
LOAN AGREEMENT

Dated as of September 1, 2020

Between

**THE COUNTY OF LANCASTER, IN THE STATE OF NEBRASKA
And**

CHRISTIAN RETIREMENT HOMES, INC.

Relating to:

**Not to Exceed \$[__2020 Principal__]
The County of Lancaster, in the State of Nebraska
Revenue Bonds
(Eastmont Living Project)
Series 2020**

Certain of the rights, title and interest of the County of Lancaster, in the State of Nebraska in this Loan Agreement have been pledged and assigned to Union Bank and Trust Company, as Bond Trustee under a Bond Trust Indenture dated as of September 1, 2020, between the County and the Bond Trustee.

LOAN AGREEMENT

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LOAN AGREEMENT

THIS LOAN AGREEMENT (this “**Loan Agreement**”), is dated as of September 1, 2020, and made by and between the **COUNTY OF LANCASTER, IN THE STATE OF NEBRASKA** (the “**County**”), a county and political subdivision duly organized and existing under the laws of the State of Nebraska, and **CHRISTIAN RETIREMENT HOMES, INC.** (the “**Corporation**”), a nonprofit corporation organized and existing under the laws of the State of Nebraska, d/b/a [Eastmont Living].

RECITALS

1. The County is authorized by Sections 13-1101 to 13-1110, inclusive, and Section 10-142, Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), to issue bonds and lend the proceeds thereof for the purposes of financing and refinancing the costs of projects for nonprofit enterprises as described in the Act; provided, however, any such bonds shall not be a liability of the County nor a charge against its general credit or taxing powers.

2. Pursuant to the Act and at the request of the Corporation, the County adopted a resolution authorizing the issuance, under the Bond Trust Indenture dated as of September 1, 2020 (the “**Bond Indenture**”) between the County and Union Bank and Trust Company, as bond trustee (the “**Bond Trustee**”), of the County’s \$[] 2020 Principal [] principal amount Revenue Bonds (Eastmont Living Project), Series 2020 (the “**Bonds**”), for the purposes of providing funds to make a loan (the “**Loan**”) pursuant to this Loan Agreement to the Corporation to (i) finance the health care facilities described in the Bond Indenture, (ii) refund the Refunded Debt described in the Bond Indenture, and (iii) finance issuance costs related to the Bonds.

3. As evidence of and further security for its obligation to repay the Loan, the Corporation has issued its [] Obligation No. 1] (the “**Obligation No. 1**”), in the principal amount of \$[] 2020 Principal (the “**Series 2020 Master Obligation**”), under the Master Trust Indenture dated as of September 1, 2020, as supplemented and amended, between the Corporation and such other entities as from time to time are other Members of the Obligated Group (as defined therein), and Union Bank and Trust Company, as master trustee (the “**Master Trustee**”), and Supplemental Master Trust Indenture No. 1 dated as of September 1, 2020, between the Corporation and the Master Trustee (said Master Trust Indenture, together with said Supplemental Master Trust Indenture No. 1 and all other amendments and supplements thereto, being referred to herein collectively as the “**Master Indenture**”).

4. The County and the Corporation are entering into this Loan Agreement to provide for the loan of the proceeds of the Bonds to the Corporation and the repayment of the Series 2020 Master Obligation.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein set forth, the County and the Corporation do hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms. Capitalized words and terms used in this Loan Agreement, unless the context requires otherwise, shall have the same meanings as set forth in **Section 101** or **Schedule 1** of the Bond Indenture or **Section 1.1** of the Master Indenture.

Section 1.2. Rules of Construction.

- (a) The defined terms referred to in this Article include the plural as well as the singular.
- (b) All accounting terms not otherwise defined herein or in the Bond Indenture shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles to the extent applicable.
- (c) All references herein to “generally accepted accounting principles” refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms; provided, as applied to any entity that operates a senior living facility or other discrete enterprise of a type with respect to which particular accounting principles from time to time shall have been generally adapted or modified, the term “generally accepted accounting principles” shall include the adaptations or modifications.
- (d) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to be the designated Articles, Sections and other subdivisions of this Loan Agreement.
- (e) The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Loan Agreement as a whole and not to any particular Article, Section or other subdivision.
- (f) The Article and section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.
- (g) Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the County. The County represents to the Corporation and the Bond Trustee that:

- (a) *Organization and Authority.* The County (1) is a county and political subdivision duly organized and existing under the laws of the State of Nebraska, (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Bond Indenture, to enter into, execute and deliver the Bond Indenture and this Loan Agreement and to carry out its obligations thereunder and hereunder, and to pledge and assign the Series 2020 Master Obligation, and (3) by all necessary corporate action has been duly authorized to execute and deliver the Bond Indenture and this Loan Agreement and any other Bond Documents required to be executed and delivered by it in connection with the issuance of the Bonds, acting by and through its duly authorized officers.
- (b) *No Defaults or Violations of Law.* The execution and delivery by the County of the Bond Documents in which it is named as a party will not result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the County is a party or by which it or any of its property is bound or its bylaws or any of statutory rules or regulations applicable to the County.

Section 2.2. Representations by the Corporation. The Corporation represents to the County and the Bond Trustee that:

(a) *Organization, Tax-Exempt Status and Authority.* The Corporation (1) is a Nebraska nonprofit corporation, duly incorporated and in good standing under the laws of the State of Nebraska and in good standing and duly authorized to do business under the laws of the State, (2) is authorized by law to operate facilities that are “nonprofit enterprises” as defined in the Act, (3) is a Member of the Obligated Group under the Master Indenture, (4) is a Tax-Exempt Organization, has received a letter from the Internal Revenue Service determining that it is a Tax-Exempt Organization, which letter is still in full force and effect, and has not declared and has not been determined to have any “unrelated business taxable income” as defined in Section 512 of the Internal Revenue Code which could have a material adverse effect on its status as a Tax-Exempt Organization or which, if such income were subject to federal income taxation, could have a material adverse effect on its condition, financial or otherwise, and (5) has lawful power and authority to enter into, execute and deliver the Bond Documents in which it is named as a party, and to carry out its obligations hereunder and thereunder, and by all necessary corporate action has been duly authorized to execute and deliver the Bond Documents in which it is named as a party, acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law; Bond Documents.* The Bond Documents to which the Corporation is a party are the legal, valid and binding obligations of the Corporation. The execution and delivery of the Bond Documents by the Corporation in which it is named as a party will not conflict with or result in a breach of any of the terms of, or constitute a default (or would constitute a default with due notice or the passage of time or both) under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Corporation is a party or by which it or any of its property is bound or its articles of incorporation, bylaws, or any of the rules or regulations applicable to the Corporation or its property of any court or other governmental body.

There does not exist any corporate restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation or any of the Financed Facilities is bound, which would prevent the execution and delivery of the Bond Documents, the consummation of the transactions contemplated hereby and thereby, or the ability of the Corporation to fulfill the terms and conditions hereof and thereof, and such execution, delivery, consummation and fulfillment will not result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the Financed Facilities, except for Permitted Encumbrances, or permit any party to seek injunctive relief as to the execution, delivery, consummation or fulfillment of the terms of any of the foregoing.

(c) *Licenses, Permits and Governmental Approvals.* The Corporation has all necessary approvals and permits for the work in progress on the Project, and the Project has been approved by all necessary governmental agencies having jurisdiction. The Corporation has no reason to believe that any remaining approvals, licenses and permits, if any, required for the completion, occupancy and use of the Project will not be issued in due course. The Corporation is duly authorized and licensed to operate its facilities under the laws, rulings, regulations and ordinances of the State and the other states in which its facilities are located, and the departments, agencies and political subdivisions thereof. The Project upon its completion will be in all material respects in compliance with applicable federal, state and local zoning, subdivision, environmental, pollution control and other laws, rules, regulations, codes and ordinances. The Project has been reviewed and approved by the appropriate regional and state care facility supervisory agencies and has been granted the appropriate certification by such agencies, if any certification is required for any portion of the Project. The Corporation has obtained all authorizations, licenses, consents, permits and approvals of the State and other state, federal, regional and local governmental bodies which are necessary to permit the Project to be financed or refinanced with the proceeds of the Bonds pursuant to the Act.

(d) *Use of Proceeds.* The proceeds of the Bonds will be used by the Corporation or its affiliates solely (1) to finance the Project Costs, (2) to refund the Refunded Debt, and (3) to pay the costs of issuing the Bonds. The Corporation intends to operate or to cause the Project and the other Financed Facilities to be operated to the expiration of the term of this Loan Agreement as a “nonprofit enterprise” under the Act and has complete lawful authority to operate or cause the Project and other Financed Facilities to be operated for that purpose. The loan from the County to the Corporation will not exceed the Project Costs plus Issuance Costs.

(e) *Pending Litigation.* No litigation, proceedings or investigations are pending or, to the knowledge of the Corporation, threatened against the Corporation, except: (1) litigation involving claims for professional liability, the probable recoveries in which and the estimated costs and expenses of defense of which, in the opinion of counsel to the Corporation, will be entirely within the Corporation’s applicable insurance policy limits (subject to applicable deductibles) or are not in excess of the total of the available reserves held under the Corporation’s applicable self-insurance program, and (2) litigation involving other types of claims which if adversely determined will not, in the opinion of counsel to the Corporation, materially and adversely affect the financial condition or operations of the Corporation.

In addition, no litigation, proceedings or investigations are pending or, to the knowledge of the Corporation, threatened against the Corporation seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of any Bond Document by the County or the Corporation, or which would in any manner challenge or adversely affect the corporate existence or powers of the Corporation to enter into and carry out the transactions described in or contemplated by or the execution, delivery, validity or performance by the Corporation of the terms and provisions of the Bond Documents in which it is named as a party. No litigation, proceedings or investigations are pending or, to the knowledge of the Corporation, threatened in writing against the Corporation, except litigation, proceedings or investigations involving claims for which the probable ultimate recoveries and the estimated costs and expenses of defense, in the opinion of management of the Corporation (i) will be entirely within the applicable insurance policy limits (subject to applicable deductibles) or are not in excess of the total of the available assets held under applicable self-insurance programs or (ii) will not have a material adverse effect on the operations or condition, financial or otherwise, of the Corporation.

(f) *Full Disclosure.* The financial statements referred to in paragraph (f) of this Section do not, nor do the Bond Documents or any written statement furnished by the Corporation to the County, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein not misleading. There is no fact which the Corporation has not disclosed to the County in writing which [materially affects adversely] or, so far as the Corporation can now foresee, will [materially affect adversely] the financial condition of the Corporation, the Corporation’s status as a Tax-Exempt Organization, its ability to own and operate or control its properties or its ability to make the payments hereunder or the ability of the Obligated Group to make payments under this Loan Agreement and the Series 2020 Master Obligation when and as the same become due and payable. The statements, information and descriptions contained in the Corporation’s closing certificates, as of the date of issuance of the Bonds, are true, correct and complete, do not contain any untrue statement or misleading statement of a material fact, and do not omit to state a material fact required to be stated in such certificates or necessary to make the certifications, representations, warranties, statements, information and descriptions contained in such offering materials, in light of the circumstances under which they were made, not misleading.

(g) *Environmental Matters.* To the best knowledge of the Corporation, in all material respects, (1) no dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances (collectively, “**Hazardous Substances**”), as defined in or governed by, or which subject the Corporation or any of its Affiliates, to any damages, penalties or liabilities under, the provisions of the Comprehensive

Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, *et seq.*, or the Superfund Amendments and Reauthorization Act of 1986, as now in effect and as hereafter amended, or any other federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating thereto (collectively, the “**Environmental Regulations**”), are now or have been stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited or disposed of in, upon, under, over or from the facilities of the Corporation or any of its Affiliates in violation of any Environmental Regulations; (2) no threat exists of a discharge, release or emission of a Hazardous Substance upon or from the facilities of the Corporation or any of its Affiliates into the environment in violation of any Environmental Regulations; (3) none of the facilities of the Corporation or any of its Affiliates have been used as or for a mine, a landfill, a dump or other disposal facility, industrial or manufacturing facility, or a gasoline service station; (4) no underground storage tank is now located at the facilities of the Corporation or any of its Affiliates, or has previously been located therein and removed therefrom, in violation of any Environmental Regulations (except for underground storage tanks for which all required permits have been obtained and that are in full compliance with all Environmental Regulations); (5) no violation of any Environmental Regulations now exists relating to the facilities of the Corporation or any of its Affiliates, no notice of any such violation or any alleged violation thereof has been issued or given by any governmental entity or agency, and there is not now any investigation or report involving the facilities of the Corporation or any of its Affiliates by any governmental entity or agency which in any way relates to Hazardous Substances; (6) no person, party or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity or event described in (1) above; (7) there are not now any actions, suits, proceedings or damage settlements relating in any way to Hazardous Substances, in, upon, under, over or from the facilities of the Corporation or any of its Affiliates; (8) none of the facilities of the Corporation or any of its Affiliates is listed in the United States Environmental Protection Agency’s National Priorities List of Hazardous Waste Sites or any other list of Hazardous Substance sites maintained by any federal, state or local governmental agency; and (9) none of the facilities of the Corporation or any of its Affiliates is subject to any lien or claim for lien or threat of a lien in favor of any governmental entity or agency as a result of any release or threatened release of any Hazardous Substance.

(h) *The Master Indenture.* The Series 2020 Master Obligation, upon its issuance, will constitute Obligations (as defined in the Master Indenture) secured by and entitled to the benefits of the Master Indenture. The Bonds, upon their issuance, will constitute Related Bonds (as defined in the Master Indenture). All representations, warranties, covenants or other obligations made herein in the name of the Obligated Group shall be interpreted as representations, warranties, covenants or other obligations by the Corporation.

(i) *Other Representations.* Pursuant to the Act, the Corporation hereby certifies, represents, and warrants to the County as follows:

(a) Pursuant to Section 13-1105 of the Act, (1) the amount necessary to pay the principal of and the interest on the Bonds is not to exceed \$_____ and (2) no reserve fund is advisable to be established in connection with the retirement of the Refunded Debt and the financing and maintenance of the Project including taxes;

(b) the Corporation expects to operate the Project as an integral part of its overall operations for the foreseeable future; and

(c) the Corporation is a private nonprofit corporation and is authorized by law to operate its facilities in the State.

All representations of the Corporation contained herein or in any certificate or other instrument delivered by the Corporation pursuant to this Loan Agreement, the Master Indenture or the Bond Indenture, or any other Bond Document, or in connection with the transactions contemplated hereby and thereby, shall survive the execution and delivery thereof and the issuance, sale and delivery of the Bonds as representations of facts existing as of the date of execution and delivery of the instrument containing such representation.

ARTICLE III

LOAN TO THE CORPORATION

Section 3.1. Loan of Funds to the Corporation.

(a) The County hereby agrees that, simultaneously with the execution and delivery of this Loan Agreement, it will make a loan to the Corporation, using the proceeds of the sale of the Bonds, and the Corporation agrees to receive the loan from the County, for the purposes set forth herein and in the Bond Indenture. Upon the terms and conditions of this Loan Agreement and the Bond Indenture, the County shall make a loan to the Corporation by loaning to the Corporation the proceeds of the sale of the Bonds. The loan shall be made by depositing or transferring the Bond proceeds as provided in **Section 402** of the Bond Indenture. The Corporation approves the Bond Indenture and the issuance of the Bonds by the County. The obligation of the County to make the loan as herein provided shall be subject to the receipt by it of the proceeds of the sale of the Bonds.

(b) As an inducement for the County to issue the Bonds and make the loan to the Corporation, and as evidence of and security for the Corporation's obligations to make Loan Payments, and to further provide for the Loan Payments hereunder and the payment of the principal of and redemption premium, if any, and interest on the Bonds, the Corporation shall cause the Series 2020 Master Obligation to be issued under the Master Indenture to the County and pledged and assigned to the Bond Trustee in substantially the form specified by the Supplemental Master Indenture.

(c) The Corporation shall pledge to the County all its right, title and interest in and to the proceeds of the loan, including any securities purchased with those proceeds and any earnings thereon, to secure the payment of the Bonds, such pledge to be effected by the deposit of such proceeds in accordance with **Section 402** of the Bond Indenture. Such pledge shall continue so long as such proceeds are held by the Bond Trustee, it being understood that the Bond Trustee shall be authorized to apply and disburse such proceeds as provided in **Article IV** of the Bond Indenture. The Corporation consents to the County assigning and pledging its interest in such proceeds to the Bond Trustee to secure the payment of the Bonds as set forth in the Bond Indenture.

(d) The proceeds of the Bonds shall be deposited with the Bond Trustee and disbursed and applied as provided in **Article IV** of the Bond Indenture.

Section 3.2. Completion of the Project. The Corporation will cause the Project to be diligently and continuously prosecuted and to be completed with reasonable dispatch, and to provide (from its own funds if required) all moneys necessary to complete the Project. The Corporation shall cause the Corporation Representative to deliver, within 90 days after the completion of the Project (or the portion thereof that is being financed with the proceeds of the Bonds), the certificate required by **Section 404** of the Bond Indenture. In the event proceeds of the Bonds are not sufficient to complete acquisition, construction and installation of the Project, the Corporation agrees to provide sufficient funds to complete the Project, and the County shall have no obligation to provide any funds to complete the Project.

Section 3.3. Changes or Amendments to the Project. The Corporation may make, authorize or permit such changes or amendments in the Project as it may reasonably determine necessary or desirable; provided, however, that no such change or amendment shall be made to the Project that would cause a material change in the cost, scope, nature, or function of the Project, unless the Corporation shall file with the Bond Trustee the following:

(a) A Certificate of Corporation Representative to the effect that the Project will, after such change or amendment, constitute a project that may be financed or refinanced with proceeds of the Bonds under the Act and that such change or amendment will not result in the Project being used for any purpose prohibited by this Loan Agreement or otherwise result in the Corporation failing to comply with any provisions of this Loan Agreement; and

(b) an Opinion of Bond Counsel addressed to the Bond Trustee and the County to the effect that such change or amendment will not result in the interest on the Bonds becoming included in gross income for purposes of federal income taxation.

In the case of any change that would render materially inaccurate the description of the Project, there shall be delivered to the Bond Trustee and the County a revised description of the Project that reflects the change in the Project, the accuracy of which shall have been certified by the Corporation.

ARTICLE IV

LOAN PAYMENTS AND OTHER PAYMENTS

Section 4.1. Loan Payments.

(a) *Loan Payments.* The Corporation will duly and punctually pay amounts sufficient to pay the principal of and redemption premium, if any, and interest on the Bonds on the dates and at the places and in the manner specified in the Bond Indenture and in this Loan Agreement, according to the true intent and meaning thereof and hereof. The Corporation agrees to make payments at the times and in the amounts (including principal, interest and redemption premium, if any) equal to the amounts to be paid as interest, redemption premium, if any, and principal whether at maturity or by mandatory redemption upon the Bonds from time to time Outstanding under the Bond Indenture. To provide for the payment of the principal of and redemption premium, if any, and interest on the Bonds, the Corporation shall make the following payments directly to the Bond Trustee, for the account of the County, for deposit in the Debt Service Fund, on the following dates, and otherwise as set out below:

(1) *Debt Service Fund -- Interest:* On or before each Interest Payment Date, an amount equal to the interest due on such Interest Payment Date; provided that the Corporation may be entitled to certain credits on such payments as permitted under **subsection (b)**.

(2) *Debt Service Fund -- Principal:* On or before the date an installment of principal is due on the Bonds by maturity or mandatory sinking fund redemption, an amount which is equal to such installment of principal due on the Bonds; provided that the Corporation may be entitled to certain credits on such payments as permitted under **subsection (b)**.

(3) *Debt Service Fund -- Redemption:* On or before the date required by this Loan Agreement or the Bond Indenture, the amount required to redeem Bonds then Outstanding if the Corporation exercises its right to redeem Bonds under any provision of the Bond Indenture or if any Bonds are required to be redeemed (other than pursuant to mandatory sinking fund redemption provisions) under any provision of the Bond Indenture.

The payments required to be made by this **subsection (a)** are sometimes hereinafter referred to herein as “**Loan Payments.**”

Unpaid Loan Payments shall bear interest at the rate or rates of interest applicable to the corresponding payments on the Bonds. Any interest charged and collected on an unpaid Loan Payment shall be deposited to the credit of the Debt Service Fund and applied to pay interest on overdue amounts in accordance with **Section 707** of the Bond Indenture.

Notwithstanding the foregoing or anything in the Bond Indenture or this Loan Agreement to the contrary, so long as no Event of Default has occurred and is continuing, and [WaFd Bank] is the Owner of 100% of the Cumulative Outstanding Principal Amount of the Bonds, payments of principal of and interest on the Bonds shall be made directly from the Corporation to the Purchaser, with a record of each such payment provided contemporaneously to the Bond Trustee.

(b) *Credits on Loan Payments.* Notwithstanding any provision contained in this Loan Agreement or in the Bond Indenture to the contrary, in addition to any credits on the Loan Payments resulting from the payment or prepayment of Loan Payments from other sources:

(1) any moneys deposited by the Bond Trustee or the Corporation in the Debt Service Fund for the payment of interest (including moneys received as accrued interest from the sale of Bonds and any initial deposit made from the proceeds of the sale of the Bonds) shall be credited against the obligation of the Corporation to pay interest on the Bonds as the same become due;

(2) any moneys deposited by the Bond Trustee or the Corporation in the Debt Service Fund for the payment of principal shall be credited against the obligation of the Corporation to pay principal of the Bonds as the same become due or are subject to mandatory sinking fund redemption in the order of maturity thereof;

(3) the principal amount of Bonds of any series and maturity purchased by the Corporation and delivered to the Bond Trustee, or purchased by the Bond Trustee and cancelled, shall be credited against the obligation of the Corporation to pay principal of the Bonds so purchased (including installment payments corresponding to mandatory sinking fund payments, if any, on the Bonds); and

(4) the amount of any moneys transferred by the Bond Trustee from any other fund held under the Bond Indenture and deposited in the Debt Service Fund for the payment of interest or principal shall be credited against the obligation of the Corporation to pay interest or principal, as the case may be, as the same become due.

Section 4.2. Additional Payments. The Corporation will make the following Additional Payments to the following persons:

(a) *County Fees and Expenses.* To the County, (i) on or before the initial issuance of the Bonds, its application and issuance fees, plus expenses of the County in connection with the

issuance of the Bonds, including reasonable fees and disbursements of its counsel, and (ii) upon demand, all reasonable expenses, including attorneys' fees and any expenses, incurred by the County in relation to the Bonds and the transactions contemplated by the Bond Documents.

(b) *Bond Trustee Fees and Professional Fees.* To the Bond Trustee and any Paying Agent, registrars, counsel, accountants, engineers and other Persons when due, all reasonable fees, charges and expenses of such Persons for services rendered under the Bond Indenture and under any of the Bond Documents and expenses incurred in the performance of such services under the Bond Indenture and any of the Bond Documents for which such Persons are entitled to payment or reimbursement.

(c) *Advances.* To the Bond Trustee, the amount of all advances of funds made by it under **Section 7.6**, with interest thereon at the rate of interest per annum equal to the Prime Rate.

(d) *Rebate Payments.* To the Bond Trustee, all rebate payments required under Section 148(f) of the Internal Revenue Code.

(e) *Indemnification of County and Bond Trustee.* The Corporation will, at its expense, pay and indemnify the County and the Bond Trustee and their respective current, former and future members, directors, officers and employees and agents from and against, all costs, expenses and charges, including reasonable counsel fees, incurred in enforcing any covenant or agreement of the Corporation or any other Member of the Obligated Group contained in any Bond Document. Such indemnification of the County shall be in addition to and not in lieu of the indemnification provisions contained in **Section 5.3** or in any other provision of this Loan Agreement.

(f) *Trustee Replacement Fees.* To the Bond Trustee, any successor trustee and the County, an amount equal to all fees and expenses, including fees and expenses of Bond Trustee's and County's counsel, in connection with the removal and replacement of the Bond Trustee.

(g) *Taxes and Assessments.* All taxes and assessments of any type or character charged to the County or to the Bond Trustee affecting the amount available to the County or the Bond Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) but excluding franchise taxes based upon the capital and/or income of the Bond Trustee and taxes based upon or measured by the net income of the Bond Trustee; provided that the Corporation shall have the right to protest any such taxes or assessments and to require the County or the Bond Trustee, at the Corporation's expense, including reasonable attorneys' fees, to protest and contest any such taxes or assessments levied upon them and that the Corporation shall have the right to withhold payment of any such taxes or assessments pending disposition of such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the County or the Bond Trustee.

(h) *Accountants and Expert Fees.* The other reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the County or the Bond Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Loan Agreement or the Bond Indenture.

(i) *Other Payments.* All other payments of whatever nature which the Corporation has agreed to pay or assume under this Loan Agreement.

Additional Payments shall be billed to the Corporation by the County or the Bond Trustee, or by the accountants, consultants, attorneys and other experts engaged by the County or the Bond Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by the County or the Bond Trustee for one or more of the above items. After such a demand, amounts so billed shall be paid by the Corporation within 30 days after receipt of the bill by the Corporation unless required by this section to be paid at a different time.

Section 4.3. Assignment and Pledge of County's Rights; Obligations of the Corporation Unconditional. As security for the payment of the Bonds, the County will assign and pledge to the Bond Trustee all right, title and interest of the County in and to this Loan Agreement and the Series 2020 Master Obligation, including the right to receive payments hereunder and thereunder (except the Unassigned County Rights), and hereby directs the Corporation to make said payments directly to the Bond Trustee. The Corporation herewith assents to such assignment and pledge and will make payments directly to the Bond Trustee without defense or set-off by reason of any dispute between the Corporation and the County or the Bond Trustee, and hereby agrees that its obligation to make payments hereunder and to perform its other agreements contained herein are absolute and unconditional. Until the principal of and interest on the Bonds shall have been fully paid or provision for the payment of the Bonds made in accordance with the Bond Indenture, the Corporation shall pay all Loan Payments and Additional Payments due under this Loan Agreement and perform its obligations, covenants and agreements under this Loan Agreement, without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstances whatsoever, whether now existing or hereafter arising, and regardless of whether or not the Project is completed, and any change in the tax or other law of the United States of America, the State or any political subdivision of either thereof, any change in the County's legal organization or status, or any default of the County hereunder, and regardless of the invalidity of any action of the County, and regardless of the invalidity of any portion of this Loan Agreement, and, to the extent permitted by law, the Corporation hereby waives the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Loan Agreement or which releases or purports to release the Corporation therefrom. It is the intent of this Loan Agreement that the Corporation shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Loan Agreement and the Series 2020 Master Obligation for the benefit of the Owners of the Bonds. In furtherance of the foregoing, the Corporation shall bear all risk of damage or destruction in whole or in part to the Financed Facilities or any part of any thereof, including any loss, complete or partial, or interruption in the use, occupancy, or operation of the Financed Facilities or related property, or any manner or thing that for any reason interferes with, prevents or renders burdensome the use or occupancy of the Financed Facilities or related property or the compliance by the Corporation with this Loan Agreement.

Section 4.4. Prepayment of the Loan Payments. The Corporation shall have and is granted the option to prepay from time to time the amounts payable under this Loan Agreement in sums sufficient to redeem or to pay or cause to be paid all or part of the Bonds in accordance with the Bond Indenture. The County consents to the Corporation having the power to redeem Bonds subject to optional redemption under the Bond Indenture. Whenever any Bonds shall have been called for redemption under any provision of the Bond Indenture, the Corporation shall prepay the Loan Payments in such amounts required to redeem such Bonds, including the principal, redemption premium, if any, and accrued interest thereon to the redemption date. The Corporation may also prepay all or any portion of the Loan Payments by providing for the payment of all or any portion of the Bonds in accordance with **Article XI** of the Bond Indenture.

ARTICLE V

COVENANTS OF THE CORPORATION

Section 5.1. Covenants under the Master Indenture or the Bond Indenture. The Corporation will faithfully perform and comply with all obligations and covenants contained in the Master Indenture, except to the extent they are waived thereunder. The Corporation will deliver to the Bond Trustee all reports, certificates, opinions and other documents required by the Master Indenture to be submitted to the Master Trustee at the times they are required to be submitted to the Master Trustee.

Any Opinions of Bond Counsel required by the Master Indenture that relate to the Bonds shall be addressed and delivered to the Bond Trustee and the County in addition to the Master Trustee.

The Corporation shall faithfully perform and comply with all covenants, obligations, representations, undertakings and duties of the Corporation stated in the Bond Indenture. Each such provision with respect to the Corporation in the Bond Indenture shall be an obligation of the Corporation as if fully set forth in this Loan Agreement.

Section 5.2. Maintenance and Use of the Project and Financed Facilities. Subject to the provisions of this Article, the Master Indenture and the Act, the Corporation and its Affiliates shall have the right to use the Project and the other Financed Facilities for any purpose allowed by law and contemplated by the Act. Except as provided in this Loan Agreement, the County reserves no power or authority with respect to the operation of the Project and the other Financed Facilities by the Corporation and its Affiliates and activities incident thereto, it being the intention of the parties hereto that so long as the Corporation shall maintain the Financed Facilities in a safe and sound operating condition, making from time to time all needed material repairs thereto, and shall maintain reasonable amounts of insurance coverage with respect thereto and shall pay costs of such maintenance, repair and insurance, and duly and faithfully observe and perform all of the terms covenants, provisions and agreements of this Loan Agreement, the Corporation shall manage, administer and govern the Project and the other Financed Facilities in its activities and affairs on a continuing day-to-day basis, including matters relating to the professional staff and other functions customarily conducted or pursued by the independent managing and governing authority of a private not-for-profit senior living, nursing home and health care facility. The Corporation will not use or suffer or permit the use of any of the Financed Facilities, in whole or in part, out of the proceeds of the Bonds: (1) in a manner in violation of the Establishment Clause of the First Amendment to the Constitution of the United States; or (2) in an unrelated trade or business as defined in Section 513(a) of the Internal Revenue Code, or by any Person who is not, or whose sole member is not, an organization described in Section 501(c)(3) of the Internal Revenue Code, in either case in such manner or to any extent which could jeopardize the validity of the Bonds or result in the inclusion of interest on the Bonds in federal gross income under Section 103(a) of the Internal Revenue Code. The Corporation will operate or to cause the Financed Facilities to be operated to the expiration of the term of this Loan Agreement as an eligible project for purposes of the Act and will have complete lawful authority to operate or cause the Project to be operated for that purpose. Neither the County nor the Bond Trustee shall have any obligation to maintain or monitor the use of the Financed Facilities.

Section 5.3. Indemnification.

The Corporation will, to the fullest extent permitted by law, protect, indemnify and save the County and the Bond Trustee and its respective past, present and future members, State and their officers, agents, and employees and any person who controls the County within the meaning of the Securities Act of 1933, harmless from and against all liabilities, losses, damages, costs, expenses (including attorneys' fees and expenses of the County), taxes, causes of action, suits, claims, demands and judgments in connection with

the transaction contemplated by this Loan Agreement or arising from or related to the issuance or sale of the Bonds, including but not limited to:

(i) any injury to or death of any person or damage to property in or upon the Financed Facilities or growing out of or connected with the use, non-use, condition or occupancy of the Financed Facilities or any part thereof, including any and all acts or operations relating to the acquisition or installation of property or improvements. The foregoing indemnification obligations shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Corporation, customers, suppliers or affiliated organizations under any Workers' Compensation Acts, Disability Benefit Acts or other employee benefit acts;

(ii) violation of any agreement, provision or condition of this Loan Agreement, the Bonds or the Bond Indenture, except a violation by the party seeking indemnification;

(iii) violation by the Corporation of any contract, agreement or restriction which shall have existed at the commencement of the Term of this Loan Agreement or shall have been approved by the Corporation;

(iv) violation by the Corporation of any law, ordinance, court order or regulation affecting the Financed Facilities or a part thereof or the ownership, occupancy or use thereof;

(v) any statement or information relating to the expenditure of the proceeds of the Bonds contained in the Tax Agreement or similar document furnished by the Corporation to the County or Bond Trustee which, at the time made, is misleading, untrue or incorrect in any material respect; and

(vi) any untrue statement or alleged untrue statement of a material fact contained in any offering material relating to the sale of the Bonds (as from time to time amended or supplemented) or arising out of or based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or failure to properly register or otherwise qualify the sale of the Bonds or failure to comply with any licensing or other law or regulation which would affect the manner whereby or to whom the Bonds could be sold.

Promptly after receipt by the County or any such other indemnified person, as the case may be, of notice of the commencement of any action with respect to which indemnity may be sought against the Corporation under this Section, such person will notify the Corporation in writing of the commencement thereof, and, subject to the provisions hereinafter stated, the Corporation shall assume the defense of such action (including the employment of counsel, who shall be counsel subject to the approval of the County, which approval shall not be unreasonably withheld, and the payment of expenses). Insofar as such action shall relate to any alleged liability with respect to which indemnity may be sought against the Corporation, the County or any such other indemnified person shall have the right to employ separate counsel of their own choice in any such action and to participate in the defense thereof, and the fees and expenses of such counsel shall be at the expense of the Corporation. The Corporation shall not be liable to indemnify any person for any settlement of any such action effected without its consent.

The provisions of this Section shall survive payment and discharge of the Bonds.

Section 5.4. Tax Covenants. Concurrently with the execution of this Loan Agreement the Corporation and the County shall execute and deliver the Tax Agreement. The Corporation will not take any action or permit any action to be taken that would adversely affect the exclusion from gross income for federal

income tax purposes of the interest on the Bonds and will take whatever action, or refrain from whatever action, necessary to comply with the requirements of the Internal Revenue Code to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds. The Corporation will comply with the Tax Agreement and will pay or provide for payment to the United States Government or the Bond Trustee, all rebate payments required under Section 148(f) of the Internal Revenue Code and the Tax Agreement, to the extent such amounts are not available to the Bond Trustee in the Rebate Fund held under the Bond Indenture. This covenant shall survive payment in full or defeasance of the Bonds.

Section 5.5. Environmental Matters and Indemnification. The Corporation shall not store, locate, generate, product, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Materials in, upon, under, over or from the Financed Facilities in material violation of any Environmental Regulations (as defined in **Section 2.2(g)**), shall not permit any Hazardous Materials to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in material violation of any Environmental Regulations, shall cause all Hazardous Materials to be properly removed therefrom and properly disposed of as required by and in accordance with all applicable material Environmental Regulations, shall not install or permit to be installed any underground storage tank therein or thereunder in material violation of any Environmental Regulations, and shall comply with all other material Environmental Regulations which are applicable to the Financed Facilities.

The Corporation, to the extent allowed by law, shall indemnify and hold harmless from and against and reimburse the County and the Bond Trustee and their respective current, former and future members, directors, officers, servants, employees and agents for any and all claims, demands, orders, charges, lawsuits, actions, judgments, penalties, fines, liabilities, costs, damages and expenses, including court costs and attorneys' fees directly or indirectly incurred by the County or the Bond Trustee and their respective current, former and future members, directors, officers, servants, employees and agents (prior to trial, at trial and on appeal) in any action against or involving the County and the Bond Trustee and their respective current, former and future members, directors, officers, servants, employees and agents resulting from any breach of the foregoing covenants, or from the discovery of any Hazardous Materials in, upon, under or over, or emanating from, the Financed Facilities, whether or not the Corporation is responsible therefor, it being the intent of the Corporation, the County and the Bond Trustee that the County and the Bond Trustee and their respective current, former and future members, directors, officers, servants, employees and agents shall have no liability or responsibility for damage or injury to human health, the environmental or natural resources caused by, for abatement and/or clean-up of, or otherwise with respect to, Hazardous Materials by virtue of the interest of the County and the Bond Trustee in the Financed Facilities pursuant to this Loan Agreement, or hereafter created, or as a result of the County or the Bond Trustee exercising any of its rights or remedies with respect thereto hereunder or under any other instruments, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing covenants contained in this Section and the responsibilities and warranties of the Corporation contained in **Section 2.2(g)** shall be deemed continuing covenants, representations and warranties for the benefit of the County and the Bond Trustee and their respective current, former and future members, directors, officers, servants, employees and agents, and any successors and assigns of the County and the Bond Trustee, including but not limited to any purchaser at a foreclosure sale, any transferee of the title of the Bond Trustee for any other purchaser at a foreclosure sale, and any subsequent owner of the Financed Facilities, and shall survive the satisfaction or release of this Loan Agreement, the Bond Indenture or any other instrument, and/or any acquisition of title to the Financed Facilities or any part thereof by the County or the Bond Trustee, by deed in lieu of foreclosure or otherwise. Any amounts covered by the foregoing indemnification shall bear interest from the date incurred at the Prime Rate and shall be payable on demand.

"Hazardous Materials" means any substance, material or waste which is (a) petroleum; (b) asbestos; (c) polychlorinated biphenyls; (d) designated as a "hazardous substance" pursuant to Section 311

of the Clean Water Act, as amended or listed pursuant to Section 307 of the Clean Water Act, as amended; (e) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, as amended; (f) defined as a “hazardous substance” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, as amended; or (g) subject to regulation as a hazardous chemical substance pursuant to Section 6 of the Toxic Substance Control Act, as amended.

The Corporation will permit the County or the Bond Trustee (or such Persons as either the County or the Bond Trustee may designate) to visit and inspect any of the properties of the Corporation in order to determine compliance with environmental regulations and any state or local environmental matters, all at such reasonable times and as often as may be reasonably requested, but the County and the Bond Trustee shall have no duty to undertake any such visit or inspection.

Section 5.6. Compliance Review. The Corporation shall annually, within 6 months after the end of each fiscal year of the Corporation, review the activities of the Corporation for such fiscal year and the performance of the Corporation of its obligations under the Loan Agreement, and determine: (i) whether the Corporation has fulfilled its obligations under the Loan Agreement, and (ii) whether any Event of Default under the Loan Agreement has occurred during such fiscal year; and if such Event of Default has occurred, the Corporation shall, as soon as practicable following such review, provide written notice thereof to the Bond Trustee.

Section 5.7. No Constitutional Debt; Limited Obligations. It is understood and agreed by the Corporation and the Bondowners that no covenant, provisions or agreement of the County herein or in the Bonds or in any other document executed by the County in connection with the issuance, sale and delivery of the Bonds, or any obligation herein or therein imposed upon the County or breach thereof, shall give rise to a pecuniary liability of the County, its members, officers, employees or agents or a charge against the County’s general credit or general fund or shall obligate the County, its directors, officers, employees or agents financially in any way except with respect to the Bond Indenture, the funds and accounts held thereunder and the application of revenues therefrom and from this Loan Agreement, and from the proceeds of the Bonds. No failure of the County to comply with any term, condition, covenant or agreement herein or in the Bond Indenture shall subject the County, its directors, officers, employees or agents to liability for any claim for damages, costs or other financial or pecuniary charges except to the extent that the same can be paid or recovered from the Bond Indenture, the funds and accounts held thereunder and the application of revenues therefrom and from this Loan Agreement and from the proceeds of the Bonds. No execution on any claim, demand, cause of action or judgment shall be levied upon or collected from the general credit or general fund of the County. In making the agreements, provisions and covenants set forth herein, the County has not obligated itself except with respect to the Bond Indenture and the funds and accounts held thereunder and the application of revenues therefrom and from this Loan Agreement, and from the proceeds of the Bonds, as hereinabove provided.

The Bonds constitute special, limited obligations of the County, payable solely from proceeds of the Bonds, the revenues pledged to the payment thereof pursuant to this Loan Agreement, and the funds and accounts held under and pursuant to the Bond Indenture and pledged therefor. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness of the County, any city or village in the County or in the State, and neither the State nor any such county, city or village in the State shall be liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those held under and pursuant to the Bond Indenture and pledged therefor. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitations of the laws of the State. The County does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the County or any political subdivision of the

State to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto.

It is further understood and agreed by the Corporation and the Bondowners that the County, its members, officers, employees or agents shall incur no pecuniary liability hereunder and shall not be liable for any expenses related hereto, all of which the Corporation agrees to pay. If, notwithstanding the provisions of this Section, the County, its members, officers, employees or agents incur any expense, or suffer any losses, claims or damages or incurs any liabilities, the Corporation will indemnify and hold harmless the County, its members, officers, employees or agents from the same and will reimburse the County, its members, officers, employees or agents in relation thereto, and this covenant to indemnify, hold harmless and reimburse the County, its members, officers, employees or agents shall survive payment and discharge of the Bonds.

ARTICLE VI

TERM AND TERMINATION OF LOAN AGREEMENT

Section 6.1. Term of Loan Agreement. This Loan Agreement shall be effective concurrently with the initial delivery of the Bonds and shall continue in force and effect until the principal of and redemption premium, if any, and interest on the Bonds have been fully paid (or provision for their payment shall have been made in accordance with **Article XI** of the Bond Indenture) together with all fees, charges, indemnities and expenses to which the County and the Bond Trustee are entitled from the Corporation under this Loan Agreement and the Series 2020 Master Obligation (the payment of which fees, charges, indemnities and expenses shall be evidenced by a written certification of the Corporation that it has fully paid or provided for all such fees, charges, indemnities and expenses).

Section 6.2. Defeasance. If the Corporation shall pay and discharge or provide for the payment or redemption and discharge of the whole amount of the principal of and redemption premium, if any, and interest on the Series 2020 Master Obligation and Bonds at the time Outstanding as provided in the Bond Indenture, and shall pay or cause to be paid all rebate amounts required under Section 148(f) of the Internal Revenue Code and all other sums payable hereunder, including amounts payable to the County and the Bond Trustee, or shall make arrangements satisfactory to the County and the Bond Trustee for such payment or redemption and discharge, then and in that case such Series 2020 Master Obligation and Bonds shall cease to be entitled to any lien, benefit or security under this Loan Agreement or any other Bond Document, and all covenants, agreements and obligations of the Corporation contained herein (except as otherwise specifically provided herein) shall thereupon cease, terminate and become void; provided that the Owners of the Bonds shall be entitled to payment thereof at the times and in the manner stipulated therein and in the Bond Indenture from the sources provided for such payment, and all property, rights and interest hereby assigned or pledged shall revert to the Corporation, and the right, title and interest of the County therein shall thereupon cease, terminate and become void, and this Loan Agreement, and the covenants of the Corporation contained herein, shall be discharged and the County, in such case on demand of the Corporation and at the Corporation's cost and expense, and upon compliance with the Bond Indenture, shall execute and deliver to the Corporation a proper instrument or proper instruments acknowledging the satisfaction and termination of this Loan Agreement, and shall assign and transfer or cause to be assigned or transferred, and shall deliver or cause to be delivered to the Corporation, all property, including money, then held by the County or the Bond Trustee with respect to the Bonds, other than moneys and Defeasance Obligations deposited with the Bond Trustee for the payment of the principal of and redemption premium, if any, or interest on the Bonds, together with the Series 2020 Master Obligation marked paid or cancelled.

ARTICLE VII

DEFAULT AND REMEDIES

Section 7.1. Events of Default. The occurrence and continuance of any of the following events shall constitute an “Event of Default” hereunder:

(a) failure of the Corporation to pay the Loan Payments or any installment of interest or principal, or any premium, on the Series 2020 Master Obligation when the same shall become due and payable, whether at maturity or upon any date fixed for prepayment or redemption or by acceleration or otherwise; or

(b) default in the performance, or breach, of any covenant or agreement of the Corporation in this Loan Agreement or the Tax Agreement (other than a covenant or agreement a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of 60 days after there has been given to the Corporation by the Bond Trustee or to the Corporation and the Bond Trustee by the owners of at least 10% in principal amount of the Bonds Outstanding, a written notice specifying such default or breach and requiring it to be remedied or such longer period as shall be required to remedy such default if such default cannot be fully remedied within such 60-day period, but can reasonably be expected to be fully remedied, and the Corporation has immediately upon receipt of such notice commenced the curing of such default and is pursuing such cure with due diligence and dispatch; or

(c) any representation or warranty made by the Corporation in this Loan Agreement or any other Bond Document or in any written statement or certificate furnished by the Corporation to the County or the Bond Trustee or the Original Purchaser in connection with the sale of any Bonds, or furnished by the Corporation pursuant hereto proves untrue in any material respect as of the date of the issuance or making thereof and, if the same may be corrected or brought into compliance so that the interests of the Bond Trustee, the County and the Bondowners are not materially adversely affected by such untruth, shall not be corrected or brought into compliance within 60 days after there has been given to the Corporation by the Bond Trustee or to the Corporation and the Bond Trustee by the Owners of at least 10% in principal amount of the Bonds Outstanding, a written notice specifying such untruth and requiring it to be remedied or such longer period as is required to remedy such untruth if such untruth cannot be fully remedied within such 60-day period, but can reasonably be expected to be fully remedied and the Corporation has immediately upon receipt of such notice commenced the curing of such untruth and is pursuing such cure with due diligence and dispatch; or

(d) any “Event of Default” specified in the Bond Indenture or the Master Indenture that has not been waived.

Promptly after any officer of the Corporation may reasonably be deemed to have knowledge of a default hereunder, the Corporation will deliver to the Bond Trustee a written notice specifying the nature and period of existence thereof and the action the Corporation is taking and proposes to take with respect thereto.

Section 7.2. Remedies. During the occurrence and continuance of any Event of Default hereunder, the Bond Trustee, as assignee of the County, shall have the following rights and remedies, in addition to any other remedies herein or by law provided:

(a) *Acceleration of Maturity; Waiver of Event of Default and Rescission of Acceleration.* The Bond Trustee as assignee of the County, if the Bond Trustee has declared the principal of all Bonds then Outstanding to be due and payable pursuant to **Section 702** of the Bond Indenture shall, by written notice to the Master Trustee, the Obligated Group Representative and the Corporation request the Master Trustee to declare the principal of the Series 2020 Master Obligation and the Loan Payments to be due and payable immediately pursuant to **Section []** of the Master Indenture (but the Series 2020 Master Obligation and the Loan Payments shall become and be immediately due and payable as a result of such request only if the Master Trustee shall declare it to be due and payable in accordance with said Section). This provision, however, is subject to the condition that if, at any time after the principal of the Series 2020 Master Obligation shall have been so declared and become due and payable, all arrears of interest and principal then due, if any, upon the Series 2020 Master Obligation and the fees, costs, advances and expenses of the County and the Bond Trustee shall be paid by the Corporation, and every other default in the observance or performance of any covenant, condition or agreement contained in this Loan Agreement and the Series 2020 Master Obligation shall be made good, or be secured, to the satisfaction of the Bond Trustee, or provision deemed by the Bond Trustee to be adequate shall be made therefor, and the acceleration of the Bonds and its consequences has been annulled or rescinded pursuant to **Section 702** of the Bond Indenture then and in every such case the Bond Trustee, by written notice to the Master Trustee, the Corporation and the Obligated Group Representative, may request the Master Trustee to waive the Event of Default by reason of which the principal of the Series 2020 Master Obligation shall have been so declared and become due and payable and to rescind and annul such declaration and its consequences; but no such waiver, rescission or annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

(b) *Right to Bring Suit, Etc.* The Bond Trustee may in its discretion without notice or demand (1) proceed to protect and enforce its rights by a suit or suits in equity or at law, whether for damages or for the specific performance of any covenant or agreement contained in the Series 2020 Master Obligation or this Loan Agreement, or in aid of the execution of any power herein or therein granted or for the enforcement of any other appropriate legal or equitable remedy, as the Bond Trustee shall deem effectual to protect and enforce any of its rights or duties hereunder or thereunder or (2) avail itself of all other rights or remedies available to it.

If the Bond Trustee exercises any of its rights under this Article, it shall give notice of such exercise to the Corporation in the manner provided in **Section 9.4**.

Notwithstanding any provision herein to the contrary, the County shall have the exclusive right to enforce the Unassigned County Rights.

Section 7.3. Application of Moneys Collected. Any moneys collected by the Bond Trustee pursuant to this Article (after the deductions for payment of costs and expenses of proceedings resulting in the collection of such moneys) together with any other sums then held by the Bond Trustee as part of the Trust Estate, shall be applied as provided in **Article VII** of the Bond Indenture and, in case of the distribution of such money on account of principal or premium, if any, or interest on the Bonds, shall be credited against Loan Payments due hereunder.

Section 7.4. Remedies Cumulative. No remedy conferred upon or reserved to the County or the Bond Trustee in this Loan Agreement, the Series 2020 Master Obligation or any other document or instrument is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder and under the Bond Indenture, now or hereafter existing at law or in equity or by statute.

Section 7.5. Delay or Omission Not Waiver. No delay or omission of the Bond Trustee to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Loan Agreement to the Bond Trustee may be exercised from time to time and as often as may be deemed expedient by the Bond Trustee.

Section 7.6. Bond Trustee's Right to Perform the Corporation's Covenants. In the event the Corporation shall fail to (a) pay any tax, charge, assessment or imposition pursuant hereto, (b) remove any lien, encumbrance or charge pursuant hereto, (c) maintain the Financed Facilities in repair pursuant hereto, (d) procure the insurance required by the Master Indenture or pay any insurance premium with respect thereto, (e) pay any amount required to be rebated to the United States Government pursuant to the requirements of Section 148(f) of the Internal Revenue Code when due, or (f) make any other payment or perform any other act required to be performed hereunder, then and in each such case the Bond Trustee, as assignee of the County, 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 or prejudice any rights of the Bond Trustee or the Bondowners arising under any of the Bond Documents in consequence of such failure. Any sums so advanced by the Bond Trustee shall bear interest at the Prime Rate, from the date of the advance until repaid. The Bond Trustee shall have the right to enter the Financed Facilities or any portion thereof in order to effectuate the purposes of this Section.

Section 7.7. Right of Bond Trustee to Enforce the Series 2020 Master Obligation and this Loan Agreement. The Series 2020 Master Obligation, this Loan Agreement, and all of the rights, interests, powers, privileges and benefits accruing to or vested in the County hereunder and thereunder may be protected and enforced in conformity with the Bond Indenture and (except for the Unassigned County Rights) may be thereby assigned by the County to the Bond Trustee as additional security for the Bonds and may be exercised, protected and enforced for or on behalf of the Bondowners in conformity with the provisions of this Loan Agreement and the Bond Indenture.

Section 7.8. Right of Entry. The duly authorized agents of the Bond Trustee, as assignee of the County, shall have the right at all reasonable times to enter the Financed Facilities, or any parts thereof, for the purpose of inspecting the Financed Facilities to insure compliance with the provisions of this Loan Agreement, the Master Indenture and the Act.

ARTICLE VIII

ASSIGNMENTS

Section 8.1. Consent to Assignment of the Loan Agreement and the Series 2020 Master Obligation. The Corporation acknowledges and consents to the pledge and assignment of the Loan Payments and the County's rights under this Loan Agreement and the Series 2020 Master Obligation (excluding the Unassigned County Rights) to the Bond Trustee, pursuant to the Bond Indenture, to secure payment of the Bonds, and agrees that the Bond Trustee may enforce the rights, remedies and privileges granted to the County hereunder, other than the rights of the County to decline to execute and deliver supplements and amendments to this Loan Agreement pursuant to **Section 9.1**. The Bond Trustee is a third-party creditor-beneficiary of this Loan Agreement.

Section 8.2. Assignment by the Corporation. This Loan Agreement may be assigned, as a whole or in part, by the Corporation without the necessity of obtaining the consent of the Bond Trustee, subject to each of the following conditions:

(a) No assignment shall relieve the Corporation from primary liability for any obligations hereunder, and in the event of any such assignment the Corporation shall continue to remain primarily liable for payment of the amounts specified in **Article IV** and for performance and observance of the other agreements on its part herein provided to be performed and observed by the Corporation to the same extent as though no assignment had been made, unless such assignment is pursuant to a merger permitted under the Master Indenture in which the Corporation is not the surviving entity and the surviving entity has assumed such liability;

(b) The assignee shall assume the obligations of the Corporation hereunder to the extent of the interest assigned;

(c) The Bond Trustee and the County shall have received an Opinion of Bond Counsel, in form and substance satisfactory to the Bond Trustee, to the effect that under then existing law the consummation of such merger, consolidation, sale or conveyance, whether or not contemplated on any date of the delivery of the Bonds, would not cause the interest payable on the Bonds to become included in gross income under the Internal Revenue Code; and

(d) The Corporation shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the County and the Bond Trustee a true and complete copy of each assignment and assumption of obligation.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 9.1. Amendments, Changes and Modifications. Subject to the terms, conditions and provisions of the Bond Indenture, the Corporation and the County may from time to time enter into such Supplemental Loan Agreements as to them may seem necessary or desirable to effectuate the purposes or intent hereof; provided that after the issuance of any Bonds and before their payment in full (or provision thereof having been made in accordance with the provisions of the Bond Indenture), this Loan Agreement may not be amended, changed, modified, altered or terminated without the written consent of the Bond Trustee required by the Bond Indenture.

Section 9.2. Instruments of Further Assurance. The Corporation will, at its expense, take all necessary action to keep this Loan Agreement in full force and effect so long as payments are due hereunder.

Section 9.3. Payments Due on Saturdays, Sundays and Holidays. In any case where the day for any payment due under this Loan Agreement shall be a Saturday, a Sunday or a legal holiday or a day on which banking institutions in the city of payment are authorized by law to close, then payment need not be made on such date but may be made on the next succeeding business day not a Saturday, a Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close with the same force and effect as if made on the date fixed for payment, and no interest shall accrue for the period after such date.

Section 9.4. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Loan Agreement to be given to or filed with the County, the Bond Trustee or

the Corporation if the same is given or filed in the manner and at the addresses specified in the Bond Indenture.

Section 9.5. The County and the Corporation. Whenever under the provisions of this Loan Agreement the approval of the County or the Corporation is required or the County or the Corporation are required to take some action at the request of the other, such approval or such request shall be given for the County by the County Representative and for the Corporation by a Corporation Representative, the Bond Trustee and any party hereto shall be authorized to act on any such approval or request.

Section 9.6. Immunity of Officers, Employees, Directors, Members and Agents of the County and the Corporation. No recourse shall be had for the payment of the principal of or premium or interest on the Series 2020 Master Obligation or for any claim based thereon or upon any representation, obligation, covenant or agreement in this Loan Agreement contained against any past, present or future officer, member, employee, director or agent of the County or the Corporation, or, respectively, of any successor public or private entity thereto, as such, either directly or through the County, the Corporation, or respectively, any successor public or private entity thereto, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement and the issuance of the Series 2020 Master Obligation.

Section 9.7. No Violations of Law. Any other term or provision in this Loan Agreement to the contrary notwithstanding:

- (a) In no event shall this Loan Agreement be construed as:
 - (1) depriving the County of any right or privilege; or
 - (2) requiring the County or any member, officer, director, agent, employee, representative or advisor of the County to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else,

which deprivation or requirement would violate, or result in the County's being in violation of the Act or any other applicable state or federal law; and

- (b) At no time and in no event will the Corporation permit, suffer or allow any of the proceeds of the Bonds or the Series 2020 Master Obligation to be transferred to any Person in violation of, or to be used in any manner which is prohibited by, the Act or any other state or federal law.

Section 9.8. County Not Liable. Notwithstanding any other provision of this Loan Agreement or any other Bond Document, (a) the County shall not be required to take action under this Loan Agreement unless the County (i) is requested in writing by an appropriate Person to take such action and (ii) is assured of payment of or reimbursement for any expense incurred in taking such action, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the County nor any official, officer, member, director, agent, employee, officer or servant of the County shall be liable to the Corporation, any other Member of the Obligated Group, the Bond Trustee or any other Person for any action taken by the County or by its officials, officers, members, directors, agents, employees or servants, or for any failure to take action under this Loan Agreement or any other Bond Document. In acting under this Loan Agreement, or in refraining from acting under any other Bond Document, the County may conclusively rely on the advice of its counsel.

Notwithstanding any provision or obligation to the contrary set forth herein, no provision of this Loan Agreement shall be construed so as to give rise to a pecuniary liability of the County or to give rise to a charge upon the general credit of the County, the liability of the County hereunder shall be limited to its interest in the Financed Facilities, this Loan Agreement, the Series 2020 Master Obligation, and all other related documents and collateral and the lien of any judgment shall be restricted thereto. In the performance of the agreements of the County herein contained, any obligation it may incur for the payment of money shall not be a debt of the County, nor shall the County be liable on any obligation so incurred. The County does not assume general liability for the repayment of the Bonds or for the costs, fees, penalties, taxes, interest, commissions, charges, insurance or any other payments recited herein, and shall be obligated to pay the same only out of the amounts payable by the Corporation hereunder and under the Series 2020 Master Obligation, as further provided herein. The County shall not be required to do any act whatsoever or exercise any diligence whatsoever to mitigate the damages to the Corporation if a default shall occur hereunder.

Under this Loan Agreement and the Bond Indenture the County has delegated certain of its duties hereunder to the Corporation and to the Bond Trustee. The fact of such delegation shall be deemed a sufficient compliance by the County to satisfy its obligation to perform the duties so delegated, and the County shall not be liable in any way by reason of acts done or omitted by the Corporation or the Bond Trustee. The County shall have the right at all times to act in reliance upon any authorization, representation or certification of the Corporation or the Bond Trustee.

Section 9.9. Severability. In the event that any provision of this Loan Agreement shall be held invalid or unenforceable by any court or competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.10. Execution Counterparts; Electronic Transactions. This Loan Agreement is being executed in any number of counterparts, each of which is an original and all of which are identical. Each counterpart of this Loan Agreement is to be deemed an original hereof and all counterparts collectively are to be deemed but one instrument. In addition, the transaction described herein may be conducted and related documents may be signed, sent, received and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. All signatures for execution of, or in connection with, this Loan Agreement and any other Bond Documents, may be electronically generated and affixed, without need for any manual signature or delivery of manual signature or paper signature pages or paper transcripts.

Section 9.11. Governing Law. This Loan Agreement is governed by the laws of the State, without regard to the choice of law rules of the State. Venue for any action under this Loan Agreement to which the County is a party shall lie within the district courts of the State, and the parties hereto consent to the jurisdiction and venue of any such court and hereby waive any argument that venue in such forums is not convenient.

Section 9.12. Binding Effect. The covenants, agreements and conditions herein contained shall be binding upon and inure to the benefit of the parties hereto, the Bond Trustee and the Owners of the Bonds and their respective successors and assigns. The Bond Trustee and the Owners of the Bonds are third-party beneficiaries of this Loan Agreement to the extent of their rights hereunder.

Section 9.13. Bond Indenture Provisions. The Bond Indenture provisions concerning the Bonds and other matters therein are an integral part of the terms and conditions of the loan made by the County to the Corporation pursuant to this Loan Agreement, and the execution of this Loan Agreement

shall constitute conclusive evidence of approval of the Bond Indenture by the Corporation to the extent it relates to the Corporation. Additionally, the Corporation agrees that whenever the Bond Indenture, by its terms, imposes a duty or obligation upon the Corporation, such duty or obligation shall be binding upon the Corporation to the same extent as if the Corporation were an express party to the Bond Indenture, and the Corporation hereby agrees to carry out and perform all of its obligations under the Bond Indenture as fully as if the Corporation were a party to the Bond Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the County and the Corporation have caused this Loan Agreement to be executed as of the day and year first above written.

THE COUNTY OF LANCASTER, NEBRASKA

By: _____

Name: Sean Flowerday

Title: Chair

CHRISTIAN RETIREMENT HOMES, INC.

By: _____

Name: _____

Title: _____