of the whole amount of the principal of, premium, if any, and interest on the Notes at the time outstanding, and shall pay or cause to be paid all other sums payable under the Mortgages, or shall make arrangements satisfactory to the Master Trustee for such payment and discharge, then and in that case all property, rights and interest conveyed or assigned or pledged under the Mortgages will revert to the Corporation, and the estate, right, title and interest of the Master Trustee under the Mortgages shall cease, terminate and become void; and the Mortgages and the covenants of the Corporation contained in the Mortgages shall be discharged and the Master Trustee in such case on demand of the Corporation and at its cost and expense, shall execute and deliver to the Corporation a proper instrument or proper instruments acknowledging the satisfaction and termination of the Mortgages.

APPENDIX D

FORM OF BOND COUNSEL OPINION

April 1, 2009

We have acted as bond counsel in connection with the issuance by the Wisconsin Health and Educational Facilities Authority (the “*Authority*”) of \$_____ of its Variable Rate Demand Revenue Bonds, Series 2009 (United Lutheran Program for the Aging, Inc.) (the “*Bonds*”). The Bonds are being issued pursuant to Chapter 231 of the Wisconsin Statutes (the “*Act*”) and a resolution adopted by the Authority on March 20, 2009 (the “*Resolution*”) and under a Bond Trust Indenture (the “*Bond Indenture*”) dated as of April 1, 2009, between the Authority and U.S. Bank National Association, as bond trustee (the “*Bond Trustee*”).

Under a Loan Agreement dated as of April 1, 2009 (the “*Loan Agreement*”) between the Authority and United Lutheran Program for the Aging, Inc. (the “*Borrower*”), the Authority is loaning to the Borrower the proceeds from the sale of the Bonds to (a) refund the Authority’s Adjustable Demand Revenue Bonds, Series 1989 (United Lutheran Program for the Aging, Inc. Project), (b) finance all or a portion of the costs of the Project described in the Loan Agreement and (c) pay certain costs incurred in connection with the issuance of the Bonds.

The Borrower’s obligation to repay the loans is evidenced by its Promissory Note, Series 2009A (the “*Note*”). The Note is being issued under and pursuant to a Master Trust Indenture dated as of February 1, 1989 between the Borrower, as the sole member of the Obligated Group created thereby, and U.S. Bank National Association, as current trustee thereunder (the “*Master Trustee*”), as previously supplemented and amended and as currently being supplemented and amended by an Eighth Supplemental Master Trust Indenture dated as of April 1, 2009 between the Borrower and the Master Trustee.

The Bonds are issuable as fully registered bonds in denominations, bear interest at the rates and mature on the dates and in the amounts as provided in the Bond Indenture. The Bonds are subject to redemption prior to maturity at the times, in the manner and upon the terms set forth in the Bonds and the Bond Indenture.

We have examined (a) a copy of Bond numbered R-1, (b) the Loan Agreement, (c) the Note, (d) the Bond Indenture, (e) a Tax Exemption Certificate and Agreement between the Authority, the Borrower and the Bond Trustee (the “*Tax Exemption Agreement*”) dated the date hereof and (f) the Resolution.

As to questions of fact material to our opinion, we have examined and relied upon certifications of officials of the Authority and certifications of the Borrower delivered in connection with the issuance of the Bonds (including without limitation, certifications as to the use of proceeds of the Bonds and the operation and use of the property financed or refinanced therewith) without undertaking to verify the same by independent investigation. We have also examined such other documents we deemed relevant and necessary in rendering this opinion.

Based upon the examination described above, it is our opinion under existing law that:

1. The Authority is a public body corporate and politic created and existing under the laws of the State of Wisconsin and has authority under the Act to issue the Bonds and to enter into and perform its obligations under the Loan Agreement, the Tax Exemption Agreement and the Bond Indenture.

2. The Bonds are in the form required by law and have been authorized, executed, issued and delivered by the Authority in accordance with law, the Resolution and the Bond Indenture. The Bonds are valid and binding limited obligations of the Authority and are entitled to the protection given by the Bond Indenture except that enforceability may be limited by bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent transfer or other laws affecting creditors’ rights generally. Enforceability of the Authority’s obligations is also subject to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law). The principal of, premium, if any, and interest on the Bonds are payable solely out of the revenues derived from the Loan Agreement or, in the event of default under the Loan Agreement, as otherwise permitted by the Bond Indenture or the Resolution and by law. The Bonds do not constitute or give rise to a pecuniary liability of the Authority or a charge against its general credit. The Authority has no taxing power.

3. The Loan Agreement, the Note, and amounts payable under the Loan Agreement and the Note by the Borrower have been pledged and assigned under the Bond Indenture as security for payment of the principal of,

premium, if any, and interest on the Bonds. We have not been requested and express no opinion as to the validity or enforceability of the direct pay letter of credit issued by M&I Marshall & Ilsley Bank with respect to the Bonds.

4. The Bond Indenture, the Loan Agreement and the Tax Exemption Agreement have each been duly authorized, executed and delivered by the Authority, are each in full force and effect and, assuming the due authorization, execution and delivery of them by the other parties to them, constitute valid and legally binding agreements of the Authority except to the extent limited by bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent transfer or other laws of general application relating to or affecting the enforcement of creditors' rights generally. Enforceability of the Authority's obligations is also subject to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

5. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Code on corporations (as that term is defined for federal income tax purposes) and individuals. The interest on the Bonds is, however, included in adjusted current earnings for the purpose of computing the alternative minimum tax imposed on corporations. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from the gross income of the owners of the Bonds for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Authority, the Bond Trustee and the Borrower have agreed to comply with all of those requirements and the opinion set forth in the first sentence of this paragraph is subject to the condition that the Authority, the Bond Trustee and the Borrower comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The opinions expressed herein are based upon those facts and circumstances in existence and laws in effect on the date hereof, and we assume no obligation or responsibility to update or supplement this opinion letter to reflect any facts or circumstances which may hereafter come to our attention or any changes in laws which may hereafter occur.