

**RESOLUTION NO. 2002-05**

**WHEREAS**, The Health, Educational and Housing Facility Board of the County of Shelby, Tennessee, the Board, is a public not for profit corporation existing under Sections 48-101-301 to 48-101-318, inclusive, Tennessee Code Annotated, as amended, the Act, organized by the County of Shelby, Tennessee; and

**WHEREAS**, Methodist Healthcare, Obligor, is a hospital institution as defined in the Act and the Board has agreed to assist Obligor by entering into one or more financing or lease agreements and certain schedules thereto, hereinafter collectively referred to as the Agreements, among the Board, Obligor and GE Capital Public Financing, Inc., General Electric Capital Corporation, Bank of America Leasing Capital, L.L.C., Citicorp North America, Inc. or any of their affiliates, hereinafter collectively referred to as the Lender, for the purpose of obtaining loans from Lender in an amount not to exceed \$22,000,000.00 in the aggregate, the Loans, and lending the proceeds thereof to Obligor for the cost of acquisition and installation of new machinery, equipment and related improvements, the Project, to be used by Obligor and related entities of Obligor including without limitation, Methodist Healthcare-Volunteer Hospital of Martin, Tennessee, hereinafter referred to as Volunteer Hospital, a Tennessee not for profit corporation, all as permitted under the Act; and

**WHEREAS**, up to \$1,500,000 of the proceeds of the Loans will be used to acquire equipment to be subleased to Volunteer Hospital for use in its facility located in Weakley County, Tennessee;

**NOW, THEREFORE, BE IT RESOLVED** by the County Commission of Weakley County, Tennessee as follows:

Section 1. **Approval of Financing.** The financing and undertakings to be evidenced by the Agreements, the location of a portion of the Project in Weakley County and the sublease of a portion of the equipment to be financed pursuant to the Agreements to Volunteer Hospital are hereby approved in all respects.

Section 2. **Actions Approved.** All acts and doings of the Board which are in conformity with the purposes and intents of this Resolution are, in all respects, authorized and approved.

Section 3. **Compliance with Open Meeting Requirements.** This Commission hereby finds and determines that all formal actions relative to the adoption of this resolution were taken in an open meeting of this Commission, and that all deliberations of this Commission and of its committees which resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

**Pursuant To The Rules Of The Commission, This Resolution Is Sponsored By The Following Members Of The Weakley County Board Of County Commissioners:**

SPONSORED BY:



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SPONSORED BY:



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ACKNOWLEDGED AND APPROVED:



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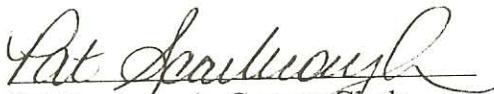
Chairman, Finance, Ways, & Means Committee

Motion made by Commissioner Salmon that the foregoing resolution be adopted:

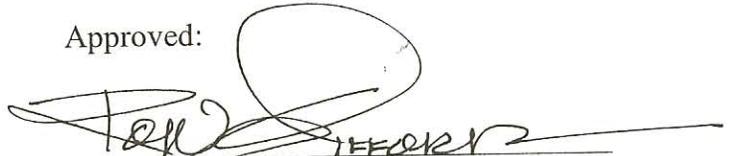
Motion seconded by Commissioner Broussard

Upon being put to a roll call vote, Motion Carried by a vote of 15 Yeas, 0 Nays,  
0 Passed and 5 Absent.

Attested:

  
Pat Scarbrough, County Clerk

Approved:

  
Ron Gifford, County Executive

~~THIS THE 27<sup>TH</sup> DAY OF JULY, 2001~~

THIS THE 9TH DAY OF AUGUST, 2001

RESOLUTION OF THE BOARD OF DIRECTORS  
OF METHODIST HEALTHCARE – VOLUNTEER HOSPITAL

June 28, 2001

WHEREAS, Methodist Healthcare proposes to enter into one or more tax exempt leases of equipment for the purpose of financing equipment costing not in excess of Twenty-Two Million Dollars (\$22,000,000 ) (the “Equipment”); and

WHEREAS, the Health Educational and Housing Facility Board of the County of Shelby, Tennessee (the “Issuer”) shall enter into tax exempt operating leases between the Issuer, lenders approved by Methodist Healthcare and Methodist Healthcare pursuant to which such lenders will finance all or a portion of the Equipment, and pursuant to which Methodist Healthcare will grant a first lien security interest in all or a portion of the Equipment to such lenders and agree to make payments sufficient to pay all amounts due such lenders thereunder; and

WHEREAS, the terms of any lease of Equipment from a Lender shall be subject to the approval of the Chief Financial Officer of Methodist Healthcare; and

WHEREAS, it is proposed that Methodist Healthcare sublease all or a portion of the Equipment to this Corporation.

NOW, THEREFORE, BE IT RESOLVED BY the Board of Directors of Methodist Healthcare – Volunteer Hospital that:

1. This Corporation is hereby authorized to enter into a sublease of all or any part of the Equipment from Methodist Healthcare.
2. The President, Chief Financial Officer or any other officer of this Corporation be, and hereby is, authorized to execute and deliver a sublease of a part of the Equipment having a cost not in excess of One Million Dollars (\$1,000,000) from Methodist Healthcare in the form thereof approved by the officer of this Corporation, executing such sublease, the execution and delivery thereof by such officer to the conclusive evidence of the approval by this Board of Directors of the terms and conditions and appropriateness thereof.
3. The President, Chief Financial Officer or any other officer of this Corporation be and hereby is authorized to take any and all action, and to execute and deliver all such other instruments or documents in the name of and on behalf of this Corporation as in their judgment shall be necessary or desirable to carry out or accomplish the purposes of these Resolutions and the transactions contemplated thereby and to make effective the obligations of this Corporation authorized and approved by these Resolutions and to perform the obligations of this Corporation approved and authorized by these Resolutions.

## RESOLUTION

WHEREAS, The Health, Educational and Housing Facility Board of the County of Shelby, Tennessee (the "Board") is a public not for profit corporation existing under Sections 48-101-301 to 48-101-318, inclusive, Tennessee Code Annotated, as amended (the "Act"); and

WHEREAS, Methodist Healthcare ("Obligor") is a hospital institution as defined in the Act and has requested the Board to assist Obligor by entering into one or more Master Financing Agreements and certain Schedules thereto (collectively, the "Agreement") among the Board, Obligor and GE Capital Public Finance, Inc., General Electric Capital Corporation or any of their affiliates ("Lender"), obtaining a loan from Lender an amount not to exceed \$22,000,000 (the "Loan") and lending the proceeds thereof to Obligor for the cost of acquisition and installation of new machinery, equipment and related improvements (the "Project") to be used by Obligor and related entities of Obligor listed on Exhibit A hereto, each a Tennessee not for profit corporation which is controlled by Obligor (the "Hospitals"), all as permitted under the Act; and

WHEREAS, in addition to Shelby County, Tennessee, the Project also may be located in the counties set forth on Exhibit A hereto; and

WHEREAS, under the terms of the Agreement, the Board will receive payments from Obligor which will be assigned, together with the right, title and interest of the Board in the Agreement and the equipment financed pursuant thereto, as security for payment by Obligor of the principal, premium (if any) and interest on the Loan; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Health, Educational and Housing Facility Board of the County of Shelby, Tennessee as follows:

Section 1. **Findings.** The Board hereby ascertains, determines and declares that:

(a) Obligor and the Hospitals are each a not for profit corporation incorporated under the laws of the State of Tennessee and a "hospital institution" (as defined in the Act) authorized by law to provide hospital facilities in the State of Tennessee;

(b) Obligor has properly filed with the Board its request for assistance in providing funds for the purposes aforesaid;

(c) The Loan is being delivered by the Board in the amount deemed necessary by the Board and for a valid purpose under and in accordance with the provisions of the Act; and

(d) Obligor will receive any necessary approval for the Loan as required by Section 48-101-308 of the Act from the appropriate Health, Educational and Housing Facility Board or other approving authorities from each county listed on Exhibit A where the Project will be located and where such approval is required.

Section 2. **Authorization of the Loan.** It is hereby determined to be necessary to deliver, and the Board shall deliver, as provided herein and pursuant to the authority of the Act, the Loan pursuant to the Agreement in the aggregate principal amount not to exceed \$22,000,000 for the purpose of making a loan to assist Obligor in financing the costs of acquiring and installing the Project.

Section 3. **Authorization of Agreement.** In order to secure the payment of the principal of, redemption premium (if any) and interest on the Loan herein authorized, the execution, delivery and performance of the Agreement by and among the Board, Obligor and Lender be and the same is hereby authorized. The Agreement shall be substantially in the form attached hereto as Exhibit B, subject to such minor changes, insertions or omissions which are not substantially adverse to the Board as may be approved by counsel to the Board and the execution of the Agreement by the chairman, vice chairman or any other officers of the Board shall be conclusive evidence of any such approval.

Section 4. **Authorization of Escrow Agreement.** In order to provide an escrow for the proceeds of the Agreement, pending the disbursement therefor for the costs of the Project, the execution, delivery and performance of one or more Escrow Agreements (the "Escrow Agreements") by and among the Board, Obligor, Lender and the escrow agent named therein be and the same are hereby authorized. The Escrow Agreements shall be in substantially the form attached hereto as Exhibit C, subject to minor changes, insertions or omissions which are not substantially adverse to the Board as may be approved by counsel to the Board and the execution of the Escrow Agreements by the chairman, vice chairman or any other officer of the Board shall be conclusive evidence of such approval.

Section 5. **Information Reporting Pursuant to Section 149(e) of the Code.** Any member of the Board is hereby authorized to sign and file or cause to be filed a completed Information Return for Tax Exempt Private Active Bonds (IRS Form 8038) as required by Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 6. **General Authority.** The directors, officers, agents and employees of the Board are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of the Agreement and the Escrow Agreements, and all of the acts and doings of the directors, officers, agents and employees of the Board which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 7. **Actions Approved and Confirmed.** All acts and doings of the Board which are in conformity with the purposes and intents of this Resolution and in the furtherance of the execution, delivery and performance of the Agreement and the Escrow Agreements shall be, and the same hereby are, in all respects approved and confirmed.

Section 8. **Severability of Invalid Provisions.** If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any

reasons whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof and the Agreement authorized hereunder.

Section 9. **Compliance with Open Meeting Requirements.** This Board hereby finds and determines that all formal actions relative to the adoption of this resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, which resulted in those formal actions, were in meetings open to the public in compliance with the law.

Section 10. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

Adopted this \_\_\_\_<sup>th</sup> day of April, 2001.

THE HEALTH, EDUCATIONAL AND  
HOUSING FACILITY BOARD OF THE  
COUNTY OF SHELBY COUNTY,  
TENNESSEE

By: \_\_\_\_\_  
Title: \_\_\_\_\_