
BOND PURCHASE CONTRACT

\$_[_____]
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
HEALTH SYSTEM VARIABLE RATE REVENUE REFUNDING BONDS,
SERIES 2016[B/C]
(NORTON HEALTHCARE, INC.)

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\$[_____]
**LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
HEALTH SYSTEM VARIABLE RATE REVENUE REFUNDING BONDS, SERIES
2016[B/C]
(NORTON HEALTHCARE, INC.)**

BOND PURCHASE CONTRACT

[_____], 2016

Louisville/Jefferson County Metro Government
527 West Jefferson Street
Louisville, Kentucky 40202

Ladies and Gentlemen:

Branch Banking and Trust Company (the “Purchaser”), offers to enter into this Bond Purchase Contract, including the Letter of Representation attached hereto as Exhibit A (the “Letter of Representation”), being herein called the “Bond Purchase Contract,” with the Louisville/Jefferson County Metro Government (the “Issuer”) with the approval of Norton Healthcare, Inc. (the “Corporation”) and Norton Hospitals, Inc. (“Norton Hospitals”), which, upon acceptance, will be binding upon the Issuer and the Purchaser. This offer is made subject to the Issuer’s acceptance on or before 1:00 p.m., Louisville, Kentucky time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Purchaser upon written notice delivered to the Issuer by the Purchaser at any time prior to acceptance.

Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Indenture (described below).

1. Purchase, Sale and Delivery of the Bonds.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein and in the Letter of Representation, dated the date hereof, executed and delivered contemporaneously herewith by the Corporation, on its own behalf and on behalf of the Obligated Group Members (as hereinafter defined) as Obligated Group Representative, and Norton Hospitals attached hereto as Exhibit A, the Purchaser hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell to the Purchaser, all (but not less than all) of the \$[_____] aggregate principal amount of the Issuer’s Health System Variable Rate Revenue Refunding Bonds, Series 2016[B/C] (Norton Healthcare, Inc.) (the “Bonds”), such Bonds to be dated the date of delivery, to be issued in the aggregate principal amount and bearing interest and maturing on the date set forth in Exhibit B hereto. The aggregate purchase price for the Series 2016[B/C] Bonds shall be \$[_____], consisting of the par amount of the Bonds.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable as provided in a Trust Indenture dated as of [_____, 2016 (the “Indenture”), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the “Trustee”). The Bonds shall be limited obligations of the Issuer payable solely from Loan Payments (as that term is defined in the Indenture) made by the Obligated Group under a Loan Agreement dated as of [_____, 2016 (the “Loan Agreement”) by and among the Issuer, the Corporation and Norton Hospitals, from payments made on the Series 2016[B/C] Bond Obligation (as hereinafter defined) by the Obligated Group (as hereinafter defined) and from amounts held in certain funds established pursuant to the Indenture (including certain proceeds of the sale of the Bonds). The Bonds will be further secured by an assignment of the right, title and interest of the Issuer in the Loan Agreement and in the Series 2016[B/C] Bond Obligation, to the extent and as more particularly described in the Indenture.

The proceeds from the sale of the Bonds will be loaned to the Obligated Group pursuant to the Loan Agreement and will be used, together with other available funds, to refund all of the outstanding [Louisville/Jefferson County Metro Government Health System Variable Rate Revenue Bonds, Series 2011D (Norton Healthcare, Inc.) (the “Series 2011D Bonds”)/[Louisville/Jefferson County Metro Government Health System Variable Rate Revenue Bonds, Series 2013B (Norton Healthcare, Inc.) (the “Series 2013B Bonds”)].

The Obligated Group will issue its Norton Healthcare, Inc. and Norton Hospitals, Inc. Series 2016[B/C]-1 Master Obligation (the “Series 2016[B/C] Bond Obligation”) to evidence the obligation of the Obligated Group to make payments sufficient to pay the principal of and interest on the Bonds, issued pursuant to the Supplemental Master Trust Indenture No. ___, dated as of [_____, 2016 (the “Supplement No. ___”), by and between the Obligated Group and The Bank of New York Mellon Trust Company, N.A. (successor to Bank One, Kentucky, NA), as master trustee (the “Master Trustee”), supplementing the Amended and Restated Master Trust Indenture dated as of September 15, 1997, as previously supplemented and amended (the “Master Indenture”), among the Corporation, Norton Hospitals and such other members (the “Members” or the “Obligated Group Members”) as may join the obligated group as defined therein (the “Obligated Group”) and the Master Trustee.

The Obligated Group has previously entered into a Security Agreement dated as of September 1, 2000, as supplemented and amended (the “Security Agreement”), by and between the Obligated Group and the Master Trustee, granting a security interest in certain receivables of the Obligated Group to secure the payment of obligations issued under the Master Indenture. The Obligated Group will enter into a [_____] Amendment to Security Agreement dated as of [_____, 2016 (the “Amendment to Security Agreement”) to secure the payment of the Series 2016[B/C] Bond Obligation.

(b) No later than 1:00 p.m., Louisville, Kentucky time, on [_____, 2016, or at such earlier or later time or date as shall be agreed by the Issuer and the Purchaser (such time and date being herein referred to as the “Closing Date”), the Issuer will deliver to the Purchaser the Bonds in the form of a separate, single, fully registered Bond (which may be typewritten) for the Bonds, duly executed by the Issuer and authenticated by the Trustee, and will deliver to the Purchaser at the offices of Squire Patton Boggs (US) LLP in

San Francisco, California, or such other location as may be acceptable to the Issuer and the Purchaser, the other documents herein mentioned. The Purchaser will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (a) of this Section by certified or official bank check payable in, or wire transfer of, immediately available funds (such delivery and payment being herein referred to as the “Closing”). The Closing shall be accomplished in accordance with (i) the Indenture and (ii) the Flow of Funds Memorandum dated [_____], 2016 attached hereto as Exhibit G.

2. Representations, Warranties and Agreements of the Issuer.

The Issuer represents and warrants to and agrees with the Purchaser, the Corporation and Norton Hospitals as follows:

(a) The Issuer is and will be at the Closing Date a public body corporate and politic and an instrumentality of the Commonwealth of Kentucky (the “Commonwealth”) and as such is authorized under the Industrial Buildings for Cities and Counties Act, as amended, KRS 103.200 to 103.285 (the “Act”) to issue the Bonds and to execute this Bond Purchase Contract, the Indenture and the Loan Agreement.

(b) When delivered to and paid for by the Purchaser at the Closing in accordance with the provisions of this Bond Purchase Contract, the Bonds will have been duly authorized, executed, issued and delivered, and will constitute valid and binding limited obligations of the Issuer in conformity with, and entitled to the benefit and security of, the Indenture (subject as to enforcement to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors’ rights generally or against municipal corporations such as the Issuer from time to time in effect and further subject to the availability of equitable remedies).

(c) By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has authorized and approved the execution and delivery of and the performance by the Issuer of the obligations on its part contained in the Bonds, the Loan Agreement, the Indenture and this Bond Purchase Contract and the consummation by the Issuer of all other transactions contemplated by this Bond Purchase Contract.

(d) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, known to the Issuer to be pending or threatened against the Issuer seeking to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting any proceedings of the Issuer taken concerning the issuance or sale thereof, the pledge or application of any moneys or security provided for the payment of the Bonds, in any way contesting the validity or enforceability of the Bonds, the Indenture, the Loan Agreement or this Bond Purchase Contract, or the existence or powers of the Issuer relating to the issuance of the Bonds or any of the transactions contemplated by this Bond Purchase Contract.

(e) The execution and delivery of the Bonds, the Loan Agreement, the Indenture and this Bond Purchase Contract, and compliance with the provisions on the Issuer’s part contained therein, will not conflict with or constitute a breach of or default under any

existing law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture and the Loan Agreement.

(f) The execution and delivery of this Bond Purchase Contract by the Issuer shall constitute a representation by the Issuer to the Purchaser that the representations and agreements contained in this Section 2 are true as of the date hereof; and as to all matters of law the Issuer is relying on the advice of counsel to the Issuer; and provided further that no elected official, officer or employee of the Issuer shall be individually liable for the breach of any representation, warranty or agreement contained herein.

3. Conditions to Obligations of the Purchaser.

The obligation of the Purchaser to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Purchaser, to the accuracy in all material respects of the representations, warranties and agreements on the part of the Issuer contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Issuer made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Issuer of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions.

(a) At the Closing Date, the Master Indenture and the Security Agreement shall be in full force and effect, and the Supplement No. ____, the Series 2016[B/C] Bond Obligation, the Indenture, the Loan Agreement, the Amendment to Security Agreement, the Norton Healthcare, Inc. and Norton Hospitals, Inc. Series 2016[B/C]-2 Master Obligation (the "Series 2016[B/C] Bank Obligation") and the Supplemental Bondholder's Agreement dated as of [_____] , 2016 (the "Supplemental Bondholder's Agreement") among the Corporation, Norton Hospitals and the Purchaser shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Purchaser, with only such changes as shall have been agreed to in writing by the Purchaser, the Corporation and the Issuer, and said agreements shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Purchaser, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the transactions contemplated thereby and by this Bond Purchase Contract all such actions as, in the opinion of Squire Patton Boggs (US) LLP, bond counsel ("Bond Counsel"), Foley & Lardner LLP, borrower's counsel ("Borrower's Counsel"), Michael J. O'Connell, Jefferson County Attorney, as counsel to the Issuer ("Issuer Counsel") and [_____] , as counsel to the Purchaser ("Purchaser Counsel"), shall be necessary and appropriate.

(b) At the time of Closing, there shall not have occurred any change or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings or operations of the Obligated Group from that set forth in the financial statements of

the Corporation and its Affiliates as of June 30, 2015 provided to the Purchaser that in the reasonable judgment of the Purchaser, is material and adverse and that makes it, in the reasonable judgment of the Purchaser, impracticable or inadvisable to proceed with the purchase of the Bonds.

(c) At or prior to the Closing Date, the Purchaser and the Issuer shall have received executed or, as noted below, conformed copies of the following documents, in each case satisfactory in form and substance to the Purchaser and the Issuer:

(1) The Master Indenture (conformed copy), the Series 2016[B/C] Bond Obligation (specimen copy), the Security Agreement (specimen copy), the Supplement No. ____, the Indenture, the Loan Agreement, the Amendment to Security Agreement, the Series 2016[B/C] Bank Obligation and the Supplemental Bondholder's Agreement, duly executed and delivered by the respective parties thereto, with such amendments, modifications or supplements as may have been agreed to in writing by the Purchaser;

(2) The unqualified approving opinion of Bond Counsel, dated the Closing Date and addressed to the Issuer, in substantially the form attached hereto as Exhibit C, together with a reliance letter addressed to the Purchaser and a supplemental opinion of Bond Counsel in a form acceptable to the Purchaser, dated the Closing Date and addressed to the Purchaser, to the effect that:

(i) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and

(ii) this Bond Purchase Contract has been duly executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Purchaser and approval by the Corporation and Norton Hospitals, is a valid and binding agreement of the Issuer, subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases;

(3) The opinion of Issuer Counsel, dated the Closing Date, in substantially the form attached hereto as Exhibit D;

(4) The opinion, dated the Closing Date and addressed to the Issuer, the Purchaser and the Corporation, of Foley & Lardner LLP, counsel to the Obligated Group, in substantially the form attached hereto as Exhibit E;

(5) A certificate, dated the Closing Date and signed by an authorized official of the Issuer, to the effect that to the best of such official's knowledge, no litigation is pending or threatened against the Issuer (i) to restrain or enjoin the issuance or delivery of any of the Bonds or the collection of the Trust Estate (as defined in the Indenture) pledged under the Indenture; (ii) in any way contesting

or affecting the authority for the issuance of the Bonds or the validity of the Bonds, the Indenture, the Loan Agreement or this Bond Purchase Contract; or (iii) in any way contesting the existence or powers of the Issuer;

(6) A certificate of the Chief Financial Officer of the Corporation, or such other officer as is acceptable to the Purchaser and the Issuer, dated the Closing Date, substantially in the form attached hereto as Exhibit F;

(7) Certified copies of the Ordinance of the Issuer authorizing the execution and delivery of the Indenture, the Loan Agreement, the Bonds and this Bond Purchase Contract;

(8) Copies of the Corporation's and Norton Hospitals' articles of incorporation certified as of a date not earlier than thirty (30) days prior to the Closing Date by the Secretary of State of the Commonwealth; certificates of existence of each of the Corporation and Norton Hospitals of recent date certified by the Secretary of State of the Commonwealth; and certified copies of each of the Corporation's and Norton Hospitals' bylaws;

(9) Certified copies of the resolutions of the Board of Trustees of the Corporation and Norton Hospitals authorizing the execution and delivery of the Loan Agreement, the Supplement No. ____, the Series 2016[B/C] Bond Obligation, the Series 2016[B/C] Bank Obligation, the Amendment to Security Agreement, the Supplemental Bondholder's Agreement and the Letter of Representation, and approving this Bond Purchase Contract and the Indenture;

(10) Evidence that each of the Corporation and Norton Hospitals has been determined to be an organization described in Section 501(c)(3) of the Code; and

(11) Such additional corporate resolutions, legal opinions, certificates, proceedings, instruments and other documents as the Purchaser, the Issuer or Bond Counsel may reasonably request to evidence compliance by the Issuer, the Corporation and Norton Hospitals with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer contained herein, of the Corporation, on its own behalf and as Obligated Group Representative, and Norton Hospitals contained in the Letter of Representation, and the due performance or satisfaction by the Issuer, the Corporation and Norton Hospitals at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer, the Corporation and Norton Hospitals.

If the Issuer shall be unable to satisfy the conditions to the Purchaser's obligations contained in this Bond Purchase Contract or if the Purchaser's obligations shall be terminated for any reason permitted herein, this Bond Purchase Contract shall terminate and neither the Purchaser nor the Issuer shall have any further obligation hereunder.

4. Conditions to Obligations of the Issuer.

The obligations of the Issuer to issue and deliver the Bonds on the Closing Date shall be subject, at the option of the Issuer, to the performance by the Purchaser of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) The Supplement No. ____, the Series 2016[B/C] Bond Obligation, the Series 2016[B/C] Bank Obligation, the Indenture, the Loan Agreement, the Supplemental Bondholder's Agreement and this Bond Purchase Contract shall have been executed by the parties thereto;

(b) No order, decree, injunction, ruling or regulation of any court, regulatory agency, public board or body shall have been issued, nor shall any legislation have been enacted, with the purpose or effect, directly or indirectly, of prohibiting the sale or issuance of the Bonds as contemplated hereby; and

(c) The documents contemplated by Section 3(c) (other than those required to be delivered by or on behalf of the Issuer) shall have been delivered in substantially the forms set forth herein or in form and substance satisfactory to Bond Counsel.

5. Expenses/Fees.

All reasonable fees and expenses of the Issuer incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds to the Purchaser, including printing costs, fees and expenses of consultants, fees and expenses of Bond Counsel, Issuer Counsel, Purchaser's Counsel and counsel for the Corporation and the Obligated Group shall be paid by the Corporation. All fees and expenses to be paid by the Corporation pursuant to this Bond Purchase Contract may be paid from Bond proceeds to the extent permitted by the Indenture.

6. Notices.

Any notice or other communication to be given to the Issuer under this Bond Purchase Contract may be given by delivering the same in writing at the Issuer's address as set forth above, and any such notice or other communication to be given to the Purchaser may be given by delivering the same in writing to the Purchaser at the notice address set forth in the Indenture. The approval of the Purchaser when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Purchaser and delivered to you.

7. Governing Law.

This Bond Purchase Contract shall be construed in accordance with and governed by the Constitution and the laws of the Commonwealth.

8. Not a Fiduciary.

The Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Contract is an arm's-length commercial transaction among the Issuer, the Corporation, Norton Hospitals and the Purchaser, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Purchaser is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Issuer, the Corporation or Norton Hospitals, (iii) the Purchaser has not assumed an advisory or fiduciary responsibility in favor of the Issuer, the Corporation or Norton Hospitals with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the Issuer, the Corporation or Norton Hospitals on other matters) and the Purchaser has no obligation to the Issuer, the Corporation or Norton Hospitals with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Contract and (iv) the Issuer, the Corporation and Norton Hospitals have consulted their own legal, financial and other advisors to the extent they have deemed appropriate.

9. Miscellaneous.

This Bond Purchase Contract is made solely for the benefit of the Issuer, the Corporation, Norton Hospitals and the Purchaser (including the successors or assigns of each), and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof.

10. Counterparts.

This Bond Purchase Contract may be executed in any number of counterparts and all such counterparts shall together constitute one and the same instrument.

BRANCH BANKING AND TRUST COMPANY,
as the Purchaser

By: _____
Name:
Title:

Signature Page to Bond Purchase Contract for the
Louisville/Jefferson County Metro Government
Health System Variable Rate Revenue Refunding Bonds, Series 2016B
(Norton Healthcare, Inc.)

Accepted and Agreed to:

**LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT**

By: _____
Greg Fischer
Mayor

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

Assistant Jefferson County Attorney

Approved:

NORTON HEALTHCARE, INC.

By: _____

Michael W. Gough
Senior Vice President and Chief Financial Officer

Approved:

NORTON HOSPITALS, INC.

By: _____

Michael W. Gough
Senior Vice President and Chief Financial Officer

Signature Page to Bond Purchase Contract for the
Louisville/Jefferson County Metro Government
Health System Variable Rate Revenue Refunding Bonds, Series 2016B
(Norton Healthcare, Inc.)

**EXHIBIT A TO
BOND PURCHASE CONTRACT**

LETTER OF REPRESENTATION

[_____], 2016

Louisville/Jefferson County Metro Government
527 West Jefferson Street
Louisville, Kentucky 40202

Branch Banking and Trust Company
2600 Eastpoint Parkway, Suite 103
Louisville, Kentucky 40223

Ladies and Gentlemen:

The Louisville/Jefferson County Metro Government (the “Issuer”) proposes to enter into a Loan Agreement with Norton Healthcare, Inc. (the “Corporation”) and Norton Hospitals, Inc. (“Norton Hospitals”) dated as of [_____], 2016 (the “Loan Agreement”). Pursuant to a Bond Purchase Contract, dated the date hereof (the “Bond Purchase Contract”), between the Issuer and Branch Banking and Trust Company (the “Purchaser”), which the Corporation and Norton Hospitals have approved, the Issuer proposes to sell the \$[_____] aggregate principal amount of the Issuer’s Health System Variable Rate Revenue Refunding Bonds, Series 2016[B/C] (Norton Healthcare, Inc.) (the “Bonds”) identified on Exhibit B to the Bond Purchase Contract.

The Bonds shall be issued and secured under the provisions of a Trust Indenture dated as of [_____], 2016 (the “Indenture”), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the “Trustee”). The Bonds shall be payable from payments made by the Corporation and Norton Hospitals under a Loan Agreement, dated as of [_____], 2016 (the “Loan Agreement”), from payments made on an obligation issued under the Master Indenture (as hereinafter defined) by the Obligated Group (as hereinafter defined) and from amounts held in certain funds established pursuant to the Indenture (including certain proceeds of the sale of the Bonds). The Bonds will be further secured by an assignment of the right, title and interest of the Issuer in the Loan Agreement and in the Series 2016[B/C] Obligation (as hereinafter defined), to the extent and as more particularly described in the Indenture. All terms not otherwise defined herein shall have the meanings ascribed thereto in the Bond Purchase Contract.

The proceeds from the sale of the Bonds will be loaned to the Corporation and Norton Hospitals pursuant to the Loan Agreement and will be used, together with other available funds, (i) to refund all of the outstanding [Louisville/Jefferson County Metro Government Health System Variable Rate Revenue Bonds, Series 2011D (Norton Healthcare, Inc.) (the

“Series 2011D Bonds”)] [Louisville/Jefferson County Metro Government Health System Variable Rate Revenue Bonds, Series 2013B (Norton Healthcare, Inc.) (the “Series 2013B Bonds”)] and (ii) to pay costs of issuance of the Bonds.

The Corporation and Norton Hospitals are each presently a party to an Amended and Restated Master Trust Indenture dated as of September 15, 1997, as previously supplemented and amended (the “Master Indenture”), by and among the Corporation, Norton Hospitals and such other members (the “Members” or the “Obligated Group Members”) as may join the obligated group defined therein (the “Obligated Group”) and The Bank of New York Mellon Trust Company, N.A. (successor to Bank One, Kentucky, NA), as master trustee (the “Master Trustee”).

The Obligated Group will issue its Norton Healthcare, Inc. and Norton Hospitals, Inc. Series 2016[B/C]-1 Master Obligation (the “Series 2016[B/C] Bond Obligation”) to evidence and secure its obligation to make payments sufficient to pay the principal of and interest on the Bonds, pursuant to the Supplemental Master Trust Indenture No. 15 to the Master Indenture dated as of [_____], 2016 (the “Supplement No. ___”), by and among the Obligated Group and the Master Trustee and supplementing the Master Indenture.

Pursuant to the terms of the Master Indenture and the Supplement No. ___, the Corporation, Norton Hospitals and the other Obligated Group Members will be jointly and severally obligated to make payments on the Series 2016[B/C] Bond Obligation according to the terms thereof when due. The Corporation and Norton Hospitals are presently the only Members of the Obligated Group.

The Obligated Group has previously entered into a Security Agreement dated as of September 1, 2000, as previously supplemented and amended (the “Security Agreement”), by and between the Obligated Group and the Master Trustee, granting a security interest in certain receivables of the Obligated Group to secure the payment of obligations issued under the Master Indenture. The Obligated Group will enter into a [_____] Amendment to Security Agreement dated as of [_____], 2016 (the “Amendment to Security Agreement”) to secure the payment of the Series 2016[B/C] Bond Obligation.

In order to induce the Issuer and the Purchaser to enter into the Bond Purchase Contract and to make the sale and purchase of the Bonds therein contemplated, the Corporation, on its own behalf and as Obligated Group Representative, and Norton Hospitals hereby represent, warrant and agree with each of you as follows:

1. Each of the Corporation and Norton Hospitals is a nonstock, nonprofit corporation, duly organized and existing under the laws of the Commonwealth of Kentucky.
2. Each of the Corporation and Norton Hospitals has, and at the Closing Date will have, full legal right, power and authority to: (i) enter into and perform its obligations under the following documents (collectively, the “Corporation Documents”): this Letter of Representation, the Loan Agreement, the Supplement No. ___, the Series 2016[B/C] Obligation, the Norton Healthcare, Inc. and Norton Hospitals, Inc. Series 2016[B/C]-2 Master Obligation (the “Series 2016[B/C] Bank Obligation”), the Amendment to Security Agreement, and the Supplemental

Bondholder's Agreement dated as of [_____, ____], 2016 (the "Supplemental Bondholder's Agreement") between the Corporation, as Obligated Group Representative and the Purchaser and (ii) approve the Bond Purchase Contract and the Indenture and to carry out and consummate all transactions contemplated by the Bond Purchase Contract, the Indenture, the Master Indenture, the Security Agreement and the Corporation Documents, and by proper corporate action has duly authorized the execution and delivery of the Corporation Documents and the approval of the Bond Purchase Contract and the Indenture.

3. The officers of the Corporation executing the Corporation Documents and approving the Bond Purchase Contract and the Indenture are, or were when executed, fully authorized to execute and approve the same.

4. The Bond Purchase Contract and the Indenture have been duly approved by the Corporation, as Obligated Group Representative; this Letter of Representation, the Master Indenture and the Security Agreement have been duly authorized, executed and delivered by the Corporation and Norton Hospitals; and the Loan Agreement, the Supplement No. ____, the Series 2016[B/C] Obligation, the Series 2016[B/C] Bank Obligation, the Amendment to Security Agreement and the Supplemental Bondholder's Agreement have been duly authorized and, at the Closing, will have been duly executed and delivered by the Corporation, as Obligated Group Representative.

5. The Master Indenture, the Security Agreement and this Letter of Representation constitute, and the Loan Agreement, the Supplement No. ____, the Series 2016[B/C] Bond Obligation, the Series 2016[B/C] Bank Obligation, the Amendment to Security Agreement and the Supplemental Bondholder's Agreement will constitute, the legal, valid and binding agreements of the Obligated Group, in each case enforceable against each Obligated Group Member in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors' rights generally, including without limitation self-help remedies and applicable foreclosure procedures, and also limited by the application of equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law and except as enforcement may be held to be against public policy.

6. Neither the Corporation nor Norton Hospitals is in any material way (i) in violation of any applicable law or administrative regulation of the Commonwealth of Kentucky or the United States of America or any applicable judgment or decree, which violation would materially adversely affect the financial position or operations of the Obligated Group taken as a whole, or (ii) in default under any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Corporation or Norton Hospitals is a party or is otherwise subject, which default would materially adversely affect the financial position or operations of the Obligated Group taken as a whole and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute an event of default under any such instrument which default would materially adversely affect the financial position or operations of the Obligated Group taken as a whole.

7. The execution and delivery of this Letter of Representation, the approval of the Bond Purchase Contract and the Indenture; at the Closing, the execution and delivery of the

Corporation Documents; the consummation of the transactions contemplated herein and therein and in the Master Indenture; and the fulfillment of or compliance with the terms and conditions hereof and thereof will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under the articles of incorporation of either the Corporation or Norton Hospitals, its bylaws or any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the Corporation or Norton Hospitals is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation or Norton Hospitals, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Bond Purchase Contract, the Indenture, the Corporation Documents, the Master Indenture or the Security Agreement or the financial condition, assets, properties or operations of the Obligated Group taken as a whole.

8. No consent or approval of any trustee or holder of any indebtedness of the Corporation or Norton Hospitals, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Letter of Representation; at the Closing, the execution and delivery of the Loan Agreement, the Supplement No. ____, the Series 2016[B/C] Bond Obligation, the Series 2016[B/C] Bank Obligation, the Amendment to Security Agreement and the Supplemental Bondholder's Agreement; the approval of the Bond Purchase Contract or the Indenture; or the consummation of any transaction therein or herein contemplated, except as have been obtained or made and as are in full force and effect (or, with respect to the consummation of any transaction therein or herein contemplated, except as are expected to be obtained in due course).

9. Except as set forth on Schedule ____ to the Supplemental Bondholder's Agreement, there is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other government authority pending or, to the knowledge of the Corporation or Norton Hospitals, threatened against or affecting the Obligated Group or the assets, properties or operations of the Obligated Group which, if determined adversely to the Obligated Group or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Bond Purchase Contract, the Corporation Documents, or upon the financial condition, assets, properties or operations of the Obligated Group taken as a whole. Neither the Corporation nor Norton Hospitals is in violation of any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which violation might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Bond Purchase Contract, the Corporation Documents, the Master Indenture and the Security Agreement or the financial conditions, assets, properties or operations of the Obligated Group taken as a whole.

10. Each of the Corporation and Norton Hospitals is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of the Corporation or Norton Hospitals inures to the benefit of any private shareholder

or individual. Each of the Corporation and Norton Hospitals is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and is exempt from federal income taxes under Sections 501(a) of the Internal Revenue Code of 1986, as amended, except for unrelated trade or business income subject to taxation under Section 511 of said Code.

11. The proceeds of the Bonds will not be used by an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, including any Obligated Group Member, in an “unrelated trade or business” within the meaning of Section 513(a) of the Internal Revenue Code of 1986, as amended.

12. Each of the Corporation and Norton Hospitals has all necessary power and authority to conduct the business now being conducted by it and the business contemplated by the Master Indenture, the Security Agreement and the Corporation Documents and has all necessary power and authority to enter into the respective documents mentioned above (or, with respect to the Master Indenture and the Security Agreement, to have entered into such documents) and to approve the Bond Purchase Contract.

13. Each of the Corporation and Norton Hospitals has good and marketable fee simple or leasehold title to its Property (as defined in the Master Indenture), free and clear from all encumbrances other than those permitted under the Master Indenture.

14. Each of the Corporation and Norton Hospitals has all permits, licenses, accreditations and certifications, including, without limitation, licensing and certification of its Property (as defined in the Master Indenture), necessary to conduct its business as it is presently being conducted.

15. Each of the Corporation and Norton Hospitals is eligible under applicable statutes, regulations and administrative practices for payment under Medicare and Medicaid.

16. Each of the Corporation and Norton Hospitals is currently participating in the programs of Medicare and Medicaid, and there are in full force and effect agreements providing for payments to the Corporation and Norton Hospitals with respect to patients enrolled in such programs.

17. Neither the Corporation nor Norton Hospitals has incurred any material liability, direct or contingent, nor has there been any material adverse change in the financial position, results of operations or condition, financial or otherwise, of the Obligated Group since June 30, 2015, which has not otherwise been disclosed in writing to the Purchaser, whether or not arising from transactions in the ordinary course of business.

18. As of the date hereof, this Letter of Representation does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

19. The representations, warranties, agreements and indemnities herein shall survive the Closing under the Bond Purchase Contract, and any investigation made by or on behalf of any of you or any person who controls any of you of any matters described in or related to the

transactions contemplated hereby and by the Bond Purchase Contract, the Master Indenture, the Security Agreement and the Corporation Documents.

20. The Corporation, as Obligated Group Representative, hereby agrees to pay the expenses described in Section 5 of the Bond Purchase Contract (which are the responsibility of the Obligated Group).

21. This Letter of Representation shall be binding upon the Corporation and Norton Hospitals and inure solely to the benefit of each of you and, to the extent set forth herein, persons controlling any of you, and their respective members, officers, employees, agents, successors and assigns, and no other person or firm shall acquire or have any right under or by virtue of this Letter of Representation. No recourse under or upon any obligation, covenant or agreement contained in this Letter of Representation shall be had against any officer or director of the Corporation or Norton Hospitals as individuals, except as caused by their bad faith.

22. This Letter of Representation may be executed in any number of counterparts and all such counterparts shall together constitute one and the same instrument.

Very truly yours,

NORTON HEALTHCARE, INC.

By: _____
Michael W. Gough
Senior Vice President and Chief Financial Officer

NORTON HOSPITALS, INC.

By: _____
Michael W. Gough
Senior Vice President and Chief Financial Officer

Accepted and Agreed to:

BRANCH BANKING AND TRUST COMPANY,
as the Purchaser

By: _____
Name:
Title:

Signature Page to Letter of Representation for the
Louisville/Jefferson County Metro Government
Health System Variable Rate Revenue Refunding Bonds, Series 2016B
(Norton Healthcare, Inc.)

Accepted and Agreed to:

**LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT**

By: _____
Greg Fischer
Mayor

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

Assistant Jefferson County Attorney

**EXHIBIT B TO
BOND PURCHASE CONTRACT**

MATURITY SCHEDULE

\$[_____]

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
HEALTH SYSTEM VARIABLE RATE REVENUE REFUNDING BONDS, SERIES
2016[B/C]
(NORTON HEALTHCARE, INC.)

1. Principal Amount: \$[_____]
2. Maturity Date: October 1, 2021, amortizing as follows:

<u>Maturity October 1</u>	<u>Principal Amount</u>
2016	\$
2017	
2018	
2019	
2020	
2021*	

*Maturity

3. Initial Interest Rate Period: [], as described in the Indenture.
4. Initial Interest Rate: []%
5. Price: []%
6. Redemption Provisions: The Bonds are subject to redemption as described in the Indenture.

**EXHIBIT C TO
BOND PURCHASE CONTRACT**

FORM OF OPINION OF BOND COUNSEL

[To come]

**EXHIBIT D TO
BOND PURCHASE CONTRACT**

FORM OF OPINION OF ISSUER COUNSEL

[To come]

**EXHIBIT E TO
BOND PURCHASE CONTRACT**

FORM OF OPINION OF COUNSEL TO
THE OBLIGATED GROUP

[To come]

**EXHIBIT F TO
BOND PURCHASE CONTRACT**

OFFICER'S CERTIFICATE

\$[_____]

Louisville/Jefferson County Metro Government
Health System Variable Rate Revenue Refunding Bonds, Series 2016[B/C]
(Norton Healthcare, Inc.)
(the "Bonds")

I, Michael W. Gough, hereby certify that I am the Senior Vice President and Chief Financial Officer of Norton Healthcare, Inc. (the "Corporation"), a nonstock, nonprofit corporation duly organized and existing under the laws of the Commonwealth of Kentucky and that, as such, I am authorized to execute this certificate on behalf of the Obligated Group Members (each, an "Obligated Group Member" and collectively, the "Obligated Group Members" or the "Obligated Group") under the Amended and Restated Master Indenture dated as of September 15, 1997, as supplemented and amended, by and among the Corporation, Norton Hospitals, Inc. ("Norton Hospitals") the other Obligated Group Members and The Bank of New York Mellon Trust Company, N.A. (successor to Bank One, Kentucky, NA), as master trustee.

I hereby further state and certify, to the best of my knowledge, that:

1. Since June 30, 2015, no material and adverse change has occurred in the financial position or results of operation of any Obligated Group Member.
2. No Obligated Group Member has since June 30, 2015, incurred any material liabilities other than in the ordinary course of business which are not described in writing delivered by the Corporation to the Issuer and Branch Banking and Trust Company.
3. No proceedings are pending or threatened in any way contesting or affecting any Obligated Group Member's status as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or which would subject any income of any Obligated Group Member to federal income taxation.
4. Each of the Obligated Group Members is a corporation organized and operated exclusively for charitable purposes, not for pecuniary profit, and no part of the net earnings of the either Obligated Group Member inures to the benefit of any private shareholder or individual. Each of the Obligated Group Members is an organization described in Section 501(c)(3) of the Code, which is exempt from federal income taxes under Sections 501(a) of the Code, except for unrelated trade or business income subject to taxation under Section 511 of said Code.
5. The representations and warranties made by the Corporation, on its own behalf and as Obligated Group Representative, and Norton Hospitals in the Letter of Representation delivered by the Corporation and Norton Hospitals in connection with the execution of the Bond

Purchase Contract dated [_____], 2016 (the “Bond Purchase Contract”), between Branch Banking and Trust Company, as the Purchaser, and the Louisville/Jefferson County Metro Government and approved by the Corporation and Norton Hospitals related to the Bonds, are true and correct as of the date hereof as if made on the date hereof.

Capitalized terms used and not defined herein have the meanings assigned to them in the Bond Purchase Contract.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of [_____], 2016.

NORTON HEALTHCARE, INC.,
as Obligated Group Representative

By: _____
Michael W. Gough
Senior Vice President and Chief Financial Officer

**EXHIBIT G TO
BOND PURCHASE CONTRACT**

Flow of Funds Memorandum

[To come]