

BOND RESOLUTION
(United Health Services Hospitals, Inc. Project)

A regular meeting of the Broome County Local Development Corporation (the "Issuer") was convened on Wednesday, July 15, 2020, at 12:30 p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Issuer were:

PRESENT:	John M. Bernardo	Chairman
	Wayne L. Howard	Vice Chairman
	John J. Stevens	Treasurer
	Richard A. Bucci	Member
	Daniel E. Crocker	Member
	Joseph P. Mirabito	Member
	James R. Peduto	Member
	Cheryl I. Sacco	Member
ABSENT:	Brian T. Rose	Member

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Stacey Duncan	Executive Director
Joseph Meagher, Esq.	Agency Counsel

The following resolution was offered by Mr. Bucci and seconded by Mr. Crocker, to wit:

RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF THE BROOME COUNTY LOCAL DEVELOPMENT CORPORATION REVENUE BONDS (UNITED HEALTH SERVICES HOSPITALS, INC. PROJECT), SERIES 2020, IN ONE OR MORE SERIES AND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$310,000,000 AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS.

WHEREAS, pursuant to the purposes and powers contained within Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York (the "State"), as amended (hereinafter collectively called the "Act"), pursuant to Resolution 463 of 2010 of the Broome County Legislature, and pursuant to its certificate of incorporation filed on February 22, 2011 (the "Certificate"), the **BROOME COUNTY LOCAL DEVELOPMENT CORPORATION** (the "Issuer") was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of

the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, UNITED HEALTH SERVICES HOSPITALS, INC. (on behalf of itself or an entity formed or to be formed on behalf of the foregoing, collectively, the "Institution"), a New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Code with offices at 10-42 Mitchell Avenue, Binghamton, New York, has submitted an application to the Issuer requesting that the Issuer issue its revenue bonds in one or more series in the aggregate principal amount not to exceed \$310,000,000 (the "Bonds") for the purpose of financing a certain project (the "Project"), consisting of: (A) (i) the construction at 33-57 Harris Street, Johnson City, New York 13790 (the "Wilson Memorial Campus") of an approximately 159,275 square-foot, six-(6)-story building consisting principally of: (a) a new, right-sized Emergency Department, (b) an MRI unit, (c) an all-private room medical/surgical unit housing approximately thirty (30) beds, (d) a mechanical penthouse, (e) a helipad, and (f) shelled space for future development of additional private rooms; (ii) the renovation of approximately 24,100 square-feet of the existing Wilson Medical Center located on the Wilson Memorial Campus (collectively, items (A)(i) through (ii), the "Improvements"); and (iii) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and together with the Improvements, the "2020 Facility"); (B) the financing of the acquisition, equipping, installation and implementation of and/or additions to, various diagnostic treatment and other medical and ancillary equipment (the "2019 TELP Lease"; and, together with the Facility, the "New Money Project"); (C) (i) the refunding of all or a portion of the outstanding principal amount of the Issuer's Tax-Exempt Revenue Bonds (United Health Services Hospitals, Inc. Project), Series 2019 issued in the original principal amount of up to \$50,000,000 (the "Series 2019 Bonds"), (ii) the refunding of all or a portion of the outstanding principal amount of the Dormitory Authority of the State of New York's ("DASNY") United Health Services Hospitals, Inc. Revenue Bonds Series 2015 issued in the original principal amount of \$22,900,000 (the "Series 2015 Bonds"), (iii) the refunding of all or a portion of the outstanding principal amount of DASNY's United Health Services Hospitals, Inc. Revenue Bonds Series 2010 issued in the original principal amount of \$20,000,000 (the "Series 2010 Bonds"), (iv) the refinancing of all or a portion of the outstanding principal balance due under a certain Master Lease and Sublease Agreement, by and among TD Equipment Finance, Inc., DASNY and the Institution, dated June 1, 2018, the proceeds of which totaled \$10,065,000 (the "2018 TELP Lease"); (v) the refinancing of all or a portion of the outstanding principal balance due under a certain Master Lease and Sublease Agreement, by and among Banc of America Public Capital Corp., DASNY and the Institution, dated July 1, 2017, the proceeds of which totaled \$10,240,000 (the "2017 TELP Lease"); (vi) the refinancing of all or a portion of the outstanding principal balance due under a certain Master Lease and Sublease Agreement, by and among Banc of America Public Capital Corp., DASNY and the Institution, dated May 1, 2016, the proceeds of which totaled \$8,800,000 (the "2016 TELP Lease"); (vii) the refinancing of all or a portion of the remaining balance due on a certain term loan made available by Manufacturers and Traders Trust Company (the "Bank") in the original principal amount of \$8,000,000 (the "2017 Term Loan"); (viii) the refinancing of all or a portion of the remaining balance due on a certain term loan made available by the Bank in the original principal

amount of \$10,520,000 (the "2015 Term Loan"; and, together with the Series 2019 Bonds, Series 2015 Bonds, Series 2010 Bonds, 2019 TELP Lease, 2017 TELP Lease, 2016 TELP Lease, 2017 Term Loan and 2015 Term Loan, the "Refunding Project"); (D) the payment of fees associated with the termination of all or a portion of the outstanding interest rate swap agreement entered into by the Institution in connection with the Series 2015 Bonds; and (E) funding a debt service reserve fund, if any, paying capitalized interest, if any, and paying certain other costs incidental to the issuance of the Bonds (the costs associated with items (A) through (E) above being hereinafter collectively referred to as the "Project Costs").

WHEREAS, the Issuer is contemplating providing financial assistance to the Institution with respect to the Project (collectively, the "Financial Assistance") in the form of the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$310,000,000; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulation adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Issuer must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the Project; and

WHEREAS, in accordance with Section 147(f) of the Code, the Issuer has conducted a public hearing with respect to the issuance of the Bonds on July 8, 2020, at 12:00 p.m. via telephone conference, following the publication on June 26, 2020, on the Issuer's primary public website of a notice of said public hearing; and

WHEREAS, the Bonds are being issued pursuant to a Trust Indenture or other similar document (the "Indenture"), to be dated as of August 1, 2020, or such other date acceptable to the Chairperson, Vice Chairperson or the Executive Director of the Issuer (each an "Authorized Officer"), by and between the Issuer and Manufacturers and Traders Trust Company, as bond trustee, (the "Trustee"); and

WHEREAS, the Issuer will loan the net proceeds derived from the issuance of the Bonds to the Institution pursuant to a certain Loan Agreement, to be dated as of August 1, 2020 (or other such appropriate date as agreed to by the Authorized Officer), by and between the Issuer and the Institution (the "Loan Agreement"), with the payments made by the Institution thereunder being sufficient to pay the principal of premium, if any, purchase price and interest on the Bonds; and

WHEREAS, as security for the Institution's obligations under the Loan Agreement, the Institution will execute and deliver its Obligation No. 1, dated August 25, 2020 (or other such appropriate date as agreed to by the Authorized Officer) ("Obligation No. 1"), pursuant to and in accordance with the Amended and Restated Master Trust Indenture, dated as of August 1, 2020 (the "Original Master Trust Indenture") as amended by the Supplemental Indenture for Obligation No. 1, dated as of August 1, 2020 ("Supplemental Indenture No. 1"; and, together with the Original Master Trust Indenture, the "Master Trust Indenture"), each by and between the Institution and Manufacturers and Traders Trust Company, in its capacity as master trustee (the "Master Trustee"); and

WHEREAS, the Issuer will assign its rights under the Loan Agreement (other than the Unassigned Rights as defined in the Loan Agreement) to the Trustee, pursuant to the Pledge and Assignment, to be dated as of August 1, 2020 (the "Assignment"), or such other date acceptable to the Authorized Officer, from the Issuer to the Bond Purchaser with an acknowledgment thereof by the Institution; and

WHEREAS, the Bonds will be initially purchased by BofA Securities, Inc., on behalf of itself and as representative of Wells Fargo Bank, National Association (the "Underwriter"), pursuant to a certain Bond Purchase Agreement, to be dated August 12, 2020 (the "Bond Purchase Agreement"), or such other date acceptable to the Authorized Officer, from the Underwriter and accepted by the Issuer and the Institution; and

WHEREAS, the interest rate or rates payable on the Bonds and certain other terms of the Bonds will be determined by the Underwriter following the circulation of a preliminary version of an official statement (the "Preliminary Official Statement") and the Underwriter will utilize an official statement (the "Official Statement") in connection with the sale of the Bonds; and

NOW, THEREFORE, BE IT RESOLVED by the Broome County Local Development Corporation as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration.

Section 2. It is among the purposes of the Issuer to promote, develop, encourage and assist in the acquisition, construction, rehabilitation and improvement of facilities for not-for profit corporations and thereby relieve and reduce unemployment, better and maintain job opportunities and lessen the burdens of government.

Section 3. Based upon representations made by the Institution to the Issuer, the Issuer makes the following findings and determinations:

- (a) the Project is in furtherance of the purposes of the Issuer; and
- (b) the issuance of the Bonds will be an inducement to the Institution to undertake the Project in Broome County; and
- (c) it is desirable and in the public interest for the Issuer to issue its Bonds to finance a portion of the Project Costs, together with certain related costs and amounts, in an aggregate amount not to exceed \$310,000,000; and
- (d) the Institution is not undertaking the Project in place of, on behalf of, for the benefit of, or at the request of the Issuer.

- (e) the Village of Johnson City Planning Board has conducted a review of the Project pursuant to SEQRA. The Village of Johnson City Planning Board issued a Negative Declaration on April 6, 2020, determining that the Project does not pose a potential significant adverse environmental impact. The Issuer, having reviewed the materials presented by the Institution, including, but not limited to, the Full Environmental Assessment Form further determines that the Project does not pose a potential significant adverse environmental impact and thus ratifies the Negative Declaration previously issued by the Village of Johnson City Planning Board pursuant to 6 N.Y.C.R.R. § 617.7.

Section 4. In consequence of the foregoing, the Issuer hereby determines to:

- (a) execute the Indenture with such amendments or modifications as the Authorized Officer deems necessary under the circumstances, provided no such amendment or modification materially alters the risk to the Issuer, and issue the Bonds pursuant to the terms thereto; and
- (b) execute the Bond Purchase Agreement as the Authorized Officer deems necessary under the circumstances, provided no such amendment or modification materially alters the risk to the Issuer; and
- (c) execute the Loan Agreement with such amendments or modifications as the Authorized Officer deems necessary under the circumstances, provided no such amendment or modification materially alters the risk to the Issuer and loan the net proceeds derived from the issuance of the Bonds to Institution pursuant to the terms thereto; and
- (d) issue and deliver the Bonds to the Trustee on or before December 31, 2020 or such other date acceptable to the Authorized Officer, subject however to the approval of the final terms for the Bonds and the terms and conditions of the Indenture consistent with this Resolution, and the prior written approval of all terms contained therein, and of the terms of the Bonds, by the Authorized Officer and by the Institution; and
- (e) assign certain of its rights (excluding Unassigned Rights) under the Loan Agreement pursuant to the Assignment; and
- (f) use the proceeds of the Bonds to finance a portion of the Project Costs, including payment of a portion of the Project Costs and to pay necessary incidental expenses in accordance with the Indenture and the Loan Agreement; and
- (g) execute a Tax Compliance Agreement, to be dated as of the date of issuance of the Bonds or such other date acceptable to the Authorized Officer, between the Institution and the Issuer (the "Tax Compliance Agreement") and a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to the Bonds (the "Information Return") and file the Information Return with the Internal Revenue Service in connection with the issuance of the

Bonds; and

- (h) upon receipt of advice from counsel to the Issuer that the Preliminary Official Statement is in substantially final form, deem the Preliminary Official Statement final (except for the permitted omissions described in paragraph (b)(1) of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended) by executing a certificate to that effect, and authorize the Underwriter to circulate the Preliminary Official Statement; and**
- (i) upon receipt of advice from counsel to the Issuer that the Issuer has received from the Underwriter the results of the initial marketing of the Bonds and has received from the Institution evidence that the Institution has accepted the results of the initial marketing of the Bonds, execute and deliver the Bond Purchase Agreement on behalf of the Issuer; and**
- (g) execute and deliver all other certificates and documents required in connection with issuance and sale of the Bonds including the documents identified on the draft closing memorandum and any other documents as may be required to accomplish the Project (collectively, with the Bonds, the Indenture, the Loan Agreement, the Assignment, the Preliminary Official Statement, the Official Statement, the Tax Compliance Agreement and the Information Return, the "Financing Documents"), and qualify the interest on the Bonds for tax-exempt status under Section 103 of the Code.**

Section 5. The Issuer is hereby authorized to assist the Institution with the Project, to finance a portion of the Project Costs, including the funding of a debt service reserve fund, if any, paying capitalized interest, if any, and costs of issuance, by the issuance of the Bonds and to grant the other Financial Assistance; and all acts previously taken by the Issuer with respect to the Project, the undertaking of the Project by the Institution, the grant of Financial Assistance with respect to the Project and the issuance of the Bonds are hereby approved, ratified and confirmed.

Section 6. Subject to receipt of the approval of the County Executive of Broome County (the "County Executive") of the issuance of the Bonds pursuant to, and solely for the purposes of, Section 147 of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver the Bonds to the Trustee in accordance with the provisions of the Indenture and the terms authorized in this Resolution. Each of the Authorized Officers is hereby authorized, on behalf of the Issuer, to execute (by manual or facsimile signature) and deliver the Financing Documents, on such terms and conditions as shall be consistent with this Resolution and approved by an Authorized Officer, the execution thereof by such Authorized Officer constituting conclusive evidence of such approval.

Section 7. Subject to receipt of the approval of the County Executive of the issuance of the Bonds pursuant to, and solely for the purposes of, Section 147 of the Code and other the limitations contained herein, the Issuer, through an Authorized Officer, is hereby authorized to issue, execute, sell and deliver to the Trustee the Bonds in the aggregate principal amount of up to

\$310,000,000 in the form heretofore approved in Section 4 of this Resolution, pursuant to the Act and in accordance with the Indenture; provided that:

- (a) the Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 7: (i) shall be issued, executed and delivered at such time as an Authorized Officer shall determine, (ii) shall be in such aggregate principal amount (not to exceed \$310,000,000) as is hereinafter approved by an Authorized Officer, (iii) shall bear interest at such rate or rates as are set forth in the Bonds and the Indenture or as are hereinafter approved by an Authorized Officer, and (iv) shall be subject to prepayment prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are set forth in the Bonds and the Indenture, all of which provisions are specifically incorporated herein with the same force and effect as if fully set forth in this Resolution; and
- (b) the Bonds shall be issued solely for the purpose of providing funds to assist the Institution in financing a portion of the Project Costs, the funding of a debt service reserve fund, if any, paying capitalized interest, if any, the administrative, legal, financial, and other expenses of the Issuer in connection with such assistance and incidental to the issuance of the Bonds, as such costs are more specifically set forth in the Financing Documents; and
- (c) the Bonds and the interest thereon are not and shall never be a debt of the State of New York or Broome County, New York, and neither the State of New York nor Broome County, New York, shall be liable thereon; and
- (d) the Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from the revenues and receipts derived from the payments made by the Institution pursuant to the Loan Agreement or from the enforcement of the security provided by the other Financing Documents.

Section 8. Notwithstanding any other provision of this Resolution, the Issuer covenants that it will make no use of the proceeds of the Bonds or of any other funds which, if such use had been reasonably expected on the date of issuance of the Bonds, would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 9. Each of the Authorized Officers is hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided by the provisions of the Financing Documents, and to execute and deliver all Financing Documents, and to do all such further acts and things as may be necessary or in the opinion of the Authorized Officer acting on behalf of the Issuer, desirable and proper to effect the purposes of this Resolution and to cause compliance by the Issuer with all of the terms, covenants, and provisions of the Financing Documents binding upon the Issuer.

Section 10. It is hereby found and determined that all formal actions of the Issuer concerning and relating to the adoption of this Resolution were adopted in an open meeting of the

Issuer; and that all deliberations of the Issuer and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 11. Due to the complex nature of this transaction, the Issuer hereby authorizes each of its Authorized Officers to approve, execute and deliver such further agreements, documents and certificates as the Issuer may be advised by counsel to the Issuer and/or Bond Counsel to be necessary or desirable to effectuate the foregoing, such approval to be conclusively evidenced by the execution of any such agreements, documents or certificates by the Authorized Officer acting on behalf of the Issuer.

Section 12. This Resolution shall take effect immediately and the Bonds are hereby ordered to be issued in accordance with this Resolution.

	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Absent</i>
John M. Bernardo	X			
Wayne L. Howard	X			
John J. Stevens	X			
Richard A. Bucci	X			
Daniel E. Crocker	X			
Joseph P. Mirabito	X			
James R. Peduto	X			
Brian T. Rose				X
Cheryl I. Sacco	X			

The Resolution was thereupon duly adopted.

STATE OF NEW YORK)
 ss:
COUNTY OF BROOME)

I, JOHN M. BERNARDO, the undersigned Chairman of the Broome County Local Development Corporation DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Broome County Local Development Corporation (the "Issuer"), including the Resolution contained therein, held on July 15, 2020, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such Resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of the Board of Directors of said Issuer had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the Board of Directors of the Issuer present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Issuer this 16th day of July, 2020.

By: 
Name: John M. Bernardo
Title: Chairman

SEAL