

RESOLUTION NO. 92- 86

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND SUPPLEMENTAL TRUST INDENTURE AMENDING AND SUPPLEMENTING THE TRUST INDENTURE, AS PREVIOUSLY AMENDED AND SUPPLEMENTED, SECURING THE ST. JOHNS COUNTY, FLORIDA HOSPITAL REVENUE BONDS, 1986 SERIES A (FLAGLER HOSPITAL, INC. PROJECT), FOR THE PURPOSE OF MAKING CERTAIN AMENDMENTS TO THE TRUST INDENTURE RELATING TO THE SUBSTITUTION AND REPLACEMENT OF THE CREDIT FACILITY SECURING PAYMENT OF SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA THAT:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 159, Part II, Florida Statutes, as amended, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared as follows:

A. At the request of Flagler Hospital, Inc. (the "Hospital"), St. Johns County, Florida (the "Issuer") has heretofore issued \$23,300,000 in aggregate principal amount of its Hospital Revenue Bonds, 1986 Series A (Flagler Hospital, Inc. Project) (the "Bonds") pursuant to a Trust Indenture dated as of August 1, 1986, between the Issuer and Irving Trust Company, now known as The Bank of New York, as trustee (the "Trustee"). Said Trust Indenture was amended and supplemented pursuant to a First Supplemental Trust Indenture dated as of March 1, 1989, between the Issuer and the Trustee (said Trust Indenture, as amended and supplemented by said First Supplemental Trust Indenture, is hereinafter referred to as the "Original Indenture").

B. The Hospital has requested the Issuer to enter into a Second Supplemental Trust Indenture (the "Second Supplemental Indenture") to amend and supplement the Original Indenture for the purposes of (i) permitting an Alternate Credit Facility to become effective on any Business Day instead of on any Interest Payment Date, (ii) reducing the minimum required notice from the Hospital to the Trustee of the proposed substitution or replacement of a Credit Facility from at least 35 days to at least 25 days prior to the effective date of an Alternate Credit Facility, and (iii) reducing the minimum required notice from the Trustee to the Remarketing

Agent and the Bondholders of the proposed substitution or replacement of a Credit Facility from at least 25 days to at least 15 days prior to the effective date of an Alternate Credit Facility.

C. Section 14.02 of the Original Indenture permits the Original Indenture to be amended from time to time, except with respect to (i) the principal, redemption price, purchase price, interest at the Initial Rate, the Variable Rate or the Fixed Rate payable on any Bonds, (ii) the Interest Payment Dates, the dates of maturity or the redemption or purchase provisions of any Bonds, and (iii) Article XIV of the Original Indenture, by a Supplemental Indenture consented to by the Credit Facility Issuer and by the Hospital and approved by the holders of at least a majority in aggregate principal amount of the Bonds Outstanding, which would be effected by the action proposed to be taken.

D. It is expected that the Trustee, the Credit Facility Issuer and the Hospital will consent to the Second Supplemental Indenture and that the Second Supplemental Indenture will be approved by the holders of at least a majority in aggregate principal amount of all Bonds Outstanding.

SECTION 3. APPROVAL OF SECOND SUPPLEMENTAL INDENTURE. The form of the Second Supplemental Indenture, a copy of which is attached hereto as Exhibit A, is hereby approved. Upon receipt by the Chairman or Vice Chairman of the Board of County Commissioners of the Issuer (the "Chairman") of a certificate from the Trustee that the Credit Facility Issuer, the Guarantor and the Hospital have consented to the Second Supplemental Indenture and that the holders of at least a majority in aggregate principal amount of all Bonds Outstanding have approved the Second Supplemental Indenture as required by Section 14.02 of the Original Indenture, the Chairman is hereby authorized and directed to execute and deliver, and the Clerk or the Deputy Clerk of the Board of County Commissioners of the Issuer is hereby authorized and directed to attest, under the official seal of the Issuer, the Second Supplemental Indenture, in substantially the form attached hereto as Exhibit A, with such changes therein as the Issuer's Bond Counsel, Foley & Lardner, may recommend and the officers of the Issuer executing the same may approve, such recommendation and approval to be conclusively evidenced by the execution thereof.

SECTION 4. OTHER ACTION. The officers of the Issuer are hereby authorized and directed to execute and deliver, or approve the execution and delivery of, such other documents and to take or approve the taking of such other actions as may be advised by Bond Counsel to be necessary or appropriate in connection with the consummation of the transactions contemplated by this Resolution and by the execution and delivery of the Second Supplemental Indenture.

SECTION 5. DEFINITIONS. Capitalized terms used herein but not otherwise defined shall have the same meaning as ascribed to such terms in the Original Indenture.

SECTION 6. EFFECTIVE DATE; REPEALER. This Resolution shall take effect immediately. All prior resolutions or portions thereof, to the extent inconsistent herewith are hereby repealed.

PASSED, APPROVED AND ADOPTED this 26th day of May, 1992.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

(OFFICIAL SEAL)

ATTEST:

By *Susan Baldawa*
Chairman

Paul R. Markel

Clerk of the Circuit Court for
St. Johns County, ex officio
Clerk of the Board of the County
Commissioners

EXHIBIT A

F&L Draft
05/19/92

ST. JOHNS COUNTY, FLORIDA

to

THE BANK OF NEW YORK
as Trustee

SECOND SUPPLEMENTAL TRUST INDENTURE
Dated as of June 1, 1992

Supplementing and Amending the
TRUST INDENTURE
Dated as of August 1, 1986,
as Amended and Supplemented by the
FIRST SUPPLEMENTAL TRUST INDENTURE
Dated as of March 1, 1989

Securing
Hospital Revenue Bonds, 1986 Series A
(Flagler Hospital, Inc. Project)

THIS SECOND SUPPLEMENTAL TRUST INDENTURE dated as of June 1, 1992 (the "Second Supplemental Indenture"), between St. Johns County, Florida (the "Issuer"), a political subdivision of the State of Florida, and The Bank of New York, formerly known as Irving Trust Company, as trustee (the "Trustee"), a banking corporation duly organized and validly existing under the laws of the State of New York, having its principal corporate trust office in New York, New York, amending and supplementing the Trust Indenture dated as of August 1, 1986, between the Issuer and the Trustee, as amended and supplemented by the First Supplemental Trust Indenture dated as of March 1, 1989, between the Issuer and the Trustee (said Trust Indenture, as amended and supplemented by said First Supplemental Trust Indenture, is hereinafter referred to as the "Original Indenture").

W I T N E S S E T H:

WHEREAS, at the request of Flagler Hospital, Inc. (the "Hospital"), a not-for-profit corporation duly organized and validly existing under the laws of the State of Florida, the Issuer has heretofore issued \$23,300,000 in aggregate principal amount of its Hospital Revenue Bonds, 1986 Series A (Flagler Hospital, Inc. Project) (the "Bonds"), the proceeds of which were applied to the costs of the project (the "Project") described in the Original Indenture; and

WHEREAS, at the request of the Hospital, the Issuer, by resolution adopted on May 26, 1992, has determined to amend the Original Indenture for the purposes of (i) permitting an Alternate Credit Facility to become effective on any Business Day instead of on any Interest Payment Date, (ii) reducing the minimum required notice from the Hospital to the Trustee of the proposed substitution or replacement of a Credit Facility from at least 35 days to at least 25 days prior to the effective date of an Alternate Credit Facility, and (iii) reducing the minimum required notice from the Trustee to the Remarketing Agent and the Bondholders of the proposed substitution or replacement of a Credit Facility from at least 25 days to at least 15 days prior to the effective date of an Alternate Credit Facility; and

WHEREAS, Section 14.02 of the Original Indenture permits the Original Indenture to be amended from time to time, except with respect to (i) the principal, redemption price, purchase price, interest at the Initial Rate, the Variable Rate or the Fixed Rate payable on any Bonds, (ii) the Interest Payment Dates, the dates of maturity or the redemption or purchase provisions of any Bonds, and (iii) Article XIV of the Original Indenture, by a Supplemental Indenture consented to by the Credit Facility Issuer and by the Hospital and approved by the holders of at least a majority in aggregate principal amount of all Bonds Outstanding, which would be effected by the action proposed to be taken; and

WHEREAS, the Credit Facility Issuer, the Guarantor and the Hospital have consented to this Second Supplemental Indenture and this Second Supplemental Indenture has been approved by the holders of at least a majority in aggregate principal amount of all Bonds Outstanding, and the Trustee has delivered to the Chairman of the Board of County

Commissioners of the Issuer a certificate that such consents and approvals have been obtained as required by Section 14.02 of the Original Indenture.

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH that in consideration of the mutual covenants herein contained, and intending to be legally bound hereby, the Issuer and the Trustee hereby agree for the equal and proportionate benefit of the holders from time to time of the Bonds, as follows:

Section 1. Definitions and Terms. Unless the context shall otherwise require, and except as provided in this Second Supplemental Indenture, the capitalized words and terms used in this Second Supplemental Indenture shall have the meanings specified in the Original Indenture. Except as otherwise indicated or provided, words importing persons include firms, associations and corporations, and words importing the single number include the plural number and vice versa.

Section 2. Confirmation of Original Indenture. The Original Indenture and this Second Supplemental Indenture shall be read, taken and construed as one and the same instrument. Except as amended and supplemented hereby, the provisions of the Original Indenture shall remain in full force and effect.

Section 3. Amendment to Section 6.02 of the Original Indenture. Section 6.02 of the Original Indenture is hereby amended to read as follows:

"Section 6.02. Expiration. Unless all of the conditions of Section 6.03 hereof have been met, including without limitation, the delivery of the Alternate Credit Facility or an irrevocable commitment and evidence of the terms and provisions relating to the administration of such Alternate Credit Facility (both satisfactory to the Trustee) of a credit facility issuer to issue an Alternate Credit Facility at least 25 days before the Interest Payment Date next preceding the expiration date of a Credit Facility, the Trustee shall call the Bonds for redemption or purchase in accordance with Section 8.01(b)(iv) hereof. If at any time there shall cease to be any Bonds Outstanding hereunder, the Trustee shall promptly surrender the then current Credit Facility to the Credit Facility Issuer for cancellation. The Trustee shall comply with the procedures set forth in the Credit Facility relating to the termination thereof."

Section 4. Amendment to Section 6.03 of the Original Indenture. Section 6.03 of the Original Indenture is hereby amended to read as follows:

"Section 6.03. Alternate Credit Facilities. Subject to Section 6.02 hereof, while the Bonds bear interest at the Initial Rate or the Variable Rate, the Hospital may, at its option, provide for the delivery to the Trustee on any Business Day of an Alternate Credit Facility. An Alternate Credit Facility shall be an extension of the term of the Letter of Credit, a renewal of the Letter of Credit, an

irrevocable letter of credit (or an extension or renewal thereof), an insurance policy, a guaranty or a similar credit enhancement or support facility for the benefit of the Trustee, the administrative provisions of which shall be reasonably satisfactory to the Trustee. The terms of the Alternate Credit Facility shall in all respects material to the Bondholders be the same (except for the term and maximum interest rate set forth in such Alternate Credit Facility) as the Letter of Credit. Such Alternate Credit Facility shall set forth a maximum interest rate on the Bonds with respect to which drawings may be made. On or prior to the date of delivery of an Alternate Credit Facility to the Trustee or an irrevocable commitment and evidence of the terms and provisions relating to the administration of such Alternate Credit Facility (both satisfactory to the Trustee) of a credit facility issuer to issue an Alternate Credit Facility at least 25 days, unless a shorter period shall be acceptable to the Trustee, before the proposed effective date of an Alternate Credit Facility, the Hospital shall furnish to the Trustee (i) an opinion of Counsel stating that the delivery of such Alternate Credit Facility to the Trustee is authorized under this Indenture and complies with the terms hereof, (ii) a certificate of the Hospital signed by an Authorized Hospital Representative stating whether the Bonds are rated by Moody's or S&P or both, and (iii) if there is a Credit Facility being replaced by such proposed Alternate Credit Facility, written evidence (or such other evidence satisfactory to the Trustee) from Moody's, if the Bonds are rated by Moody's and S&P, if the Bonds are rated by S&P, in each case to the effect that such rating agency has reviewed the proposed Alternate Credit Facility and that the substitution of the proposed Alternate Credit Facility for the then current Credit Facility will not, by itself, result in (A) a permanent withdrawal of its rating of the Bonds or (B) the then current rating of the Bonds being reduced. The Trustee shall then accept such Alternate Credit Facility and surrender the previously held Credit Facility, if any, to the previous Credit Facility Issuer for cancellation promptly on the day the Alternate Credit Facility becomes effective. Each Alternate Credit Facility shall have a term of not less than one year ending not earlier than twenty (20) days after an Interest Payment Date."

Section 5. Amendment to Section 6.04 of the Original Indenture. Section 6.04 of the Original Indenture is hereby amended to read as follows:

"Section 6.04. Notices of Substitution or Replacement of Credit Facility.

(a) The Trustee shall, at least fifteen (15) days prior to the effective date of an Alternate Credit Facility, give notice thereof (including the name of the Credit Facility Issuer) by mail to the Remarketing Agent and the holders of Bonds.

(b) The Trustee shall promptly give notice of any replacement of the Credit Facility to the Issuer and the Tender Agent."


Section 6. Counterparts. This Second Supplemental Indenture and the consents attached hereto may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

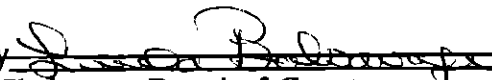
IN WITNESS WHEREOF, St. Johns County, Florida, has caused this Second Supplemental Trust Indenture to be executed by the Chairman or Vice Chairman of its Board of County Commissioners and its seal to be hereunto affixed, attested by the Clerk or Deputy Clerk of the Board of County Commissioners, and The Bank of New York has caused this Second Supplemental Trust Indenture to be executed by one of its Vice Presidents and its corporate seal to be hereunto affixed, attested by one of its Assistant Secretaries, all as of the day and year first above written.

ST. JOHNS COUNTY, FLORIDA

(SEAL)

ATTEST:


Clerk of the Circuit Court
for St. Johns County, ex
officio clerk of the Board
of County Commissioners

By 
Chairman, Board of County
Commissioners

THE BANK OF NEW YORK,
as Trustee

(SEAL)

ATTEST:

By _____
Vice President

Assistant Secretary

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 1992, by _____ and _____, the Chairman of the Board of County Commissioners and the Clerk of the Board of County Commissioners, respectively, of St. Johns County, Florida, a political subdivision of the State of Florida, on behalf of the County. Such persons did not take an oath and: *(notary must check applicable box)*

- is/are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal): _____

My Commission Expires (if not legible on seal): _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 1992, by _____ and _____, the Vice President and Assistant Secretary, respectively, of The Bank of New York, a state banking corporation, on behalf of the corporation. Such persons did not take an oath and: *(notary must check applicable box)*

- is/are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal): _____

My Commission Expires (if not legible on seal): _____

FLAGLER HOSPITAL, INC., hereby consents to the foregoing Second Supplemental Trust Indenture dated as of June 1, 1992.

Dated: June __, 1992.

FLAGLER HOSPITAL, INC.

By _____
Title:

FLAGLER HEALTH CARE SYSTEM, INC., as Guarantor, hereby consents to the foregoing Second Supplemental Trust Indenture dated as of June 1, 1992.

Dated: June __, 1992.

FLAGLER HEALTH CARE SYSTEM, INC.,
as Guarantor

By _____
Title:

THE YASUDA TRUST AND BANKING COMPANY, LIMITED, as Credit Facility Issuer, hereby consents to the foregoing Second Supplemental Trust Indenture dated as of June 1, 1992.

Dated: June __, 1992

THE YASUDA TRUST AND BANKING
COMPANY, LIMITED

By _____
Title:

THE BANK OF NEW YORK, as Trustee, hereby certifies to the Issuer that The Yasuda Trust and Banking Company, Limited, as Credit Facility Issuer, Flagler Health Care System, Inc., as Guarantor, and Flagler Hospital, Inc. have consented to the foregoing Second Supplemental Trust Indenture and the Second Supplemental Trust Indenture has been approved by the holders of at least a majority in aggregate principal amount of all Bonds Outstanding, as required by Section 14.02 of the Original Indenture.

Dated: June __, 1992.

THE BANK OF NEW YORK,
as Trustee

By _____
Title:

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 1992, by _____, the _____ of Flagler Hospital, Inc., a Florida not-for-profit corporation, on behalf of the corporation. Such person did not take an oath and: *(notary must check applicable box)*

- is/are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal): _____

My Commission Expires (if not legible on seal): _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 1992, by _____, the _____ of The Yasuda Trust and Banking Company, Limited, a Japanese banking corporation, on behalf of the corporation. Such person did not take an oath and: *(notary must check applicable box)*

- is/are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal): _____

My Commission Expires (if not legible on seal): _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 1992, by _____, the _____ of The Bank of New York, a state banking corporation, on behalf of the corporation. Such person did not take an oath and: *(notary must check applicable box)*

- is/are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal): _____

My Commission Expires (if not legible on seal): _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 1992,
by _____, the _____ of Flagler Health Care System, Inc., a Florida
not-for-profit corporation, on behalf of the corporation. Such person did not take an oath and:
(notary must check applicable box)

- is/are personally known to me.
- produced a current Florida driver's license as identification.
- produced _____ as identification.

{Notary Seal must be affixed}

Signature of Notary

Name of Notary (Typed, Printed or Stamped)

Commission Number (if not legible on seal): _____

My Commission Expires (if not legible on seal): _____