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**BOND PURCHASE AGREEMENT, LOAN AGREEMENT AND BUILDING LOAN  
CONTRACT**

BY AND AMONG

**TOMPKINS COUNTY DEVELOPMENT CORPORATION,**

**CAYUGA MEDICAL CENTER AT ITHACA, INC.**

AND

**TOMPKINS COMMUNITY BANK**

DATED AS OF JULY 1, 2022

Relating To:

\$21,825,000

Aggregate Principal Amount

**Tompkins County Development Corporation  
Tax-Exempt Revenue Bonds  
(Cayuga Medical Center at Ithaca, Inc. Project), Series 2022**

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Please File and Return to:  
Amy Abbink, Paralegal  
Harris Beach PLLC  
99 Garnsey Road  
Pittsford, New York 14534

Property:  
p/o 40 Catherwood Road  
Village of Lansing  
Tompkins County, New York

Tax Map No.:  
Part of 47.1-1-22.1 and 47.1-1-22.3

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**BOND PURCHASE AGREEMENT, LOAN AGREEMENT  
AND BUILDING LOAN CONTRACT**

THIS BOND PURCHASE AGREEMENT, LOAN AGREEMENT AND BUILDING LOAN CONTRACT (the "Bond Purchase Agreement"), dated as of July 1, 2022, by and among (i) TOMPKINS COUNTY DEVELOPMENT CORPORATION, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York having its principal office at 119 East Seneca Street, Suite 200, Ithaca, New York 14850 (the "Issuer"), (ii) CAYUGA MEDICAL CENTER AT ITHACA, INC., a not-for-profit corporation exempt from taxation under Section 501(c)(3) of the Code, organized, existing and in good standing under the laws of the State of New York having an office at 101 Dates Drive, Ithaca, New York 14850 (the "Institution"), and (iii) TOMPKINS COMMUNITY BANK, a banking corporation organized and existing under the laws of the State of New York, having an office at 118 East Seneca Street, Ithaca, New York 14850 (the "Bank").

**W I T N E S S E T H:**

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"), and pursuant to its Certificate of Incorporation (the "Certificate"), 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, the Act authorizes the Issuer to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of and interest on any such bonds so issued and any agreements made in connection therewith, to pledge the revenues and receipts from the lease or sale thereof to secure the payment of such bonds and interest thereon; and

WHEREAS, pursuant to a certain resolution duly adopted by the Issuer on July 21, 2022 (the "Bond Resolution"), the Issuer authorized the issuance and sale of its \$21,825,000 aggregate principal amount Tax-Exempt Revenue Bonds (Cayuga Medical Center at Ithaca, Inc. Project), Series 2022 (the "Bond" or the "Bonds") for the benefit of the Institution, for the purpose of assisting in financing a certain project (the "Project") on a portion of certain real property located at 40 Catherwood Road, Village of Lansing, Tompkins County, New York (the "Land"), consisting of: (A)(i) the acquisition of approximately 106,383 square feet of an approximately 494,594 square foot facility located on the Land and the planning, design, renovation, reconstruction and rehabilitation of approximately 61,983 square feet of the 106,383 square feet

purchased to house primary and specialty care medical offices and related administrative space (collectively, the "Improvements") and (ii) 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 Land and the Improvements, the "Facility") and (B) to provide funds for all or a portion of the costs of issuing the Series 2022 Bonds, credit enhancement fees relating to the Series 2022 Bonds, if any, funding a debt service reserve fund, if any, and capitalized interest, if any (collectively, the "Project Costs"); and

WHEREAS, as security for the Bonds, the Institution has executed and delivered a certain Mortgage and Security Agreement, dated as of July 1, 2022 (the "Mortgage"), from the Institution to the Issuer, granting a lien on, and security interest in (subject to certain Permitted Encumbrances), the interest of the Institution in and to the Mortgaged Property (as defined in the Mortgage) therein and thereon to secure the Bond Purchase Agreement; and

WHEREAS, in order to provide a source of payment and security for the Bonds, which are special obligations of the Issuer payable only from amounts payable under the Bond Purchase Agreement, the Mortgage and other funds available under the Bond Purchase Agreement, the Issuer has, among other things, assigned all of its right, title and interest (other than the Unassigned Rights) in and to (i) the Bond Purchase Agreement and certain other documents to the Bank pursuant to a certain Pledge and Assignment, dated as of July 1, 2022, from the Issuer to the Bank, with an acknowledgment by the Institution (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Pledge and Assignment"), and (ii) the Mortgage pursuant to a certain Assignment of Mortgage, dated as of July 1, 2022, as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Assignment of Mortgage"), from the Issuer to the Bank; and

WHEREAS, as additional security for the Institution's obligations under the Bond Purchase Agreement, the Institution has granted to the Issuer a first priority assignment of leases and rents with respect to the Mortgaged Property pursuant to a certain Assignment of Leases and Rents, dated as of July 1, 2022, from the Institution to the Issuer (the "Assignment of Leases and Rents"), which the Issuer has assigned to the Bank pursuant to a certain Assignment of Assignment of Leases and Rents, dated as of July 1, 2022, from the Issuer to the Bank (the "Assignment of Assignment of Leases and Rents"); and

WHEREAS, the execution and delivery of this Bond Purchase Agreement and the issuance of the Bonds under the Act have been in all respects approved and duly and validly authorized by the Bond Resolution; and

WHEREAS, the undertaking of the Project is for a proper purpose, to wit, to promote the job opportunities, the general prosperity and economic welfare of the inhabitants of the State, pursuant to the provisions of the Act; and

WHEREAS, the Bank, in consideration of, among other things, the express promises of the Institution set forth in Section 2.04 hereof, has agreed to purchase the Bonds aggregate principal amount of \$21,825,000 and to make the proceeds thereof available to the Institution for

the purpose of assisting in the financing of the Project and deliver such Bonds, all on the terms of this Bond Purchase Agreement; and

WHEREAS, the Bonds shall be substantially in the forms attached hereto as Exhibit B attached hereto and made a part hereof; and

WHEREAS, the Bank and the Issuer have agreed that the Bank shall make all advances hereunder to the Institution or its order, as agent of the Issuer, on the terms set forth in Article IV hereof;

NOW, THEREFORE, the parties agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.01. Definitions of Terms. The following words and terms as used in this Bond Purchase Agreement shall have the following meanings:

"Accountant" means a firm of independent certified public accountants of recognized standing, selected by the Institution and reasonably acceptable to the Bank.

"Act" means Section 1411 of the Not-For-Profit Corporation Law of the State of New York.

"Act of Bankruptcy" means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the Institution as debtor or the Issuer under any applicable bankruptcy, insolvency, reorganization or similar law as now or hereafter in effect.

"Additions to Tax" means any penalties, fines, additions to tax, interest and additional amount described in Chapter 68 of the Internal Revenue Code of 1986, as amended, and in any similar state statute with respect to state income or franchise tax.

"Architect" means, collectively, the architect or architects or architectural firm or firms retained by the Institution for the architectural design of the Project.

"Architect's Contract" means, collectively, the contracts, if any, between the Institution and the Architect relating to the architectural design of the Project, or any part thereof, together with all amendments, modifications and supplements thereto.

"Assignment of Mortgage" means the Assignment of Mortgage, dated as of July 1, 2022, from the Issuer to the Bank.

"Authorized Investment" means such investments as are designated by the Institution, approved by the Bank and permitted under the Tax Compliance Agreement.

"Authorized Representative" means, in the case of the Issuer, the Chair, the Vice Chair, the Secretary or the Administrative Director of the Issuer; in the case of the Institution, its CEO or Vice President and, in the case of both, such additional persons as, at the time, are designated to act on behalf of the Issuer or the Institution, as the case may be, by written certificate furnished to the Bank, and to the Issuer or the Institution, as the case may be, containing the specimen signature of each such person and signed on behalf of (i) the Issuer by the Chair, Vice Chair, Secretary or the Administrative Director of the Issuer, or (ii) the Institution by its CEO or Vice President.

"Bank" means (i) Tompkins Community Bank, a banking corporation organized and existing under the laws of the State of New York, and its successors and assigns as the Holder,

and (ii) any surviving, resulting or transferee banking association or corporation authorized to do business in the State.

"Bond" or "Bonds" means the \$21,825,000 Tompkins County Development Corporation Tax-Exempt Revenue Bond (Cayuga Medical Center at Ithaca, Inc. Project), Series 2022.

"Bond Counsel" means the law firm of Harris Beach PLLC or an attorney or firm of attorneys whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

"Bond Documents" or "Financing Documents" means collectively, this Bond Purchase Agreement, the Bonds, the Pledge and Assignment, the Mortgage, the Assignment of Mortgage, the Assignment of Leases and Rents, the Assignment of Assignment of Leases and Rents, the Tax Compliance Agreement and any other document now or hereafter executed by the Issuer or the Institution in favor of the Holder which affects the rights of the Holder in or to the Project, in whole or in part, or which secures or guarantees any sum due on the Bonds or any of the other Financing Documents, each as amended, restated, supplemented or otherwise modified, from time to time and all documents related thereto and executed in connection therewith.

"Bondholder" or "Holder" or "Owner" means the registered owner at the time in question of the Bonds.

"Bond Payment Date" means each date on which interest or principal or any combination of the foregoing shall be payable on the Bonds according to its terms so long as the Bonds shall be outstanding.

"Bond Proceeds" means the sum of the face amount of the Bonds plus accrued interest, if any, less the sum of the original issue discount plus the underwriter's or similar discount, if any.

"Bond Purchase Agreement" means this Bond Purchase Agreement, Loan Agreement and Building Loan Contract, dated as of July 1, 2022, by and among the Issuer, the Institution and the Bank, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Bond Resolution" means the resolution adopted by the Issuer on July 21, 2022, authorizing, among other things, the issuance, execution, sale and delivery of the Bonds and the execution and delivery of Issuer Documents, as such resolution may be amended or supplemented from time to time.

"Business Day" means a day other than a Saturday, Sunday, legal holiday or other day on which the Bank is authorized by law or executive order to remain closed.

"Closing Date" means the date of sale and delivery of the Bonds, being July 28, 2022.



"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Treasury Department thereunder and under the Internal Revenue Code of 1954, as amended.

"Commitment" means that commitment letter from the Bank to the Institution, dated June 24, 2022, as may be subsequently amended.

"Completion Date" means the date of completion of the Project.

"Condemnation" means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any governmental entity or other Person acting under Governmental Authority.

"Construction Contract" means collectively, the contracts, if any, by and between the Institution and the Contractor relating to the construction or reconstruction of any of the Project, together with all amendments, modifications and supplements thereto.

"Construction Period" means the period (a) beginning on the earlier of (i) the date of commencement of construction of the Project, or (ii) the Closing Date and (b) ending on the Completion Date.

"Contractor" means, collectively, the general contractors retained or to be retained by the Institution for the purposes of constructing the Project or any part thereof.

"Debt Service Payment" means, with respect to any Bond Payment Date, (i) the interest payable on such Bond Payment Date on the Bonds, plus (ii) the principal, if any, payable on such Bond Payment Date on the Bonds.

"Disbursing Agent" means the Bank.

"Enabling Act" means the Act.

"Environmental Laws" means all Federal, State and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Materials and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of Federal, State and local governmental agencies and authorities with respect thereto.

"Equipment" shall have the meaning assigned to such term in the third (3<sup>rd</sup>) WHEREAS paragraph of this Bond Purchase Agreement, together with such substitutions and replacements therefor as may be made from time to time, and all insurance proceeds related thereto.

"ERISA" means the Employee Retirement Income Security Act of 1974, as the same may, from time to time, be amended or supplemented, and all regulations thereunder.

"Event of Default" means any of those events defined as Events of Default by Section 6.01 of this Bond Purchase Agreement.

"Event of Taxability" means (A) the enactment of a statute or promulgation of a regulation eliminating, in whole or in part, the applicable exemption, as such exists on the Closing Date, from gross income for federal income tax purposes for interest payable under the Bonds, (B) a "final determination by decision or ruling by a duly constituted administrative authority" to the effect that such exemption for interest payable under the Bonds is not available, is no longer available or is contrary to law, (C) the expiration of the right to further administrative review of any determination, decision or ruling to the effect that such exemption for interest payable under the Bonds is not available, is no longer available or is contrary to law, or (D) receipt by the Holder of a written opinion of Bond Counsel that there is no longer a basis for the Holder (or any former Holder) to claim that any interest paid and payable on the Bonds is excluded from gross income for federal income tax purposes.

For the purposes of item (B) above, a "final determination by decision or ruling by a duly constituted administrative authority" shall mean (1) the issuance of a ruling (including, but not limited to, a revenue ruling or a letter ruling by the Internal Revenue Service ("IRS") or any successor thereto, or (2) the issuance of a preliminary notice of proposed deficiency ("30-Day Letter"), a statutory notice of deficiency ("90-Day Letter"), or other written order or directive of similar force and effect by the IRS, or any other United States Governmental Agency having jurisdiction therein.

Nothing in this definition of "Event of Taxability" shall be construed to mean that the Bondholder shall have any obligation to contest or appeal any assertion or decision that any interest payable under the Bonds is subject to taxation.

Notwithstanding the foregoing, in no event shall the imposition of an alternative minimum tax or preference tax or branch profits tax on any Bondholder, in the calculation of which is included the interest on the Bonds, be considered an Event of Taxability.

"Facility" shall have the meaning assigned to such term in the third (3<sup>rd</sup>) WHEREAS paragraph of this Bond Purchase Agreement.

"Fiscal Year" means the twelve (12) month period beginning on January 1, in any year or such other fiscal year as the Institution may adopt from time to time.

"GAAP" means generally accepted accounting principles.

"Global Debt Service Coverage Ratio" means the ratio of: (i) the excess (deficiency) of revenues over expenses (exclusive of unrealized gains or losses); plus, (ii) depreciation; plus, (iii) amortization; plus, (iv) interest; divided by, (v) the total principal and interest paid for such period on all indebtedness; plus, (vi) all payments on capital leases in the concurrent Fiscal Year; plus (vii) interest only payments on any existing line(s) of credit. "Global" shall include the debt service of the Institution, Guarantor and Guarantor Affiliates.

"Governmental Authority" means the United States, the State, and any other state or any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of these, having jurisdiction over the construction, equipping, ownership, leasing, operation and/or maintenance of the Facility.

"Guarantor" means Cayuga Health System, Inc. and its successors and assigns.

"Guarantor Affiliates" means Schuyler Hospital Inc., Cayuga Medical Associates, P.C. and any other entities now existing or later established or acquired as an affiliate or subsidiary of the Guarantor.

"Hazardous Materials" or "Hazardous Substance" means any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum-based products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials as set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601, et seq.), Articles 15 or 27 of the New York Environmental Conservation Law, or any other applicable Environmental Law and the regulations promulgated thereunder.

"Holder" or "Bondholder" means the Bank, or upon the transfer of the Bonds, the transferee.

"Improvements" shall have the meaning assigned to such term in the third (3<sup>rd</sup>) WHEREAS paragraph of this Bond Purchase Agreement.

"Indebtedness" shall mean without duplication, (i) all indebtedness of the Guarantor or Guarantor Affiliates for borrowed moneys or which has been incurred or assumed in connection with the Facility and the Improvements, (ii) all indebtedness, no matter how created, (iii) the liability of the Guarantor and Guarantor Affiliates under any lease of real or personal property that is properly capitalized on the balance sheet of Guarantor and Guarantor Affiliates in accordance with GAAP consistently applied, and (iv) any guaranty by Guarantor and Guarantor Affiliates for borrowed moneys or which has been incurred or assumed by the Institution in connection with the acquisition of property or the leasing of real or personal property which is properly capitalized on the balance sheets of the Guarantor and Guarantor Affiliates in accordance with GAAP consistently applied, excluding Indebtedness that has been defeased.

"Independent Counsel" means an attorney or attorneys or firm or firms of attorneys duly admitted to practice law before the highest court in the State and reasonably acceptable to the Bank.

"Inspecting Architect" means an independent architect or independent architectural firm selected by the Institution reasonably acceptable to the Bank, which is registered and qualified to practice the profession of architecture under the laws of the State and is not a full time employee of the Issuer or the Institution.

"Inspecting Engineer" means an independent engineer or independent engineering firm selected by the Institution and reasonably acceptable to the Bank, which is registered and qualified to practice the profession of engineering under the laws of the State and is not a full time employee of the Issuer or the Institution.

"Institution" means Cayuga Medical Center at Ithaca, Inc., a not-for-profit corporation exempt from taxation under Section 501(c)(3) of the Code, organized, existing and in good standing under the laws of the State of New York.

"Institution Documents" means this Bond Purchase Agreement, the Bonds, the Mortgage and the Tax Compliance Agreement, each as may be amended, restated, supplemented or otherwise modified, from time to time.

"Issuer" means Tompkins County Development Corporation and its successors and assigns.

"Issuer Documents" means the Bonds, this Bond Purchase Agreement, the Pledge and Assignment, the Assignment of Mortgage, the Assignment of Assignment of Leases and Rents and the Tax Compliance Agreement.

"Knowledge of the Institution" means the actual knowledge of the executive officers of the Institution, after due inquiry.

"Land" shall have the meaning assigned to such term in the third (3<sup>rd</sup>) WHEREAS paragraph of this Bond Purchase Agreement.

"Lien" means any interest now or in future in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including but not limited to a security interest arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" includes reservations, exceptions, encroachments, easements, rights of way, covenants, conditions, restrictions, leases, mechanics', materialmen's, warehousemen's and carriers' liens and other similar encumbrances affecting real property.

"Lien Law" means the New York State Lien Law.

"Long Term Indebtedness" means Indebtedness having an original maturity of greater than one (1) year or Indebtedness that has the option to extend the maturity thereof for a period of greater than one (1) year from the date of the original occurrence thereof.

"Material Adverse Effect" means any: (a) a material adverse effect on the properties, assets, business, operations, condition (financial or otherwise), prospects, or liabilities (actual or contingent) of Institution, Guarantor or any Guarantor Affiliate, (b) a material adverse effect on the ability of any Institution, Guarantor or any Guarantor Affiliate to perform or comply with any

of the terms and conditions of any Issuer Documents or duly and punctually pay the Indebtedness or any debts of Institution, Guarantor or Guarantor Affiliates, or (c) a material adverse effect on the legality, validity, binding effect, enforceability or admissibility into evidence of any of the Issuer Documents or ability of Bank or Issuer to enforce its rights and remedies in connection therewith.

"Net Proceeds" means so much of the gross proceeds with respect to which that term is used as remain after payment of all expenses, costs including attorney's fees, and taxes incurred in obtaining such gross proceeds.

"Net Unrestricted Assets" means total net assets listed on the statement of financial position or balance sheet of a Person, less any net assets with donor restrictions.

"Net Worth" means, at any date, the Tangible Assets of a Person which (after deducting depreciation, obsolescence, amortization, and any valuation or other reserves on account of upward revaluation of assets and without reduction for any unamortized debt discount or expense) would be shown, in accordance with generally accepted accounting principles, on its balance sheet, minus liabilities (other than capital stock and surplus but including all reserves for contingencies and other potential liabilities) which would be shown, in accordance with generally accepted accounting principles, on such balance sheet.

"Operating Expenses" means current expenses of operation, maintenance, repair and utilities of the Facility, as calculated in accordance with generally accepted accounting principles, and includes, without limiting the generality of the foregoing, insurance premiums, fees and expenses due and payable to the Bank, all reasonable expenses incurred by the Institution in connection with the inspection of the Facility, the enforcement of the obligations of other parties to any agreements entered into by the Institution in connection with the acquisition, financing, development, construction or operation of the Facility, and the performance of any other obligations of the Institution under such agreements directly related to the Facility, including, without limitation, the payment of all obligations of the Institution to the Issuer, payments with respect to workers' compensation claims not otherwise covered by insurance, any amount required to be rebated to the United States under Section 148 of the Code, counsel fees and expenses and payroll expenses. "Operating Expenses" do not include: (1) any allowance for depreciation or replacements of capital assets of the Facility, or (2) amortization of financing costs or any intangible assets or items other than cash.

"Permitted Encumbrances" means (i) Liens, if any, on the premises described in Exhibit A attached hereto, (ii) the Bond Purchase Agreement, (iii) the Mortgage, (iv) the Assignment of Leases and Rents, (v) utility, access and other easements and rights of way, restrictions and exceptions that do not materially impair the use or the value of the Property affected thereby for the purpose for which it is intended, (vi) mechanics', materialmen's, warehousemen's, carriers' and other similar Liens to the extent permitted by Section 8.7(b) hereof, (vii) taxes, assessments and other charges to the extent permitted by Section 6.3(b) hereof, (viii) Liens for taxes at the time not delinquent, (ix) purchase money mortgages, liens or encumbrances on existing or newly acquired equipment, (subject to the terms and conditions of the Bond Documents), and (x) leasehold interests and licenses granted by the Institution, Guarantor, and Guarantor Affiliates with the consent of the Bank or otherwise as may be permitted by the Bond Documents.

"Party" or "Parties" means, collectively, the Institution, Guarantor, Schuyler Hospital, Inc. and Cayuga Medical Associates, P.C.

"Person" means an individual, partnership, corporation, trust or unincorporated organization, and a government or agency or political subdivision or branch thereof.

"Plan" means any plan defined in Section 4021(a) of ERISA in respect of which the Institution, a Guarantor or any Subsidiary of the Institution or a Guarantor is an "employer" or a "substantial employer" as defined in Sections 3(5) and 4001(a)(2) of ERISA, respectively.

"Plans and Specifications" means the plans and specifications for the Facility, prepared for the Institution, as revised from time to time.

"Project" shall have the meaning assigned to such term in the third (3<sup>rd</sup>) WHEREAS paragraph of this Bond Purchase Agreement.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible. For the purposes hereof, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional lease agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

"Reportable Event" means any reportable event as that term is defined in ERISA.

"Revenues" means all receipts, revenues, income and other money received by the Institution from any source and all rights to receive the same (including, without limitation, operating revenues and non-operating revenues determined in accordance with GAAP), whether in the form of accounts receivable, contract rights, chattel paper, instruments or other rights, and the proceeds thereof, and any insurance thereon, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Institution.

"SEQORA" means the State Environmental Quality Review Act, as amended and the regulations thereunder.

"Tangible Assets" means total assets except: (i) that portion of deferred assets and prepaid expenses (other than prepaid insurance, prepaid rent and prepaid taxes) which do not mature or, in accordance with generally accepted accounting principles, are not amortizable within one year from the date of calculation, and (ii) trademarks, trade names, good will, and other similar intangibles.

"Taxable Rate" means a rate equal to four and fourteen one-hundredths percent (4.14%) per annum.

"Tax Compliance Agreement" means the Tax Compliance Agreement, dated the Closing Date, executed by the Issuer and the Institution regarding, among other things, the restrictions

prescribed by the Code in order for interest on the Bonds to remain excludable from gross income for federal income tax purposes.

"Tax Incidence Date" means the first date on which, as a result of an Event of Taxability, interest on the Bonds is includable in the gross income of the recipient thereof for Federal income tax purposes.

"Unassigned Rights" means (i) the rights of the Issuer under Sections 4.15, 4.16, 4.17, 4.19, 4.20, 4.24, 4.29, and 7.10 hereunder; (ii) the monies due and to become due to the Issuer for its own account or the members, officers, agents (other than the Institution) and employees of the Issuer for their own account; and (iii) the right to enforce the foregoing pursuant to Article X of this Bond Purchase Agreement.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Bond Purchase Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Words importing the redemption or calling for redemption of Bonds shall not be deemed to refer to or connote the payment of the Bonds at their respective stated maturity.

(c) All references herein to particular articles or sections are references to articles or sections of this Bond Purchase Agreement.

(d) The table of contents and headings of the several Sections herein are solely for convenience of reference and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Bond Purchase Agreement.

(e) The use of the neuter gender shall include the masculine and feminine genders as well.

## **ARTICLE II**

### **REPRESENTATIONS BY AND COVENANTS OF THE ISSUER, THE INSTITUTION AND THE BANK**

Section 2.01. Representations by the Issuer. The Issuer represents and warrants that:

(a) The Issuer is a not-for-profit corporation under the laws of the State, duly organized and existing as such under the Constitution and the laws of the State;

(b) The Issuer has full power and authority to issue and sell the Bonds to finance the Project Costs and to pay the costs of such financing as is provided in this Bond Purchase

Agreement, to secure the Bonds in the manner provided in this Bond Purchase Agreement, and the Issuer has taken all actions and obtained all approvals required by the Act;

(c) The Issuer has duly adopted the Bond Resolution and has duly authorized the execution and delivery of each of the Issuer Documents, and the issuance and sale of the Bonds, and has taken all actions necessary or appropriate to carry out the same;

(d) The Issuer is not aware of any litigation or proceeding pending or, to the Issuer's knowledge, threatened against the Issuer, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bonds or the Issuer Documents;

(e) The consummation of the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement and the performance of the Issuer Documents will not result in any breach of, or constitute a default under, the Act or any mortgage, deed or trust, lease, bank loan or credit agreement, order or judgment, by-law or other instrument or document to which the Issuer is a party or by which it may be bound or affected; and

(f) The Issuer has not made and does not intend to make in connection with the Project or the sale of the Bonds to the Bank or otherwise any inquiry concerning the financial position or business condition of the Institution. The Issuer makes no warranty or representation as to the financial position or business condition of the Institution and does not represent or warrant as to any of the statements, materials, representations or certifications (financial or otherwise) made or furnished, or to be made and furnished by the Institution in connection with the Project or the sale of the Bonds to the Bank or the making of disbursements hereunder or otherwise or as to the correctness, completeness or accuracy of such statements, materials, representations or certificates.

Section 2.02. Covenants of the Issuer. Subject to Section 7.10 hereof, the Issuer hereby agrees with the Bank and the Institution that, so long as the Bonds remain unpaid:

(a) The Issuer will take no action and, to the extent of its ability to do so, will suffer no action to be taken to terminate its existence;

(b) The Issuer will use or cause to be used the Net Proceeds of the Bonds only to pay the Project Costs;

(c) The Issuer will take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under the Bonds and each of the Issuer Documents and in order to provide for and to assure payment of the Bonds and interest thereon when due;

(d) The Issuer will not create, assume or suffer to exist any assignment, mortgage, pledge, security interest or other lien, encumbrance or charge on any revenues derived or to be derived from the Bonds;



(e) The Issuer will not take any action impairing any authority, right or benefit given or conferred by the Bonds Resolution, this Bond Purchase Agreement or any of the other Bond Documents;

(f) The Issuer will pay or cause to be paid the principal of, premium, if any, and the interest on the Bonds as the same become due, but solely to the extent provided in Section 7.10 hereof;

(g) The Issuer will execute, acknowledge, when appropriate, and deliver from time to time at the request of the Bank such instruments and documents as in the opinion of the Bank are necessary or desirable to carry out the intent and purpose of the Bond Documents.

Section 2.03. Representations by the Institution. The Institution makes the following representations, all of which will survive the purchase of the Bonds:

(a) The Institution is a not-for-profit corporation exempt from taxation under Section 501(c)(3) of the Code, duly organized, validly existing and in good standing under the laws of the State of New York, and has the full power and authority to enter into each of the Institution Documents and to carry out its obligations thereunder and by proper corporate action has been duly authorized to execute, deliver and perform its obligations under this Bond Purchase Agreement.

(b) The financial statements of the Institution, if any, provided directly to the Bank by the Institution are correct and complete in all material respects and fairly represent the financial condition of the Institution as of the date indicated, and have been prepared in conformity with generally accepted accounting principles, consistently applied.

(c) Neither the Institution nor anyone acting on its behalf has, directly or indirectly, offered the Bonds for sale to, or solicited any offer to buy the same from, anyone other than the Bank except for offers made to any Accredited Investors, as such term is defined in Rule 501(a) as promulgated under the Securities Act of 1933, as amended.

(d) Each of the Institution Documents, when executed and delivered by the respective parties thereto, will constitute valid and binding obligations of the Institution enforceable in accordance with their terms, except as such enforcement may be limited by applicable state or Federal laws affecting the enforcement of creditors' rights generally or by general principles of equity. The execution and delivery by the Institution of the Institution Documents and the performance by the Institution of its obligations thereunder will not conflict with, or result in any breach of, or constitute a default under any indenture, mortgage, deed of trust, bank loan or credit agreement or any other agreement or instrument to which the Institution is a party or by which it or any of its property may be bound or affected for which a valid consent has not been secured; nor is any approval or any action by any governmental authority or agency required in connection with the execution and performance thereof by the Institution.

(e) There has been no material adverse change in the business, properties or financial condition of the Institution from that shown on the most recent financial statements of the Institution submitted to the Bank by the Institution.

(f) There is no litigation, proceeding, or regulatory action or investigation ("Third Party Action") pending or threatened against the Institution, nor is Institution aware of any facts and circumstances which might reasonably result in Third Party Actions, challenging the validity of any of the Institution Documents, seeking to enjoin the performance of the obligations of the Institution or which could result in the imposition of material fines, penalties, or other material restraints on Institution's operations.

(g) The Institution is not in default in a material respect under any indenture, mortgage, deed of trust, bank loan or credit agreement to which the Institution is a party in any respect that is material in light of the financial condition of the Institution and there exists no condition, event or act which constitutes, or after notice or lapse of time or both would constitute an Event of Default.

(h) The Institution will apply the proceeds from the sale of the Bonds for the sole purpose of providing funds for paying the Project Cost of the Facility in accordance with Article IV of this Bond Purchase Agreement.

(i) All authorizations, certificates and permits necessary for the Project in accordance with applicable building codes and Environmental Laws have been or will be obtained and, to the extent that they have been obtained by the Institution, are in full force and effect, and, to the Knowledge of the Institution all site preparation and construction work, if any, done to date has been done in accordance with said authorizations, certificates, permits, codes and laws and that the proposed or actual use of the Facility will comply with all applicable laws, statutes, codes, ordinances, rules and regulations, including Environmental Laws and that there is no action or proceeding pending before any court, quasi-governmental body or administrative agency relating to the validity of this Bond Purchase Agreement or the transactions contemplated hereby.

(j) The Institution has or will have good fee simple title to the Facility free and clear of all liens, pledges, mortgages, security interests, charges, claims and other encumbrances, except the Permitted Encumbrances.

(k) The Institution has good and marketable fee title to, or a valid leasehold interest in its real properties constituting or which shall constitute part of the Facility, in accordance with the laws of the jurisdiction where located, and good and marketable title to substantially all its other property and assets constituting or which shall constitute part of the Facility, subject, however, to Permitted Encumbrances and, in the case of real property, to title defects and restrictions which do not materially interfere with the operations conducted thereon by the Institution. Except for liens in favor of the Bank or the Issuer and except for Permitted Encumbrances, the real property and all other property and assets of the Institution are free from any liens or encumbrances of any kind. Each lease of property which constitutes or which shall constitute part of the Facility to which the Institution is a party is in full force and effect, to the Knowledge of the Institution, no material default on the part of any party thereto exists, and, as

to each of such leases to which the Institution is party as lessee, the Institution enjoys peaceful and undisturbed possession of the property affected thereby.

(l) No Reportable Event or "prohibited transaction" (as defined in Section 4975 of the Code) has occurred and is continuing with respect to any Plan and the Institution has not incurred any "accumulated funding deficiency" as such term is defined in Section 302 of ERISA.

(m) The Institution has filed all tax returns which are required to be filed and has paid, or has made adequate provision for the payment of, all taxes which have or may become due pursuant to said returns or to assessments received by them. The Institution knows of no deficiency assessment or proposed deficiency assessment of taxes against the Institution, except as may be otherwise disclosed in writing to the Bank prior to the date hereof.

(n) The Institution does not have outstanding on the date hereof any Indebtedness for borrowed money, except (i) for such Indebtedness reflected on the financial statements previously delivered to the Bank, and (ii) Indebtedness in connection with the Bonds.

(o) The Bond Proceeds shall be used solely for business or commercial purposes and no part shall be used for personal, family or household purposes.

(p) To the Knowledge of the Institution, there are no pending assessments or adjustments of its income tax for any year and all taxes due have been paid, except as have been disclosed in writing to the Bank. All assessed deficiencies, if any, resulting from Internal Revenue Service examinations of the Federal income tax returns of the Institution have been discharged or reserved against. The Institution has filed or caused to be filed all Federal, state and local tax returns which are required to be filed, and has paid or have caused to be paid all taxes as shown on said returns or on any assessment received by them, to the extent that such taxes have become due, except any such taxes that are immaterial in amount or are being contested in good faith with appropriate reserves set aside therefor.

#### Section 2.04. Covenants of the Institution.

(a) The Institution covenants and agrees with the Issuer and the Bank that the Institution will undertake the Project in accordance with the Plans and Specifications; any amendments or revisions to the Plans and Specifications shall be subject to the prior written approval of the Bank, which approval may not unreasonably be withheld or delayed, but may be subject to such conditions as the Bank may deem appropriate in its reasonable discretion.

(b) The Institution agrees to provide or cause to be provided insurance or evidence of insurance with such coverage and in such amounts as are customary for comparable companies, and as the Bank may reasonably require. Copies of the original policies of insurance or certificates thereof shall be deposited with the Bank.

(c) Reserved.

(d) Bank and its agents shall have the right of entry and free access to the Facility, upon reasonable notice to the Institution and compliance with the Institution's privacy and

security policies and procedures, to inspect all work done, labor performed and materials furnished in and about the Facility, and to inspect all books and records of the Institution kept in connection therewith; provided the exercise of such rights shall be during business hours at times reasonably convenient to the Institution and the Bank and shall not interfere in a material way with the acquisition, construction and equipping or related work on the Facility or operations and other activities of the Institution or tenants, lessees, or other occupants, in each case at the Facility. Institution shall discuss its affairs and finances with Bank from time to time as often as Bank reasonably requests.

(e) The Institution shall also furnish to the Bank:

(i) (A) Consolidated and consolidating balance sheets, income statements, management letters and statements of cash flow of at least "audited" quality (within the meaning ascribed to such term by the American Institute of Certified Public Accounts) not more than one hundred and twenty (120) days after the end of each fiscal year. Such statements shall be prepared by an Accountant, be in detail reasonably satisfactory to the Bank, and shall be prepared in accordance with generally accepted accounting principles consistently applied; (B) consolidated and consolidating financial statements, including income statement, balance sheet, and cash flows for Cayuga Health System, Inc. within forty-five (45) days of each quarter end for the quarter then ended in form and content acceptable to the Bank; (C) as requested by Bank, monthly financial statements for Institution and all Guarantor Affiliates; (D) Reserved; (E) A calculation and certification of compliance with the Global Debt Service Coverage Ratio, annually on March 1, on the basis of the Guarantor's audited financial statements for the prior December 31, commencing December 31, 2024; and (F) the Debt-To-Worth Ratio (as described in Section 2.4(f)(iii)), annually on March 1 on the basis of the Guarantor's audited financial statements for the prior December 31, commencing December 31, 2024. Compliance with (A), (B) and (C) above shall apply to the Parties, and shall be certified in writing by the chief executive and chief financial officers of each respective Party to be true and correct. Compliance with (E) and (F) above shall be certified in writing by the chief executive and chief financial officers of the Institution to be true and correct.

(ii) Reserved.

(iii) Promptly upon the Bank's request, such other books, records, statements, lists of property and accounts, budgets, forecasts or reports as to the Institution as the Bank may request.

(f) Financial Covenants.

(i) Global Debt Service Coverage Ratio. The Guarantor covenants to maintain a Global Debt Service Coverage Ratio of at least 1.30 to 1.00 for Guarantor and all Guarantor Affiliates. Compliance with the Global Debt Service Coverage Ratio covenant shall be tested and confirmed in the manner and at the times specified in Section 2.04(e) hereof annually on

December 31 as of the close of each fiscal year of the Guarantor and Guarantor Affiliates, commencing December 31, 2024.

- (ii) No Secondary Liens or Encumbrances on the Property. The Institution hereby covenants and agrees with the Issuer and the Bank that it will not create or grant or suffer to be created or exist any mortgage, deed of trust, lien or other security interest with respect to the Land or the Improvements other than the Permitted Encumbrances.
  - (iii) Debt-To-Worth Covenant. The Guarantor covenants that the ratio of Long Term Indebtedness to Net Unrestricted Assets shall not exceed 1.00:1.00, and shall be tested and confirmed in the manner and at the times specified in Section 2.04(e) hereof.
- (g) During the term of the Bond, the Institution shall:
- (i) Maintain its existence, keep its properties in good repair, maintain, in compliance with the terms hereof, adequate liability insurance, insurance against fire and other such risks, as is customary to other comparable companies, but not less than as required by law, is satisfactory to the Bank and is in compliance with this Agreement.
  - (ii) Promptly pay all taxes, unless contested in good faith, as well as lawful claims for labor, materials, and supplies, which, if unpaid, might become a lien or charge on its properties.
  - (iii) Maintain its books and records in accordance with generally accepted accounting principles, applied on a consistent basis.
  - (iv) Promptly inform the Bank in writing of (i) all material adverse changes in its financial condition, and (ii) all litigation and claims and all threatened litigation and claims affecting it which could materially affect its financial condition.
  - (v) Permit employees or agents of the Bank, at any reasonable time upon 24 hours advance notice, to inspect its other properties and to examine or audit its books, accounts, and records, and to make copies and memoranda of its books, accounts, and records.
  - (vi) Furnish such additional information and statements, with respect to its financial condition and business operations as the Bank may reasonably request from time to time.
  - (vii) Maintain its comprehensive banking relationship with the Bank while the Bonds are outstanding including its primary operating account.

(h) The Institution, Guarantor or Guarantor Affiliates will not, directly or indirectly, without written consent of the Bank:

- (i) Materially alter the nature of its business.
- (ii) Take or suffer or incur any action or event that may reasonably result in or actually results in a Material Adverse Effect.

(i) The Institution shall maintain its comprehensive banking relationship with Bank, including its primary operating account, from which all payments due hereunder will be made by automatic internal transfer (AIT).

(j) If any covenant contained herein is in violation, the Bank may, without obligation or prejudice to the Bank's rights, provide written notice of any such violation to the applicable Party. Thereafter, if said breach or non-compliance of any of the aforementioned covenants persist, the Bank may:

(i) after the fiscal year ending December 31, 2024, if a Party is not in compliance with the covenants (as applicable) as set forth in this Section 2.04, the Bank may provide written notice of same to the Institution, which notice may elect a remedy to be taken, including a temporary waiver of the Bank's right to enforce said violation.

(ii) after the fiscal year ending December 31, 2025, if a Party is not in compliance with the covenants (as applicable) as set forth in this Section 2.04, the Bank may provide written notice of same to the Institution, which notice may elect a remedy to be taken, including a temporary waiver of the Bank's right to enforce said violation, and may elect to proceed as follows:

- (a) after December 31, 2025, if any covenant contained in this Section 2.04 is in violation (tested using financial statements of Guarantor for the first fiscal quarter of the immediately succeeding Fiscal Year as to any financial covenant) after a ninety (90) day cure period, a fee equal to five (5) basis points (0.05%) multiplied by the outstanding principal amount of the Bond then outstanding will be assessed and immediately due and payable.
- (b) if the covenant continues to be in violation (tested using financial statements of Guarantor for the second quarter of the Fiscal Year described in clause (i) as to any financial covenant) after one hundred eighty (180) days, the interest rate on the Bonds will increase by three percent (3%) per annum
- (c) if the covenant continues to be in violation (tested using year-end financial statements of Guarantor for the Fiscal Year described in clause (i) as to any financial covenant) after three hundred and

sixty (360) days, an Event of Default may be declared by the Bank and the principal and interest due on the Bond accelerated and immediately due and payable.

If any covenant violation is subsequently cured for any fiscal year, Bank may, but shall not be obligated to, agree to reset the steps set forth in this subsection for subsequent year(s) of covenant testing.

Section 2.05. Representations by and Covenants of the Bank. The Bank represents to and covenants and agrees with the Issuer that:

(a) The Bank has had an opportunity to make such investigations and has had access to such information with respect to the Institution and its affairs and condition, financial and otherwise, which the Bank has deemed necessary in connection with and as a basis for the purchase of the Bonds, and any and all information relating to the Institution and its affairs which the Bank has requested has been provided to the Bank.

(b) The Bank has approved the Bonds, the Bond Resolution and each of the Bond Documents, and such documents contain the terms agreed to by the Bank.

(c) The Bank is purchasing the Bonds (i) for its own account, for the purpose of investment and not with a present view to the distribution or resale thereof and (ii) not for the account of others. The Bank has not offered, offered to sell, offered for sale or sold the Bonds by means of any form of general solicitation or general advertising and will not sell the Bonds without registration under the applicable federal and state securities laws or an exemption therefrom. The Bank presently has no arrangement, written or oral, with any Person for the distribution, transfer or resale of the Bonds. The Bank agrees to notify the Issuer and the Institution at least thirty (30) days in advance in writing of any proposed transfer or resale of the Bonds or any portion thereof and to furnish to them prior to any such transfer or resale (i) an opinion of Bond Counsel that such transfer or resale does not and will not require registration of the Bonds under any applicable federal and state securities laws and (ii) a certificate of the purchaser of the Bonds to the effect that such purchaser has been provided with all Institution information it has reasonably requested from the Institution. In the event such transfer is at the request of the Institution, the Institution shall pay all expenses incurred by the Bank, including reasonable attorneys' fees, in connection with such transfer or resale and the cost of obtaining the opinion of Bond Counsel referred to above. If the proposed transfer of the Bonds is other than at the request of the Institution, the Bank will bear such costs and expenses.

(d) The Bank understands that (i) the Bonds being purchased shall be special obligations of the Issuer payable solely from certain of the revenues and receipts derived by the Issuer pursuant to this Bond Purchase Agreement and the other security given for the payment of the Bonds, (ii) the Issuer has no power of taxation, and (iii) that the Issuer makes no representation or warranty, express or implied, with respect to the merchantability, condition or workmanship of any part of the Facility or the suitability of the Facility for the Institution's purposes or needs or the extent to which the proceeds derived from the sale of the Bonds will be sufficient to pay the Cost of the Facility.

(e) The Bank has not requested or received from the Issuer any information which it, as a reasonable investor, deems important in reaching its investment decision to purchase the Bonds. It has received from the Institution and not the Issuer whatever information requested with respect to the Institution and the Facility which it deems as a reasonable investor important in reaching its investment decision to purchase the Bonds. The Bank acknowledges that neither the Issuer nor its counsel nor Bond Counsel have made any investigation or inquiry with respect to the affairs or condition, financial or otherwise, of the Institution and that the Issuer, its Counsel and Bond Counsel do not make any representations to the Bank with respect to the adequacy, sufficiency or accuracy of any financial statements and information or other information provided to the Bank or with respect to the ability of the Institution to pay the Bonds or fulfill its obligations with respect to the transactions contemplated in connection therewith. The Bank is not relying on any statements or representations by the Issuer with respect to: (i) the financial condition of the Institution, (ii) the creditworthiness of the Institution, (iii) the competency or integrity of the management of the Institution, or (iv) the suitability of the Facility for the Institution's business. The Bank has made an independent evaluation of the facts listed above without reliance upon any evaluation or investigation by the Issuer, its counsel or Bond Counsel as to any of them, except to the extent such facts are specifically opined upon by the Issuer's counsel or Bond Counsel in their respective opinion letters to be delivered to the Bank on the Closing Date.

(f) The Bank has not relied upon the determination of the Issuer to issue the Bonds to finance the Project for any purpose in connection with its evaluation of the Institution's financial condition, creditworthiness and competency, or of the integrity of the Institution's management, or of the suitability of the Facility for the Institution's business.

The covenants made by the Bank in this Section 2.05 are for the benefit of the Issuer only and no other party, including, without limitation, the Institution, may rely on or benefit therefrom, notwithstanding any other provision of this Bond Purchase Agreement.



### ARTICLE III - CLOSING AND PURCHASE AND SALE OF BONDS

Section 3.01. Closing Date. Loan Of Bond Proceeds. On July 28, 2022, or on such other date as the Issuer, the Bank and the Institution may mutually agree upon, the Bank agrees to provide to the Issuer the proceeds of the Bonds in the aggregate principal amount of \$21,825,000, (i) upon receipt of the Bonds in such principal amounts and (ii) subject to the terms and conditions of this Bond Purchase Agreement.

The Issuer agrees to loan the proceeds of the Bonds to the Institution, and the Institution agrees to pay to the Bank the principal of and interest on the Bonds and all other amounts due hereunder in accordance with the terms of this Bond Purchase Agreement and the Bonds.

Section 3.02. Conditions Precedent to Closing. The obligation of the Bank purchase the Bonds shall be subject to receipt by the Bank of all documents and assurances required by the Commitment and the receipt by the Bank of each of the following in form and substance reasonably satisfactory to the Bank and its counsel:

(a) The original, executed typewritten Bonds and executed originals of all of the other Bond Documents.

(b) Evidence satisfactory to the Bank and its counsel as to:

(i) the valid corporate existence of the Issuer;

(ii) the due authorization and execution by, and the valid and binding affect upon, the respective parties thereof of each of the Bond Documents; and

(iii) no litigation materially affecting the business, operations, properties, assets or business prospects of the Issuer or the Institution; and no required consents and no defaults by the Issuer or the Institution.

(c) A certified copy of the Bond Resolution and proof of due corporate action by the Issuer.

(d) An opinion of counsel to the Issuer as to the valid corporate existence of the Issuer, the due authorization, execution and delivery by the Issuer of the Bonds and the other Issuer Documents, the absence of material litigation involving the Issuer and such other matters as the Bank, its counsel or Bond Counsel may reasonably request.

(e) An opinion or opinions of counsel to the Institution as to the valid corporate existence of the Institution, the due authorization, execution and delivery by the Institution of the Institution Documents, the absence of material litigation involving the Institution or the Facility and such other matters as the Bank, its counsel or Bond Counsel may reasonably request.

(f) An opinion of Harris Beach PLLC as Bond Counsel, as to the due existence and authority of the Issuer, the valid issuance of the Bonds under the Bond Resolution and the Act,

the exclusion from gross income for Federal income tax purposes of interest payable on the Bonds, and the exemption from registration of the Bonds under the Securities Act of 1933, as amended.

(g) Binders for insurance providing coverage required by Article IV hereof.

(h) A complete detailed estimate of all direct and indirect costs associated with the Project and evidence satisfactory to the Bank that the available Bond Proceeds and other funds available to the Institution are sufficient to pay said costs.

(i) Reserved.

(j) Reserved.

(k) Evidence satisfactory to the Bank and its counsel as to (i) the methods of access to and egress from the Facility, and nearby or adjoining public ways, meeting the reasonable requirements of property of the type contemplated to be completed and the status of completion of any required improvements to such access; (ii) the availability of storm and sanitary sewer facilities meeting the reasonable requirements of the Facility; and (iii) the availability of all other required utilities, in location and capacity sufficient to meet the reasonable needs of the Facility.

(l) Such other documents, instruments, certificates, opinions, assurances, consents or approvals as the Bank or its counsel may otherwise request.

### Section 3.03. Provisions Relating to Exchange of Bonds.

(a) The Bonds shall be payable in accordance with the provisions of the Bonds to the registered owner thereof as shown on the records maintained by the Issuer for the registration and transfer of the Bonds and shall be substantially in the form set forth in Exhibit B attached hereto.

(b) So long as the Bonds shall be outstanding, the Issuer shall maintain, at the Bank's office, books for the registration and transfer of the Bonds. The Bank is hereby appointed, and by executing this Bond Purchase Agreement hereby accepts such appointment, as Bond Registrar. The Bank, as Bond Registrar, shall register in such books and permit to be transferred thereon, under such reasonable regulations as the Bank may prescribe, the Bonds.

(c) The Bonds shall be transferable only on the books of the Issuer, upon surrender thereof at the main office of the Bank, together with such instruments, opinions, if any, and certificates as may be required by the provisions of the Bonds pertaining to the transfer thereof. Upon the transfer of the Bonds, the Issuer shall issue in the name of the transferee new Bonds (in registered form, without coupons), of the same principal amounts, maturities and rates of interest as the Bonds.

(d) The Issuer and the Bank may deem and treat the Person in whose name the Bonds shall be registered upon the books of the Issuer as the absolute owner thereof, whether the Bonds

shall be overdue or not, for the purpose of receiving payment of the principal of, premium, if any, and interest on the Bonds and for all other purposes. All such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability of the Issuer upon such Bonds to the extent of the sum or sums so paid. Neither the Issuer nor the Bank shall be affected by any notice to the contrary.

Section 3.04. Loss, Theft, Destruction or Mutilation of the Bonds. In the event the Bonds are mutilated, lost, stolen or destroyed, the Issuer may execute and deliver new Bonds of like maturity, interest rate and principal amount, bearing the same number, if any, as the mutilated, destroyed, lost or stolen Bonds and bearing a notation indicating the principal amount outstanding, in exchange for the mutilated bond, or in substitution for a bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the Issuer (i) such security or indemnity as may be required by it to save the Issuer and its members, servants, agents and employees harmless from all risks, however remote, reasonably related to such exchange or transfer, (ii) evidence to its satisfaction of the mutilation, destruction, loss or theft of the Bonds and of the ownership thereof and (iii) in the case of mutilation, the mutilated Bonds. Upon the issuance of a bond upon such exchange, or substitution, the Issuer may require the Holder of the Bonds to make the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees, of the Issuer. In case the Bonds shall become mutilated or be destroyed, lost or stolen, the Issuer may, instead of issuing a bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of the mutilation of the Bonds) if the applicant for such payment shall furnish to the Issuer such security or indemnity as it may require to save the Issuer and its members, servants, agents and employees harmless from all risks, however remote, and evidence satisfactory to the Issuer of the mutilation, destruction, loss or theft of the Bonds and of the ownership thereof.

Section 3.05. Commitment. The parties agree that the terms and conditions of the Commitment are incorporated herein and the terms and conditions of the Commitment shall survive the making of the loan and purchase of the Bonds. In the event of any variation between the provisions of this Bond Purchase Agreement and the Commitment with respect to the making of the loan and the purchase of the Bonds, the provisions hereof shall govern.

**ARTICLE IV - THE DISBURSING AGENT; BOND PROCEEDS AND APPLICATION THEREOF; OTHER OBLIGATIONS OF INSTITUTION; INSURANCE PROVISIONS**

Section 4.01. Appointment of Disbursing Agent and Acceptance of Duties. (a) The Bank is hereby appointed as Disbursing Agent. The Disbursing Agent shall signify its acceptance of the duties and obligations of the Disbursing Agent, subject to the terms and conditions set forth in subsection (b) of this Section, by executing this Bond Purchase Agreement.

(b) The acceptance by the Disbursing Agent of the duties imposed upon by it by this Article and its agreement to perform said duties is subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Article against the Disbursing Agent:

(i) The Disbursing Agent undertakes to perform such duties and only such duties as are specifically set forth in this Article.

(ii) The Disbursing Agent may execute any of the powers conferred upon it in this Article and perform any of its duties hereunder by or through attorneys, agents or employees and may in all cases pay such reasonable compensation to all such attorneys and agents as may reasonably be employed in connection herewith.

(iii) The Disbursing Agent shall be protected in acting in good faith upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and to have been signed or sent by the proper Person or Persons.

(iv) The permissive right of the Disbursing Agent to do things enumerated in this Article shall not be construed as a duty and the Disbursing Agent shall not be answerable for other than its gross negligence or willful misconduct.

(v) For so long as the Bank is both Holder and Disbursing Agent, the Disbursing Agent shall be deemed to have notice of any Event of Default of which the Holder has notice.

(vi) All monies received by the Disbursing Agent shall be held in the funds herein provided for the purpose for which they were received, but need not be segregated from other monies held by the Disbursing Agent except to the extent required by this Article or by law. The Disbursing Agent shall not be liable for interest on any monies received hereunder.

(vii) The Disbursing Agent shall not be required to give any bond or surety in respect of the execution of the duties and powers intended to be conferred upon it in this Article or otherwise in respect of the Facility.

(viii) The Disbursing Agent shall not make any assignment or transfer of the interests granted to the Disbursing Agent under this Article, except as specifically provided for herein.

(c) In consideration of the acceptance by the Disbursing Agent of its duties hereunder, the Institution hereby agrees to indemnify and hold harmless the Disbursing Agent against all claims, actions, suits, proceedings, costs, expenses, (including reasonable attorney's fees) losses, damages and liabilities of any kind, including, in tort, penalties and interest, which the Disbursing Agent may incur in any manner other than the negligence or misconduct of the Disbursing Agent by reason of any matter existing, directly, hereto or to the performing of the Disbursing Agent's obligations under this Article IV, and such indemnity and hold harmless provisions shall survive this Bond Purchase Agreement and the payment of all obligations to the Holder evidenced by the Bonds.

(d) In consideration of the acceptance by the Disbursing Agent of its duties hereunder, the Institution hereby agrees that it shall pay or reimburse the Disbursing Agent for reasonable expenses incurred by the Disbursing Agent in connection with its services hereunder as agreed in the Commitment Letter.

Section 4.02. Merger or Consolidation of Disbursing Agent. Any corporation or association into which the Disbursing Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Disbursing Agent hereunder and shall be vested with all the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto.

Section 4.03. Resignation by the Disbursing Agent. The Disbursing Agent and any successor Disbursing Agent may, at any time, resign as Disbursing Agent and be discharged of its duties and obligations under this Article by giving not less than sixty (60) days written notice to the Institution, who shall designate a successor Disbursing Agent within fifteen (15) days of receipt of such notice; provided, however, that in no event shall such a resignation take effect until a successor Disbursing Agent has been appointed. Any successor Disbursing Agent appointed hereunder shall be a banking association, trust company or bank which is authorized to undertake the duties and to exercise the rights and powers intended to be conferred upon it by this Article.

Section 4.04. Disbursement of Bond Proceeds. (a) A special fund entitled "Tompkins County Development Corporation New Building Account – Cayuga Medical Center at Ithaca, Inc. Project" (the "Project Fund") shall be created with the Bank and shall be held, maintained and administered by the Bank on behalf of the Issuer in accordance with the terms of this Article IV. The Bank shall deposit in the Project Fund, the proceeds of the Bonds.

(b) So long as no Event of Default exists hereunder, the Issuer hereby authorizes the Bank to disburse monies in the Project Fund on its behalf solely for the purposes set forth in Section 4.05 hereof, less a retainage included in such requisition of ten percent (10%) ("Retainage") of all construction items specified therein to be held by Bank; provided, however, that (i) any disbursement to fund or reimburse the Institution for the costs of acquisition of the

Land shall not be subject to any Retainage, and (ii) the first disbursement made after the date that the Institution shall have achieved Substantial Completion of the Improvements shall include the amount of all Retainage previously withheld, and neither such disbursement nor any subsequent disbursement shall have any Retainage withheld from the same. "Substantial Completion" means substantial completion of the Improvements in accordance with the Plans and Specifications, as certified by the general contractor(s) and architect engaged by the Institution and Inspecting Architect with respect to the Project, compliance with Section 4.05(a) hereof, and the consent of Bank, which consent shall not be unreasonably withheld.

(c) The Institution agrees to use Bond Proceeds (i) only as provided in Section 4.05 hereof and (ii) in accordance with its covenants respecting the use of the Bond Proceeds contained in the Tax Compliance Agreement.

(d) A disbursement hereunder shall not be deemed to be an approval by the Bank of any work or labor performed with respect to the Facility, or approval or acceptance by Bank as to the fitness of such work or materials.

#### Section 4.05. Use of Monies in the Project Fund.

(a) Subject to compliance by the Issuer and the Institution with the terms and conditions of this Bond Purchase Agreement, including without limitation, Sections 4.06, 4.08, and 4.09 hereof, monies in the Project Fund shall be advanced by the Bank as reimbursement to the Institution for expenditures incurred for such costs, subject to and in compliance with the Tax Compliance Agreement. Bond Proceeds shall be advanced to the Institution or the Institution's designee upon the Bank being furnished with:

(1) A written requisition therefor in form and substance substantially the same as Exhibit C attached hereto received by the Bank at closing, certified to by the Authorized Representative of the Institution in form and substance satisfactory to the Bank, stating to the best of its knowledge: (A) the name of the Person to whom payment is to be made; (B) the amount of the payment; (C) that the disbursement is for a proper expenditure of Bond Proceeds; (D) the classification and the nature and purpose of the expenditure; (E) that there are no vendor's, mechanic's, or other liens, bailment leases, conditional sale contracts, security interests or laborer's liens which should be satisfied or discharged before the payments as requisitioned are made or which will not be discharged by such payment; (F) that none of the items for which the requisition is made has been the basis for any prior disbursement of Bond Proceeds; (G) that all Persons furnishing materials to, or performing work on, the Facility have been paid or will be fully paid to date from the proceeds of the requisition; (H) that the undisbursed Bond Proceeds are sufficient to complete the acquisition, construction and equipping of the Facility in accordance with the Plans and Specifications; (I) For construction items, that insofar as the payment is to be made for the work, materials, supplies or equipment, the work has been performed and the materials, supplies or equipment have been installed in the Facility; (J) the payment of all labor, services, materials and supplies used in such acquisition, construction and equipping has been made or provided for; and, (K) copies of the permanent Certificates of Occupancy, issued by the appropriate authorities with

respect to the Facility renovations that have been completed through the Closing Date, have been provided to the Bank;

(2) Such other or further documents, certificates, inspection results, data or information as the Bank shall reasonably request and in form, content and result reasonably satisfactory to Bank.

(b) The Bank shall not be obligated to make any advances of monies from the Project Fund hereunder unless the Bank is satisfied in its reasonable discretion that the conditions precedent to the making of such advance have been satisfied by the Institution.

(c) Reserved.

The Institution shall proceed with due diligence to complete the acquisition, construction and equipping of the Facility and shall complete such acquisition, construction and equipping on or before July 28, 2023 (except for certain items of construction itemized by the Institution prior to such date and approved by the Bank in writing).- At the request of the Bank, completion of the Facility shall be evidenced by one or more certificates signed by an Authorized Representative of the Institution stating that (A) the acquisition, construction and equipping of the Facility has been completed and (B) the payment of all labor, services, materials and supplies used in such acquisition, construction and equipping has been made or provided for. Additionally, at the request of the Bank, the Institution shall provide to the Bank copies of the permanent Certificates of Occupancy issued by the appropriate authorities with respect to the Facility.

Section 4.06. Compliance with Section 13 of the Lien Law. The Institution and the Issuer covenant and agree that the Institution shall receive the advances to be made hereunder to pay the Project Costs and will hold the same, together with the right to receive such advances, as a trust fund to be applied first for the purposes of paying the "cost of the improvements" (as such term is defined in the Lien Law), and the Institution will apply the same first to the payment of the cost of the improvements before using any part thereof for any other purpose. A true statement verified by an Authorized Representative of the Institution as required by Section 22 of the Lien Law is attached hereto as Exhibit A and made a part hereof. If so indicated in such affidavit, a portion of the Bond Proceeds will be used for reimbursement for payments made prior to the date of the first advance hereunder, for items constituting a portion of the "cost of the improvements", as defined in the Lien Law.

Section 4.07. Reserved.

Section 4.08. Installation of Additional Equipment. The Institution from time to time may install any machinery, equipment and other personal property not constituting part of the Facility on or in the Facility (which may be attached or affixed to the Facility) as it may deem desirable. The Institution from time to time may remove or permit the removal of such machinery, equipment and other personal property from the Facility and may create or permit to be created any Lien on such machinery, equipment or other personal property; provided that any such removal of such machinery, equipment or other personal property shall not impair the overall operating efficiency of the Facility for the purpose for which it is intended; and provided

further that if any damage is occasioned to the Facility by such removal, the Institution shall at its own expense promptly repair such damages. The Issuer shall not be responsible for any loss or damage to any property installed pursuant to this Section 4.08.

Section 4.09. Taxes, Assessments and Utility Charges.

(a) The Institution agrees to pay, as the same respectively become due, (i) all taxes and governmental charges of any kind (if any) whatsoever which may at any time be lawfully assessed or levied against or with respect to the Facility and any machinery, equipment or other property installed or bought by the Institution therein or thereon, including, without limitation, any taxes levied upon or with respect to the income or revenues of the Issuer from the Facility, (ii) all utility and other charges, including "service charges", incurred or imposed for the operation, maintenance, use, upkeep and improvement of the Facility and (iii) all assessments and charges of any kind whatsoever lawfully made by any governmental body for public improvements, provided that, with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Institution shall be obligated under this Bond Purchase Agreement to pay only such installments as are required to be paid during the term of the Bonds.

(b) The Institution may in good faith contest any such taxes, assessments and other charges (if any). In the event of any such contest, the Institution may permit the taxes, assessments and other charges so contested, to remain unpaid during the period of such contest and any appeal therefrom, unless the Issuer or its members, officers, agents or servants may be liable for prosecution for such nonpayment in which event the Institution shall promptly take such action as shall be satisfactory to the Issuer.

Section 4.10. Reserved.

Section 4.11. Reserved.

Section 4.12. Investment of Monies. (a) Monies held in the Project Fund established pursuant to Section 4.04 hereof shall be invested and reinvested by the Bank in Authorized Investments in compliance with the Tax Compliance Agreement. In making any such investment the Bank may rely conclusively on the written directions of the Institution delivered to it pursuant to this Section 4.12 and the Bank shall be relieved of all liability with respect to the making of such investments in accordance with such directions. Such investments shall mature in such amounts and have maturity dates or be subject to redemption at the option of the holder thereof on or prior to the date on which the amounts invested therein will be needed for the purposes of the Project Fund. The Bank may at any time sell or otherwise reduce to cash a sufficient amount of such investments whenever the cash balance in the Project Fund is insufficient in the sole reasonable judgment of the Bank for the purposes thereof. Any such investments shall be held by or under control of the Bank and shall be deemed at all times a part of the Project Fund, and the interest accruing thereon and any profit realized from such investments shall be credited to and held in and any loss shall be charged to the Project Fund.



(b) The Bank shall not be liable for any depreciation in the value of any investment made pursuant to this Section 4.12 or for any loss arising from any such investment.

Section 4.13. Express Promise to Improve Real Property. The Institution hereby expressly promises and agrees to complete the Project in accordance with the Plans and Specifications.

Section 4.14. Insurance Required. At all times throughout the terms of the Bonds (except as specifically provided for in this Section) the Institution shall maintain insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type, and as required by the Bank, paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:

(a) Insurance against loss or damage by fire, lightning and other casualties customarily insured against by similar businesses in the area, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full insurable value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Institution, but in no event less than the principal amount of the Bonds then Outstanding. During the period of construction of any portion of the Facility, such policy with respect to such Facility shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

(b) Workers' Compensation insurance, disability benefits insurance, and each other form of insurance which the Issuer or the Institution is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Institution who are located at or assigned to the Facility.

(c) Insurance protecting the Institution, the Bank and the Issuer against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the Property of others caused by any occurrence, with limits of not less than \$3,000,000 per occurrence on account of personal injury including death resulting therefrom, and \$3,000,000 per occurrence on account of damage to the property of others, excluding liability imposed upon the Institution by any applicable worker's compensation law; with (i) blanket contractual liability coverage specifically endorsed to include coverage for liability arising out of the Bond Documents, and (ii) premises operations and personal injury coverage for claims for bodily injury, death, or property damage occurring in, on, or about the Facility, including , including losses caused by explosion, collapse and underground hazards.

(d) If the Facility, or any part thereof, is located in an area which has been identified by the Secretary of Housing and Urban Development as a flood hazard area, for as long as the Bonds remain unpaid, the Institution shall maintain a policy or policies of flood insurance in the amount equal to (i) the maximum amount of flood insurance available with respect to the Facility under the Flood Disaster Protection Act of 1973, as amended or (ii) the maximum principal amount of the Bonds. This requirement shall be waived with respect to any portion of the Facility upon presentation of evidence satisfactory to the Bank that no portion of the Land

located at the site of such portion of the Facility is located within an area identified by the United States Department of Housing and Urban Development as having special flood hazards.

(e) Insurance against loss or damage from (i) leakage of sprinkler systems and (ii) explosion of steam boilers, air conditioning equipment, pressure vessels and similar apparatus now or hereafter installed at the Facility, in form, and in such amounts as the Bank shall from time to time require.

(f) Insurance against business interruption, rent loss or abatement of rent, for loss occasioned by the perils commonly insured in the so-called "open perils" policy, in an amount not less than the greater of (i) one year's gross income from the Facility plus the annual real estate taxes thereon and (ii) the aggregate annual amount payable from time to time on the Bonds.

(g) If the Facility is in an historic district, or if it is subject to full compliance renovations in the case of a partial loss, requisite insurance as may be reasonably required by the Bank.

Section 4.15. Additional Provisions Respecting Insurance. All insurance required by Section 4.14. hereof shall be procured and maintained with financially sound and generally recognized responsible insurance companies selected by the entity required to procure the same and authorized to write such insurance in the State and reasonably acceptable to the Bank. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Institution is engaged. All policies evidencing insurance coverages required by subsections (c) of 4.14 hereof shall name the Issuer, the Institution and the Bank as additional insureds. All policies evidencing insurance coverages required by Section 4.14(a) and 4.14(d)-(g) hereof shall name the Issuer and the Institution as additional insureds and the Bank as secured party and loss payee, and shall provide for written notice to the Institution, the Issuer and the Bank of cancellation, reduction in policy limits or material change in coverage thereof; provided that insurance limits must be in at least the principal amount of the Bonds outstanding regardless of deductible amounts. All insurance required hereunder shall be in form, content and coverage satisfactory to the Issuer and the Bank and shall not contain any coinsurance provisions nor blanket coverage with existing policies. The original policy, or a commitment binder for insurance, of all insurance required hereby shall be delivered to the Issuer and the Bank on or before the Closing Date. The Institution shall deliver to the Issuer and the Bank, on or before the first Business Day in December of each calendar year thereafter a certificate dated not earlier than the immediately preceding November 1<sup>st</sup>, reciting that there is in full force and effect, with a term covering at least the next succeeding twelve (12) months, insurance in the amounts and of the types required by Sections 4.14 and 4.15 hereof. At least thirty (30) days prior to the expiration of any such policy, the Institution shall furnish to the Issuer and the Bank, evidence that the policy has been renewed or replaced or is no longer required by this Bond Purchase Agreement.

Section 4.16. Application of Net Proceeds of Insurance. The Net Proceeds of the insurance carried pursuant to the provisions of Section 4.14 hereof shall be applied as follows: (i)

the Net Proceeds of the insurance required by Sections 4.14(a) and 4.14(d) hereof shall be applied as provided in Section 4.19 hereof, and (ii) the Net Proceeds of the insurance required by Sections 4.14(b), 4.10(c) and 4.10(d) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

Section 4.17. Right of Bank or the Issuer to Pay Taxes, Insurance Premiums and Other Charges. If the Institution fails (i) to pay any tax, assessment or other governmental charge required to be paid by Section 4.13 hereof or (ii) to maintain any insurance required to be maintained by Section 4.14 hereof, the Bank or the Issuer, may, but is not required to, pay such tax, assessment or other governmental charge or premium due for such insurance. The Institution shall reimburse the Bank or the Issuer, as the case may be, for any amount so paid by the Bank or the Issuer pursuant to this Section 4.17, together with interest thereon from the date of payment by the Bank or the Issuer, as the case may be, at the rate of interest equal to three percent (3%) in excess of the rate at which interest accrues on the Bonds, or the maximum rate permitted by law, whichever is less. Notwithstanding anything in this Section to the contrary, prior to paying any such tax, assessment, governmental charge or insurance premium, the Bank and/or the Issuer, as applicable, shall give the Institution ten (10) days' notice of its intent to make such payment, provided, however, that the failure of the Bank to provide such notice shall not discharge the Institution's obligation to make reimbursements therefor under this Section.

Section 4.18. Exempt from Taxation. It is recognized that the Institution is required to pay no taxes or assessments upon any of the Facility or upon its activities.

Section 4.19. Damage or Destruction. The provisions of Section 4.19 shall apply in the event the Facility is damaged or destroyed during the term of the Bonds.

(a) If the Facility shall be damaged or destroyed (in whole or in part) at any time during the term of the Bonds:

(i) the Issuer shall have no obligation to replace, repair, rebuild or restore the Facility;

(ii) there shall be no abatement or reduction in the amounts payable by the Institution under this Bond Purchase Agreement and the Bonds (whether or not the Facility is replaced, repaired, rebuilt or restored);

(iii) the Institution shall promptly give notice thereof to the Bank and the Issuer; and

(iv) unless the Bank makes an election pursuant to subsection (b) of this Section 4.19, the Institution shall promptly replace, repair, rebuild or restore the Facility to substantially the same (or comparable) condition and value as an operating entity as existed prior to such damage or destruction, with such changes, alterations and modifications as may be desired by the Institution and consented to by the Bank in writing, provided that the Institution delivers or causes to be delivered to the Bank (A) an estimate in all respects satisfactory to the Bank, prepared by an architect or engineer

acceptable to the Bank indicating that the Net Proceeds, taken together with additional proceeds deposited by the Institution with the Bank, are sufficient to replace, repair, rebuild or restore the Facility to substantially the same (or comparable) condition and value as an operating entity as existed prior to such damage or destruction, (B) the Net Proceeds and any additional funds needed to satisfy (A) above shall be deposited into the Reconstruction Fund (as defined in Section 4.21 hereof), (C) the Institution shall submit to the Bank executed and binding contracts for repairs, replacements and restoration and plans and specifications, each of which must be in all respects satisfactory to the Bank, and (D) the repair, restoration or rebuilding must be substantially comparable in size, quality and value to the Facility immediately before repair, restoration or rebuilding.

The Net Proceeds of insurance resulting from claims for such losses, together with any additional funds necessary to complete the replacement, repair, rebuilding or restoration of the Facility shall be deposited into the Reconstruction Fund as set forth above. Any balance of such Net Proceeds remaining after payment of all the costs of such replacement, repair, rebuilding or restoration shall be paid to the Bank as prepayment of the Bonds.

(b) The Institution shall not be obligated to replace, repair, rebuild or restore the Facility, and the Net Proceeds of the insurance shall not be applied as provided in subsection (a) of this Section 4.19, if within ninety (90) days of the event causing damage or destruction to the Facility, the Bank shall notify the Issuer and the Institution that, in its sole judgment, it does not deem it practical or desirable to so replace, repair, rebuild or restore the Facility. In such event, the Bonds shall be prepaid in full including all amounts payable to the Issuer and the Bank, with all interest accrued thereon, without prepayment penalty.

(c) If the principal amount of the Bonds and interest thereon and all other amounts due to the Issuer and the Bank under the Bond Documents have been fully paid, all such Net Proceeds shall be paid to the Institution for its purposes.

(d) Provided no Event of Default has occurred and is continuing, the Institution, with the prior written consent of the Bank, may adjust all claims under any policies of insurance required by Section 4.14(a) hereof.

Section 4.20. Condemnation of Facility. The provisions of this Section 4.20 shall apply in the event that title to all or any part of the Facility is taken by Condemnation during the term of the Bonds.

(a) If at any time during the term of the Bonds, the whole or any part of title to, or the use of, the Facility shall be taken by Condemnation:

(i) the Issuer shall have no obligation to replace or restore the Facility;

(ii) there shall be no abatement or reduction in the amounts payable by the Institution under this Bond Purchase Agreement or the Bonds (whether or not the Facility is replaced or restored);

(iii) the Institution shall promptly give notice thereof to the Issuer and the Bank;  
and

(iv) unless the Institution makes an election pursuant to subsection (b) of this Section 4.20, the Institution shall promptly replace or restore the Facility (excluding any part of the Land taken by Condemnation) to substantially the same condition and value as an operating entity as existed prior to such Condemnation with such changes, alterations and modifications as may be desired by the Institution and consented to by the Bank in writing.

The Net Proceeds of any award in any Condemnation proceeding shall be deposited into the Reconstruction Fund (as defined in Section 4.21 hereof) to be applied to the payment of the costs of the restoration or replacement of the Facility. In the event such Net Proceeds of any Condemnation award are not sufficient to pay in full the costs of such restoration or replacement of the Facility, the Institution shall nonetheless complete such restoration or replacement and shall pay from its own monies (including bank or other loans or other similar financing) that portion of the costs thereof in excess of such Net Proceeds. Any balance of such Net Proceeds of any Condemnation award remaining after payment of all costs of such restoration or replacement shall be paid to the Bank and applied as provided in this Bond Purchase Agreement.

(b) The Institution shall not be obligated to restore the Facility, and the Net Proceeds of any Condemnation award shall not be applied as provided in Section 4.20(a) hereof, if within sixty (60) days of the act of Condemnation, the Bank shall notify the Issuer and the Institution that, in its sole judgment, it does not deem it practical or desirable to so replace or restore the Facility. In such event, the Bonds shall be prepaid in full including all amounts payable to the Issuer and the Bank with all interest accrued thereon.

(c) If the principal amount of the Bonds and interest and premium, if any, thereon and all other amounts due the Issuer and the Bank under the Bond Documents have been fully paid, all such Net Proceeds shall be paid to the Institution for its purposes.

(d) Provided no Event of Default shall have occurred and be continuing, the Institution shall, with the prior written consent of the Bank, have control of any Condemnation proceeding with respect to the Facility or any part thereof and may negotiate the settlement of any such proceeding. The Issuer shall, with prior written consent of the Bank, at the sole expense of the Institution, cooperate fully with the Institution in the handling and conduct of any such condemnation proceeding. In no event shall the Issuer voluntarily settle, or consent to the settlement of, any Condemnation proceeding without the prior written consent of the Institution and the Bank.

Section 4.21. Escrowing of Net Proceeds. The Net Proceeds referred to in Section 4.19 or Section 4.20 hereof shall be paid to the Bank for deposit into a new account known as the "Tompkins County Development Corporation Reconstruction Fund – Cayuga Medical Center at Ithaca, Inc., Project" (the "Reconstruction Fund"). Provided no Event of Default has occurred and is continuing, the monies in the Reconstruction Fund shall be administered in accordance with the Bank's then current requirements for building loan advances.

Section 4.22. Condemnation of Institution-Owned Property. The Institution shall be entitled to the proceeds of any Condemnation award or portion thereof made for damage to or taking of any Property which, at the time of such damage or taking, is owned by the Institution and is not part of the Facility.

Section 4.23. No Warranty of Condition or Suitability by the Issuer; Acceptance "As Is". THE ISSUER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION, TITLE, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS OF THE FACILITY OR ANY PORTION THEREOF OR THAT THE FACILITY OR ANY PORTION THEREOF IS OR WILL BE SUITABLE FOR THE INSTITUTION'S PURPOSES OR NEEDS. THE INSTITUTION SHALL AND DOES ACCEPT TITLE TO THE FACILITY "AS IS" WITHOUT RECOURSE OF ANY NATURE AGAINST THE ISSUER FOR ANY CONDITION NOW OR HEREAFTER EXISTING. NO WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY ARE MADE. IN THE EVENT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE, WHETHER LATENT OR PATENT, THE ISSUER SHALL HAVE NO RESPONSIBILITY OR LIABILITY WHATSOEVER WITH RESPECT THERETO.

Section 4.24. Hold Harmless Provisions.

(a) The Institution agrees that the Issuer and the Bank and their respective members, officers, directors, employee or agents shall not be liable for, and agrees to defend, indemnify, release and hold the Issuer and Bank and their respective members, officers, directors, employees and agents harmless from and against, any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any cause whatsoever in connection with the occupation or the use thereof or the presence of any person or property on, in or about the Facility or (ii) liability arising from or reasonable expense incurred by the Issuer's or Bank's financing of the Facility, including without limiting the generality of the foregoing, all claims arising from the breach by the Institution of any of the covenants contained herein, all claims, causes of action, judgments, liabilities, losses, damages, costs and expenses (including reasonable attorneys' fees) arising out of an Event of Default hereunder or under any of the other Bond Documents or an occurrence, which with the giving of notice or the passage of time, would ripen into an Event of Default, and all causes of action and reasonable attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities or expenses of the Issuer or the Bank or their respective members, officers, directors, employees or agents are not incurred or do not result from the negligence or the intentional or willful wrongdoing of the Issuer and Bank or their respective members, officers, directors, employees or agents, as the case may be. Except as otherwise provided, the foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Issuer or the Bank or any of their respective members, officers, directors, employees or agents and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability.

(b) In the event of any claim against the Issuer and Bank or any of their respective officers, members, employees, servants or agents by any employee of the Institution or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligations of the Institution hereunder shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefits payable by or for the Institution or such contractor under Workers' Compensation acts, disability benefits or other employee benefit acts.

(c) Reserved.

(d) Notwithstanding any other provisions of this Bond Purchase Agreement, the obligations of the Institution pursuant to this Section 4.24 shall remain in full force and effect after the payment in full of the Bonds until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought and the payment in full or the satisfaction of such claim, cause of action or prosecution and the payment of all expenses and charges incurred by the Issuer and Bank and any of their respective officers, members, employees, servants or agents (other than the Institution), relating to the enforcement of the provisions herein specified.

Section 4.25. Agreement to Provide Access and Information. The Institution agrees, whenever requested by the Issuer or the Bank, to comply with reasonable requests by the Issuer or the Bank for access to Institution facilities and for information concerning the Institution, its finances and other topics as the Issuer or the Bank, from time to time considers reasonably necessary or appropriate, including, but not limited to, such information as to enable the Issuer or the Bank to make any reports required by law, governmental regulation or the Bond Purchase Agreement; provided, however, that access to Institution facilities shall be upon reasonable prior notice to the Institution and subject to compliance with the Institution's applicable privacy and security policies and procedures.

Section 4.26. Compliance With Orders, Ordinances, Etc.

(a) The Institution agrees that it will, until the Bonds is paid in full, promptly materially comply with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all federal, state, county, municipal and other governments, departments, commissions, boards, companies or associations insuring the premises, courts, authorities, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or any part thereof, or to any use, manner of use or condition of the Facility or any part thereof.

(b) Notwithstanding the provisions of subsection (a) of this Section 4.26, the Institution may in good faith contest the validity or the applicability of any requirement of the nature referred to in subsection (a) above, provided that the Institution shall have first notified the Issuer and the Bank of such contest. In such event, the Institution may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom unless the Issuer or the Bank, shall notify the Institution that by failure to comply with

such requirement or requirements the Issuer or any of its members, officers, agents (other than the Institution) or servants may be liable for prosecution for failure to comply therewith in, which event the Institution shall promptly take such action with respect thereto as shall be satisfactory to the Issuer.

Section 4.27. Books of Record and Account; Financial Statements; Compliance Certificates. The Institution agrees to maintain proper accounts, records and books in which full and correct entries shall be made, in accordance with generally accepted accounting principles, applied on a consistent basis of all business and affairs of the Institution and to permit the Bank or its Authorized Representative to inspect such accounts, records or books and to make extracts from and copies of such accounts, records or books.

Section 4.28. Discharge of Liens and Encumbrances.

(a) The Institution shall not permit or create or suffer to be permitted or created any Lien (except for Permitted Encumbrances) upon the Facility or any part thereof.

(b) Notwithstanding the provisions of subsection (a) of this Section 4.28, the Institution may in good faith contest any such Lien, provided that the Institution shall have first notified the Issuer and the Bank of such contest. In such event, the Institution may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless the Issuer or the Bank, shall notify the Institution that by nonpayment of any such item or items the Facility or any part of the Facility may be subject to loss or forfeiture, in which event the Institution shall promptly secure payment of all such unpaid items by filing the requisite bond, in form and substance satisfactory to the Issuer and the Bank, thereby causing such Lien to be removed.

Section 4.29. Performance by Issuer or Bank of Institution's Obligations Should the Institution fail to make any payment or to do any act as herein provided for a period of ten (10) days after receiving written notice of such failure to pay or act and without releasing the Institution from any obligation herein, the Issuer or the Bank may make or do the same, including without limitation, appearing in and defending any action purporting to affect the rights or powers of the Institution or the Issuer, and paying all expenses, including, without limitation, reasonable attorneys' fees; and the Institution will pay immediately upon demand all sums so expended by the Issuer or the Bank under the authority hereof, together with interest thereon at a per annum rate of interest equal to (i) three percent (3%) in excess of the rate of interest accruing on the Bonds, or (ii) the maximum rate permitted by law, whichever is less. Notwithstanding anything in this Section to the contrary, prior to making any payment, the Bank and/or the Issuer, as applicable, shall give the Institution ten (10) days' notice of its intent to make such payment; provided, however, that the failure of the Bank to provide such notice shall not discharge the Institution's obligation to make reimbursements therefor under this Section.

Section 4.30. Covenant Against Arbitrage Bonds. So long as the Bonds shall be Outstanding, neither the Issuer nor the Institution shall use, or direct or permit the use of, the proceeds of the Bonds or any other monies within their respective control (including, without limitation, the proceeds of any insurance settlement or any Condemnation award with respect to



the Facility) in any manner which, if such use had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be "arbitrage bonds" within the meaning ascribed to such quoted term in Section 148 of the Code. The Institution agrees that it will comply with all of its covenants in the Tax Compliance Agreement relating to the restrictions contained in Section 148 of the Code. The Issuer authorizes the Institution, in the Issuer's behalf, to calculate and make the rebate payments required by Section 148(f) of the Code. Notwithstanding the foregoing, there shall be no such obligation upon the Issuer with respect to the use or investment of its administrative fee, provided, however, that if the Institution is required to rebate any amount with respect to such administrative fee, the Issuer shall provide, upon the reasonable request of the Institution, such information concerning the investment of such administrative fee as shall be requested by the Institution and as shall be reasonably available to the Issuer.

Section 4.31. Depreciation, Deductions and Investment Tax Credits. The parties agree that, as between themselves, the Institution shall be entitled to all depreciation or cost recovery deductions with respect to any depreciable property of the Facility pursuant to Section 167 or 168 of the Code and to any investment credit pursuant to Section 38 of the Code with respect to any portion of the Facility which constitutes "Section 38 Property" as defined in the Code.

Section 4.32. Institution to Maintain its Corporate Existence; Conditions Under Which Exceptions Permitted. The Institution agrees that during the term of the Bonds it will maintain its corporate existence, will not dissolve or liquidate or otherwise dispose of all or substantially all of its assets, and will not merge or be consolidated with or into any other Person or permit one or more Persons to consolidate with or merge into it without the prior written consent of the Issuer and the Bank, which consent shall not be unreasonably withheld, and without complying with the second sentence of this Section. In addition to Bank and Issuer consent pursuant to this Section, no such merger, consolidation or transfer of assets shall occur until the following conditions are met: (a) the surviving, resulting or transferee entity, as the case may be, is organized under the laws of one of the states of the United States of America and qualifies to do business in the State, (b) the surviving, resulting or transferee entity, as the case may be, assumes in writing all of the obligations of and restrictions on the Institution under this Bond Purchase Agreement and any other agreement securing the Institution's performance hereunder, (c) immediately after the consummation of the transaction, and after giving effect thereto, the surviving, resulting or transferee entity, as the case may be, has a net worth at least equal to the net worth of the Institution immediately prior to the transaction, (d) that the proposed transaction will not adversely affect the exclusion of the interest payable on the Bonds from the gross income of the Holder for federal income tax purposes, and as of the date of such consolidation, merger, sale or transfer, Institution shall, at its expense, furnish the Issuer and the Holder with (i) an opinion of Independent Counsel opining as to the compliance with items (a) and (b) of this Section, (ii) an opinion of an Accountant opining as to the compliance with item (c) of this Section, (iii) an opinion of Bond Counsel as to compliance with item (d), and (iv) a certificate dated the effective date of such consolidation, merger, sale or transfer, signed by an Authorized Representative of the Institution and the general partner or chief executive officer, whichever is applicable, of the surviving, resulting or transferee entity, as the case may be, to the effect that immediately after consummation of the transaction, and after giving effect thereto, no Event of Default exists under this Bond Purchase Agreement and no event exists which, with notice or

lapse of time or both, would become such an Event of Default; and (v) such other documents, instruments and certificates as Issuer and/or the Bondholder may reasonably request.

Section 4.33. Reserved.

Section 4.34 Employment Opportunities. The Institution shall ensure that all employees and applicants for employment with regard to the Project are afforded equal employment opportunities without discrimination.

Section 4.35. Restriction on Transfer of Facility.

(a) Except as otherwise specifically provided in this Section 4.35, the Institution shall not during the term of the Bonds sell, convey, transfer, encumber or otherwise dispose of the Facility or any part thereof or any of its rights hereunder, without the prior written consent of the Issuer and the Bank. Prior to each proposed transfer, encumbrance or disposition of the Facility, the Institution shall provide the Issuer and the Bank with the following:

(1) A copy of the instrument transferring such title to or interest in the Facility or part of the Facility;

(2) A certificate of the Institution stating that the Institution is not then in default under this Bond Purchase Agreement;

(3) Evidence satisfactory to the Issuer and the Bank, that the transferee has assumed the obligations of the Institution hereunder;

(4) An unqualified opinion of Bond Counsel to the effect that the exclusion from gross income for Federal income tax purposes of the interest on the Bonds shall not be adversely affected thereby; and

(5) Financial statements of, or other financial information pertaining to, the proposed transferee, in form and substance reasonably satisfactory to the Bank.

(6) Such other documents and information as the Bank may reasonably request.

Upon receipt of the items set forth in (1) through (5) above, the Issuer's and the Bank's consent to a proposed transfer, encumbrance or disposition of the Facility shall not be unreasonably withheld.

(b) No conveyance of all or any portion of the Facility or interest therein effected under the provisions of this Section 4.35 shall entitle the Institution to any abatement or diminution of any amounts payable under this Bond Purchase Agreement and the Bonds. No assignment, sale or other disposition of the Facility shall relieve the Institution from primary liability for any of its obligations hereunder.

Section 4.36. Removal of Equipment.

(a) In any instance where the Institution reasonably determines that any item of Equipment has become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the Institution may remove such item of Equipment from the Facility and may sell, trade-in, exchange or otherwise dispose of the same, as a whole or in part, provided that such removal will not materially impair the efficient operation of the Facility for the purpose for which it is intended.

(b) The removal of any item of Equipment pursuant to this Section 4.36 shall not entitle the Institution to any abatement or diminution of any amounts payable under this Bond Purchase Agreement or the Bonds. At the request of the Institution, the Issuer shall execute and deliver, to the Institution all instruments necessary or appropriate to enable the Institution to sell or otherwise dispose of any such item of Equipment free from the Liens of the Bond Documents. The Institution shall pay all costs and expenses (including counsel fees) incurred in transferring title to and releasing from the Liens of the Bond Documents any item of Equipment removed pursuant to this Section 4.36.

Section 4.37. Merger of Issuer.

(a) Nothing contained in this Bond Purchase Agreement shall prevent the consolidation of the Issuer with, or merger of the Issuer into, any other not-for-profit corporation or political subdivision which has the legal authority to own and sell the Facility, provided that:

(1) the exclusion from gross income for Federal income tax purposes of the interest on the Bonds shall not be adversely affected thereby and Issuer provides Bond Counsel opinion as the same; and

(2) upon any such consolidation, merger or transfer, the due and punctual performance and observance of all the agreements and conditions of this Bond Purchase Agreement to be kept and performed by the Issuer shall be expressly assumed in writing by the not-for-profit corporation or political subdivision resulting from such consolidation or surviving such merger and shall have no effect on obligations of Institution hereunder.

(b) As of the date of any such consolidation, or merger, the Issuer shall give notice thereof in reasonable detail to the Institution and the Bank. The Issuer promptly shall furnish such additional information with respect to any such transaction as the Institution or the Bank may reasonably request.

## ARTICLE V

### PAYMENT BY ISSUER

#### Section 5.01. Payment of Principal and Interest.

(a) The Issuer shall pay interest, premium, if any, and the principal of the Bonds in accordance with the terms thereof.

(b) If there shall occur an Event of Taxability, the rate of interest on the Bonds shall be adjusted, to the extent permitted by law, to the Taxable Rate, commencing with the first day of the calendar month immediately succeeding the calendar month in which notification is given by the Bank to the Issuer that an Event of Taxability has occurred. In addition, there shall be paid to the Bank upon demand therefor (i) an amount equal to (A) the aggregate amount which would have been payable as interest on the Bonds if interest on the Bonds had accrued at the Taxable Rate during the period commencing with the Tax Incidence Date and ending on the earlier of (1) the maturity of the Bonds or (2) the date of payment of the amount described in this clause (i), less (B) the amount of the interest on the Bonds previously received by the Bank for such period; and (ii) any Additions to Tax paid or payable by the Bank as a consequence of the failure of the Bank to include the interest on or any amount in respect of interest on the Bonds held by the Bank as gross income in its Federal tax return for any relevant period. In the event of an Event of Taxability following the payment in full of the principal of and interest on the Bonds and all other amounts payable by the Issuer under this Bond Purchase Agreement, the Bank shall give notice to the Institution of such Event of Taxability, and within thirty days after receipt thereof, the Institution shall pay to the Bank an amount equal to 100% of all amounts payable to the Bank, such amount to be determined in accordance with this Section 5.01(b).

#### Section 5.02. Prepayment of the Bonds.

(a) Optional Prepayment. The Bonds are subject to prepayment by the Issuer at the option of the Institution, in whole or in part, on any Bond Payment Date, at the redemption prices (expressed as percentages of the principal amount being redeemed) set forth in the following table, plus accrued interest to the redemption date:

<b>Redemption Date</b>	<b>Redemption Price</b>
July 28, 2022 through July 27, 2024	105%
July 28, 2024 through July 27, 2025	104%
July 28, 2025 through July 27, 2027	103%
July 28, 2027 through July 27, 2029	102%

July 28, 2029 through July 27, 2031	101%
After July 28, 2031	100%

Notwithstanding the foregoing, the Institution, at its option, may at any time prepay any portion of the principal amount of the Bond outstanding at a price equal to one hundred percent (100%) of the amount prepaid so long as the Institution can demonstrate, to the reasonable satisfaction of the Bank, that the source of funds used to make such prepayment is not a credit facility or other indebtedness obtained by the Institution from any Person other than the Bank.

(b) Reserved

(c) Mandatory Prepayment Without Penalty. The Bonds shall be subject to mandatory prepayment in whole or in part on any Business Day, in an amount equal to (i) the amount, if any, by which the Bond Proceeds exceed the amount required to pay the Project Costs advanced pursuant to Section 4.05 of the Bond Purchase Agreement; (ii) the amounts received from or on behalf of contractors or subcontractors, as provided in the following paragraph (except to the extent that the Institution is entitled to reimbursement from such Net Proceeds for certain expenses as provided in such paragraph); (iii) the amount, if any, by which the Net Proceeds of any insurance or any condemnation award with respect to the Facility exceed the cost of repairing or restoring the Facility, as provided herein; or (iv) the amount, if any, of the Net Proceeds of title insurance covering the Facility. In addition, accrued interest to the date of such prepayment shall be paid on the amount of such prepayment.

In the event of a default by any contractor, subcontractor or materialman under any contract made by it in connection with the acquisition, construction and equipping of the Facility or in the event of a breach of warranty with respect to any materials, workmanship, or performance guaranty, the Institution may proceed, either separately or in conjunction with others, to exhaust the remedies of the Institution and the Issuer against the contractor, subcontractor or materialman so in default and against each surety for the performance of such contract. The Institution may, in its own name or, with the Issuer's prior written consent, in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving any such contractor, subcontractor, materialman or surety which the Institution deems reasonably necessary, and in such event the Issuer hereby agrees, at the Institution's sole expense, to cooperate fully with the Institution and to take all action necessary to effect the substitution of the Institution for the Issuer in any such action or proceeding. The Institution shall notify the Issuer of any actions or proceedings taken hereunder. The Net Proceeds of any amount recovered by way of damages, refunds, adjustments or otherwise pursuant to the provisions of this section shall first be applied to correct any defects in material, workmanship or performance and the remaining Net Proceeds, if any, shall be applied toward repayment of the Bonds.

Section 5.03. Defeasance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, the principal of, premium, if any, and interest on the Bonds and all other amounts payable by the Issuer under this Bond Purchase Agreement, then all covenants, agreements and other obligations of the Issuer hereunder shall thereupon terminate and be

discharged and satisfied, and thereupon all the monies and properties of the Issuer then subject to such security interests shall be free and clear thereof. In such event the Bank shall execute and record or file, at the expense of the Institution, all documents requested by the Issuer to effect such discharge and satisfaction.

## ARTICLE VI

### DEFAULT PROVISIONS AND REMEDIES

Section 6.01. Events of Default. The following shall be "Events of Default" under this Bond Purchase Agreement, and the terms "Event of Default" or "Default" shall mean, when they are used in this Bond Purchase Agreement, any one or more of the following events:

(a) The Issuer or the Institution fails to pay (or cause to be paid) the principal of, or redemption premium or interest on the Bonds when the same shall become due and payable;

(b) Unless a longer notice or cure period applies in this Bond Purchase Agreement or any of the Bond Documents, and subject to Bank's discretion to enforce the same, the failure by the Institution or the Issuer to observe and perform any covenant, condition or agreement hereunder or in any of the Bond Documents on their respective parts to be observed or performed (except obligations referred to in Section 6.01(a) hereof) for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Institution or the Issuer, as the case may be, by the Bank;

(c) The occurrence of an Event of Default under any of the other Bond Documents, which remains uncured following written notice to the Institution and the expiration of all applicable grace or cure periods.

(d) The occurrence of an event of default or an event which with the passage of time or giving of notice, or both, would constitute an event of default under any other agreement heretofore or hereafter entered into between the Institution and the Bank, unless waived by the Bank.

(e) The Issuer, the Institution, or an authorized representative of either, shall have made, in any certificate, statement, representation, warranty or financial statement furnished to the Bank in connection with the financing of the Facility, a material representation which proves to have been false or misleading as of the time such statement was made, or any such certificate, statement, representation, warranty or financial statement shall omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(f) If the Institution (i) fails to pay any indebtedness for borrowed money (other than as arising under any of the other Bond Documents) owing by the Institution when due, whether at maturity, by acceleration, or otherwise; or (ii) fails to perform any term, covenant, or agreement on its part to be performed under any agreement or instrument (other than this Bond Purchase Agreement or any other Bond Document) evidencing, securing or relating to such indebtedness when required to be performed, or is otherwise in default thereunder, if the effect of such failure is to accelerate, or to permit the holder(s) of such indebtedness or the trustee(s) under any such agreement or instrument to accelerate, the maturity of such indebtedness, unless waived by such holder(s) or trustee(s);

(g) If any of the following events occur: (i) any Reportable Event which the Bank reasonably determines shall constitute grounds for the termination of any Plan or for the appointment by the appropriate United States district court of a trustee to administer any Plan, continues for thirty (30) days after the Bank has given written notice thereof to the Institution, (ii) any Plan incurs any "accumulated funding deficiency" (as such term is defined in ERISA) whether waived or not, (iii) the Institution engages in any Prohibited Transaction (as defined in Section 4975 of the Code), (iv) a trustee is appointed by an appropriate United States district court to administer any Plan, or (v) the Pension Benefit Guaranty Corporation, or any successor thereto institutes proceedings to terminate any Plan or to appoint a trustee to administer any Plan, or

(h) If the Institution, Guarantor or any Guarantor Affiliate (i) is adjudicated a debtor or insolvent, or ceases, is unable, or admits in writing its inability, to pay its debts as they mature, or makes an assignment for the benefit of creditors; (ii) applies for, or consents to, the appointment of any receiver, trustee, or similar officer for it or for all or any substantial part of its property, or any such receiver, trustee, or similar officer is appointed without the application or consent of the Institution; (iii) institutes, or consents to the Institution of, by petition, application, or otherwise, any bankruptcy reorganization, arrangement, readjustment of debt, dissolution, liquidation, or similar proceeding relating to it under the laws of any jurisdiction; (iv) has any such proceeding described in clause (iii) instituted against it and such proceeding remains thereafter undismissed for a period of sixty (60) days; or (v) has any judgment, writ, warrant of attachment or execution or similar process issued or levied against a substantial part of its property and such judgment, writ, or similar process is not released, or fully bonded within sixty (60) days after its issue or levy; or

(i) If the Institution shall merge or consolidate with any other corporation or entity or sell, lease, transfer, or otherwise dispose of a substantial part of its property or assets, or permit any subsidiary to do so (except that any subsidiary may merge into or consolidate with, or sell, lease, transfer, or otherwise dispose of its assets to the Institution, or sell, lease, transfer or otherwise dispose of assets not constituting a substantial part of the collective assets of the Institution and its subsidiaries) without first having obtained the Bank's written consent, which consent the Bank shall not unreasonably withhold.

(j) If the Institution, Guarantor or any Guarantor Affiliate shall default in any other loan or obligation with Bank, which default continues beyond any applicable notice and cure provisions.

#### Section 6.02. Acceleration; Annulment of Acceleration.

(a) Upon the occurrence of an Event of Default, and following written notice to the Institution and the expiration of all applicable grace or cure periods, the Bank may by notice in writing delivered to the Issuer and the Institution declare the Bonds immediately due and payable without protest, presentment, any further notice or demand, all of which to the extent permitted by law, are expressly waived by the Issuer. In such event, there shall be due and payable the total principal amount of the Bonds, all interest accrued thereon and which will accrue thereon to the date of payment and all other amounts due thereunder.



(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Bond Purchase Agreement, the Bank may, at its sole option, annul in writing such declaration and its consequences if (i) monies shall have been paid to the Bank in an amount sufficient to pay all matured installments of interest and principal (other than principal then due only because of such declaration) of the Bonds and all other amounts due thereunder; (ii) including attorney's fees due to default monies shall have been paid to the Bank sufficient to pay the reasonable charges, compensation, expenses, disbursements, advances and liabilities of the Bank; (iii) monies shall have been paid to the Bank sufficient to pay the cost of attorneys' fees; (iv) all other amounts then payable by the Issuer hereunder shall have been paid; and (v) every other Event of Default known to the Bank (other than a default in the payment of the principal of the Bonds then due only because of such declaration) shall have been remedied to the satisfaction of the Bank. No such annulment shall extend to or affect any subsequent Event of Default or impair any right or remedy consequent thereto.

#### Section 6.03. Enforcement of Remedies.

(a) Upon the occurrence and continuance of any Event of Default and following written notice to the Institution and the expiration of all applicable grace or cure periods, the Bank may cease to make any further advances of Bond Proceeds under this Bond Purchase Agreement.

(b) Upon the occurrence and continuance of any Event of Default and following written notice to the Institution and the expiration of all applicable grace or cure periods, the Bank may proceed forthwith to protect and enforce its rights under the Act, the Bonds, this Bond Purchase Agreement, and each of the other Bond Documents by such suits, actions or proceedings as the Bank, being advised by counsel, shall deem necessary, expedient or desirable.

(c) The Bank may sue for, enforce payment of and receive any amounts due or becoming due from the Issuer or the Institution for principal, interest or otherwise under any of the provisions of the Bonds, this Bond Purchase Agreement, or any of the other Bond Documents, without prejudice to any other right or remedy of the Bank.

(d) Upon the occurrence and continuance of any Event of Default and following written notice to the Institution and the expiration of all applicable grace or cure periods, the Bank may, in addition to any other remedies which the Bank may have in the Bank's sole and absolute discretion, (i) enter upon the Land and complete the Project in accordance with the Plans and Specifications with such changes therein as the Bank may deem reasonably appropriate, and employ watchmen and other security to protect the Facility, all at the risk, cost and expense of the Institution, (ii) at any time discontinue any work commenced in respect of the Facility or change any course of action undertaken by the Bank and not be bound by any limitations or requirements of time whether set forth herein or otherwise, (iii) assume the Architect's Contract and the Construction Contract or any other contract made by the Institution in any way relating to the Project and take over and use all or any part of the labor, materials,

equipment, furniture, fixtures and articles of personal property contracted for by the Institution, whether or not previously incorporated into the Facility, and (iv) in connection with any acquisition, construction or equipping of the Facility undertaken by the Bank pursuant to the provisions hereof, (A) engage builders, contractors, architects, engineers, and others for the purpose of furnishing labor, materials, equipment, furniture, fixtures and articles of personal property in connection with the acquisition, construction and equipping of the Project, (B) pay, settle or compromise all bills or claims which may become liens against the Facility, or any portion thereof, or which have been or may be incurred in any manner in connection with completing acquisition, construction or equipping of the Facility or for the discharge of liens, encumbrances or defects in the title of the Facility, or any portion thereof, and (C) take or refrain from taking such action hereunder as the Bank may from time to time determine in its sole discretion. The Institution shall be liable to the Bank for all sums paid or incurred pursuant to the provisions of this subsection (c) or otherwise, and all payments made or liabilities incurred by the Bank hereunder of any kind whatsoever shall be paid by the Institution to the Bank upon demand with interest at three percent (3%) in excess of the rate at which interest accrues on the Bonds, or the maximum rate permitted by law, whichever is less, from the date of payment by the Bank to the date of payment to the Bank. For the purpose of exercising the rights granted by this subsection (c), the Institution hereby irrevocably constitutes and appoints the Bank its true and lawful attorney-in-fact to execute, acknowledge and deliver any instruments and to do and perform any acts in the name and on behalf of the Institution. The Bank shall have no obligation to complete the Facility, but if it does so the terms of this subsection (c) shall apply.

Section 6.04. Application of Monies. The Net Proceeds received by the Bank pursuant to any right given or action taken under the provisions of this Article VI shall, during the continuance of an Event of Default, be applied to the payment of the fees (including reasonable attorneys' fees) incurred by the Bank, late charges and expenses of the Bank and then to the payment of interest on the Bonds then due and payable and all other amounts due thereunder, and the balance thereof to be applied in reduction of principal then due and payable.

Section 6.05. Remedies Not Exclusive. No remedy conferred upon or reserved to the Bank by this Bond Purchase Agreement is intended to be exclusive of any other remedy. Each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Bank now or hereafter existing at law or in equity or by statute.

Section 6.06. Termination of Proceedings. In case any proceeding taken by the Bank on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bank, then the Issuer, the Institution, and the Bank shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Bank shall continue as if no such proceeding had been taken.

Section 6.07. Waivers; No Additional Waiver Implied by One Waiver.

(a) The Bank may at its discretion, by a written instrument executed by its duly authorized representative, waive any Event of Default hereunder and its consequences and annul any acceleration in accordance with Section 6.02 hereof. No such waiver shall extend to or affect any other existing or any subsequent Event of Default.

(b) No delay or omission of the Bank to exercise any right or power accruing upon any Event of Default shall impair any such right or power nor shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article VI to the Bank may be exercised from time to time and as often as may be deemed necessary, expedient or desirable.

## **ARTICLE VII MISCELLANEOUS**

Section 7.01. Institution to Pay Expenses. The Institution agrees to pay (a) the reasonable fees and expenses of the Bank and its counsel, the Issuer and its counsel, and all other reasonable costs and expenses incidental to the financing hereunder, the issuance of the Bonds and the costs of producing the documents referred to herein, including the fees and expenses of Bond Counsel plus disbursements; (b) all taxes, if any, upon all documents and transactions pursuant to, or contemplated by, this Bond Purchase Agreement; (c) all expenses of all recordings and filings pursuant to or contemplated by this Bond Purchase Agreement; (d) appraisal and environmental review fees and expenses and (e) all costs of collection in the event of the occurrence of an Event of Default under this Bond Purchase Agreement.

### Section 7.02. Recording and Filing.

(a) The Issuer shall cause to be recorded or filed, as the case may be, in the appropriate office, this Bond Purchase Agreement, and all other security instruments and financing statements in such manner and in such places as may be required by law to perfect the security interests contemplated herein and therein.

(b) The Bank shall cause to be filed all continuation statements, if any, under the Uniform Commercial Code of the State in such manner and in such places as may be required by law to protect and maintain in force all such security interests.

Section 7.03. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Purchase Agreement or the Bonds is intended or shall be construed to give to any Person, other than the parties hereto, and their successors and assigns, any right, remedy or claim under or with respect to this Bond Purchase Agreement or any covenants, conditions and provisions herein contained. This Bond Purchase Agreement and all of the covenants, conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their successors and assigns as herein provided.

### Section 7.04. Severability.

(a) If any provision of this Bond Purchase Agreement shall, for any reason, be held or shall, in fact, be inoperative or unenforceable in any particular case, such circumstance shall not render the provision in question inoperative or unenforceable in any other case or circumstance or render any other provision herein contained inoperative or unenforceable.

(b) The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections in this Bond Purchase Agreement shall not affect the remaining portion of this Bond Purchase Agreement or any part thereof.

Section 7.05. Notices. All notices, certificates or other communications hereunder shall be in writing and shall be (a) delivered personally, or (b) sent by United States Postal Service prepaid, first-class mail, or by registered or certified mail, return receipt requested, or (c) sent overnight via substantial national delivery service, addressed as set forth immediately following this paragraph, or at such other addresses as the Issuer, the Institution or the Bank shall otherwise have given notice as herein provided:

TO THE ISSUER:

Tompkins County Development Corporation  
119 East Seneca Street, Suite 200  
Ithaca, New York 14850  
Attn: Heather McDaniel, Administrative Director

WITH A COPY TO:

Harris Beach PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Attn: Russell Gaenzle, Esq.

TO THE BANK:

Tompkins Community Bank  
118 East Seneca Street  
Ithaca, New York 14850  
Attn: Michael Cannon, Assistant Vice President

WITH A COPY TO:

Harris Beach PLLC  
119 East Seneca Street  
Ithaca, New York 14850  
Attn: Anthony Pagano, Esq.

TO THE INSTITUTION:

Cayuga Medical Center at Ithaca, Inc.  
101 Dates Drive  
Ithaca, New York 14850  
Attn: John Collett, Vice President

WITH A COPY TO:

Harris Beach PLLC  
119 East Seneca Street  
Ithaca, New York 14850  
Attn: Seth T. Hiland, Esq.

All notices shall be deemed given on the date of personal delivery or, if mailed, five (5) days after mailing, or if given by overnight service, on the date of receipt as indicated by the records of the overnight delivery service.

A duplicate copy of each notice, certificate or other communication given hereunder by any of the parties hereto to the addressee of such notice, certificate or other communication, shall be given to the remaining party hereto. The Issuer, the Institution and the Bank may by notice hereunder designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. At such time, if any, as the Bank is no longer the Holder, the party hereto giving the notice, certificate, or other communication, shall send a duplicate thereof to the Holder at the address shown on the books of the Issuer.

Section 7.06. Counterparts. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Any executed counterpart may be introduced into evidence in any action or proceeding without having to produce any of the other counterparts.

Section 7.07. Applicable Law. This Bond Purchase Agreement shall be governed exclusively by the applicable laws of the State. The parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of causes of action arising hereunder or under the Bonds. **WHETHER THE CLAIM IS DECIDED BY ARBITRATION OR BY TRIAL BY A JUDGE, THE PARTIES AGREE AND UNDERSTAND THAT THE EFFECT OF THIS AGREEMENT IS THAT THEY ARE GIVING UP THE RIGHT TO TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW.**

Except to the extent otherwise expressly limited by this Bond Purchase Agreement, the Institution will indemnify and hold the Bank and the Issuer harmless from any loss, liability, damages, judgments, and costs of any kind relating to or arising directly or indirectly out of (a) this Bond Purchase Agreement, the Bonds or any document required hereunder, (b) any credit extended or committed by the Bank to the Institution hereunder and under the Bonds, and (c) any litigation or proceeding related to or arising out of this Bond Purchase Agreement, the Bonds or any such document, or any such credit. This indemnity includes but is not limited to attorneys' fees (including the allocated cost of in-house counsel). This indemnity extends to the Bank, the Issuer, the Bank's parent, subsidiaries and all of their directors, officers, employees, agents, successors, attorneys, and assigns. This indemnity will survive repayment of the Bonds and of the Institution's obligations to the Bank. All sums due to the Bank hereunder and under the Bonds shall be obligations of the Institution, due and payable immediately without demand.

Section 7.08. Additional Charges. If, at any time, the rate of interest, together with all amounts which constitute interest and which are reserved, charged or taken by the Bank as compensation for fees, services or expenses incidental to the making, negotiating or collection of the loan evidenced hereby, shall be deemed by any competent court of law, governmental agency or tribunal to exceed the maximum rate of interest permitted to be charged by the Bank to the Issuer and/or the Institution under applicable law, then, during such time as such rate of interest would be deemed excessive, that portion of each sum paid attributable to that portion of such interest rate that exceeds the maximum rate of interest so permitted shall be deemed a voluntary prepayment of principal. As used herein, the term "applicable law" shall mean the law in effect as of the date hereof; provided, however, that in the event there is a change in the law which results in a higher permissible rate of interest, then this Bond Purchase Agreement shall be governed by such new law as of its effective date.

Section 7.09. Amendment. This Bond Purchase Agreement may not be amended, changed, modified, altered or terminated except by written instrument duly executed and delivered by the parties hereto.

Section 7.10. No Recourse; Special Obligation of Issuer.

(a) All covenants, stipulations, promises, agreements and obligations (collectively, the "Obligations") of the Issuer contained in the Bond Documents or in any other instruments in

connection therewith and any amendments or supplements thereto shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer and not of any member, officer, servant or employee of the Issuer (collectively, the "Employee of the Issuer") in his individual capacity, and no recourse under or upon any Obligation in the Bond Documents contained or otherwise based upon or in respect of this Bond Purchase Agreement or the other Bond Documents, or for the Bonds, or for any claim based thereon or otherwise in respect hereof or thereof, shall be had against any past, present or future Employee of the Issuer, as such, or of any successor public benefit corporation or political subdivision or any person executing any of the Bond Documents, either directly or through the Issuer or any successor public benefit corporation or political subdivision or any person so executing the Bonds or any other of such Bond Documents on behalf of the Issuer, it being expressly understood that the Bond Documents and the Bonds issued thereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by any such Employee of the Issuer or of any successor public benefit corporation or political subdivision or any person so executing the Bond Documents because of the creation of the indebtedness thereby authorized, or under or by reason of the Obligations contained in the Bond Documents or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such Employee of the Issuer because of the creation of the indebtedness authorized by the Bond Documents, or under or by reason of the Obligations contained in any of the Bond Documents or implied therefrom, are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of the Bond Documents and the issuance of the Bonds.

(b) The Obligations of the Issuer contained herein shall not constitute or give rise to an Obligation of the State of New York or Tompkins County, New York, and neither the State of New York nor Tompkins County, New York shall be liable thereon, and further such Obligations shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from this Bond Purchase Agreement and the Bonds.

(c) Notwithstanding any provision of this Bond Purchase Agreement to the contrary, the Issuer shall not be obligated to take any action pursuant to any provision hereof unless (i) the Issuer shall have been requested to do so in writing by the Institution or the Bank and (ii) if compliance with such request is reasonably expected to result in the incurrence by the Issuer (or any member, officer, agent (other than the Institution), servant or employee of the Issuer) of any liability, fees, expenses or other costs, the Issuer shall have received from the party making such request security, or indemnity satisfactory to the Issuer for protection against all such liability and for the reimbursement of all such fees, expenses and other costs. The failure to provide such indemnity, however, shall not prevent the occurrence or continuance of an Event of Default hereunder or the full force and effect of any of the remedies or actions authorized hereunder to be taken by the Bank as a result of such Event of Default.

Section 7.11. Table of Contents and Section Headings not Controlling. The Table of Contents and the Headings of the several Articles and Sections of this Bond Purchase Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Bond Purchase Agreement.

Section 7.12. Survival. This Bond Purchase Agreement shall survive the purchase and sale of the Bonds and shall remain in full force and effect until the Bonds together with interest thereon and all amounts payable under this Bond Purchase Agreement and all of the other Bond Documents shall have been paid in full.

**[Signature page to Bond Purchase Agreement]**

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed in their respective names by their duly Authorized Representatives, and have caused this Bond Purchase Agreement to be dated as the date first set forth above.

**TOMPKINS COUNTY DEVELOPMENT  
CORPORATION**

By:   
Heather McDaniel, Administrative Director

**CAYUGA MEDICAL CENTER AT ITHACA,  
INC.**

By: \_\_\_\_\_  
John Collett, Vice President

**TOMPKINS COMMUNITY BANK**

By: \_\_\_\_\_  
John W. Bauda, Vice President –  
Commercial Banking



**[Signature page to Bond Purchase Agreement]**

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed in their respective names by their duly Authorized Representatives, and have caused this Bond Purchase Agreement to be dated as the date first set forth above.

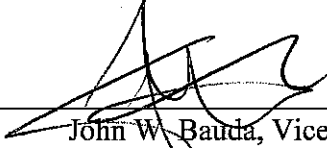
**TOMPKINS COUNTY DEVELOPMENT  
CORPORATION**

By: \_\_\_\_\_  
Heather McDaniel, Administrative Director

**CAYUGA MEDICAL CENTER AT ITHACA,  
INC.**

By: \_\_\_\_\_  
John Collett, Vice President

**TOMPKINS COMMUNITY BANK**

By: \_\_\_\_\_  
  
John W. Bauda, Vice President –  
Commercial Banking

**[Signature page to Bond Purchase Agreement]**

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed in their respective names by their duly Authorized Representatives, and have caused this Bond Purchase Agreement to be dated as the date first set forth above.

**TOMPKINS COUNTY DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Heather McDaniel, Administrative Director

**CAYUGA MEDICAL CENTER AT ITHACA, INC.**

By:  \_\_\_\_\_  
John Collett, Vice President

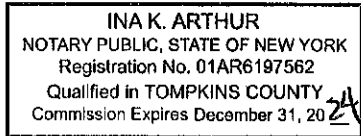
**TOMPKINS COMMUNITY BANK**


By: \_\_\_\_\_  
John W. Bauda, Vice President –  
Commercial Banking

[Acknowledgment Page to Bond Purchase Agreement]

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS   ) ss:

On the 25 day of July the year 2022 before me, the undersigned, personally appeared **HEATHER MCDANIEL**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



  
\_\_\_\_\_  
Notary Public

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS   ) ss:

On the \_\_\_ day of July the year 2022 before me, the undersigned, personally appeared **JOHN COLLETT**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS   ) ss.:

On the \_\_\_ day of July the year 2022 before me, the undersigned, personally appeared **JOHN W. BAUDA**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

[Acknowledgment Page to Bond Purchase Agreement]

STATE OF NEW YORK )  
COUNTY OF TOMPKINS ) ss:

On the \_\_\_ day of July the year 2022 before me, the undersigned, personally appeared **HEATHER MCDANIEL**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK )  
COUNTY OF TOMPKINS ) ss:

On the 21<sup>st</sup> day of July the year 2022 before me, the undersigned, personally appeared **JOHN COLLETT**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

STACY BUCHHOLZ  
Notary Public, State of New York  
No. 01BU5087635  
Qualified in Chemung County  
Commission Expires November 03, 2025

  
\_\_\_\_\_  
Notary Public

STATE OF NEW YORK )  
COUNTY OF TOMPKINS ) ss.:

On the \_\_\_ day of July the year 2022 before me, the undersigned, personally appeared **JOHN W. BAUDA**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

[Acknowledgment Page to Bond Purchase Agreement]

STATE OF NEW YORK )  
COUNTY OF TOMPKINS ) ss:

On the \_\_\_ day of July the year 2022 before me, the undersigned, personally appeared **HEATHER MCDANIEL**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK )  
COUNTY OF TOMPKINS ) ss:

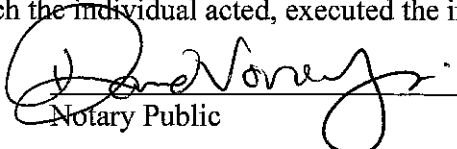
On the \_\_\_ day of July the year 2022 before me, the undersigned, personally appeared **JOHN COLLETT**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK )  
COUNTY OF TOMPKINS ) ss.:

On the 22 day of July the year 2022 before me, the undersigned, personally appeared **JOHN W. BAUDA**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC  
SERGEY DAVID VOROBYOV  
Notary Public, State of New York  
Reg. No. 01V06413023  
Qualified Tompkins County  
Commission Expires 01/19/20 25

  
\_\_\_\_\_  
Notary Public

ACKNOWLEDGMENT OF GUARANTOR AND GUARANTOR AFFILIATES  
OBLIGATIONS UNDER BOND PURCHASE AGREEMENT, LOAN AGREEMENT  
AND BUILDING LOAN CONTRACT

The undersigned hereby acknowledges receipt of the Bond Purchase Agreement, Loan Agreement and Building Loan Contract, dated as of July 1, 2022 (the "Bond Purchase Agreement") by and among the TOMPKINS COUNTY DEVELOPMENT CORPORATION (the "Issuer"), CAYUGA MEDICAL CENTER AT ITHACA, INC. (the "Institution") and TOMPKINS COMMUNITY BANK (the "Bank"). The undersigned, intending to be legally bound, hereby agrees to perform any and all duties and undertakings of the undersigned under the Bond Purchase Agreement.

*[Remainder of Page Intentionally Left Blank]*

[Signature Page to Acknowledgment of Bond Purchase Agreement]

IN WITNESS WHEREOF, the undersigned have caused this Acknowledgment to be duly executed as of the date first written above.

CAYUGA HEALTH SYSTEM, INC.

By: John Collett  
Name: John Collett  
Title: CFO

SCHUYLER HOSPITAL INC.

By: John Collett  
Name: John Collett  
Title: System CFO

CAYUGA MEDICAL ASSOCIATES, P.C.

By: John Collett  
Name: John Collett  
Title: CFO

**EXHIBIT A - Lien Law Affidavit**

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS    )   ss:

John Collett, being sworn says: I am the Vice President of Cayuga Medical Center at Ithaca, Inc. (the "Institution"), which is undertaking the acquisition, construction and equipping of the Facility described in the foregoing building loan contract entitled Bond Purchase Agreement, Loan Agreement and Building Loan Contract, among the Tompkins County Development Corporation (the "Issuer"), the Institution and Tompkins Community Bank (the "Bank"). I am making and I do verify this affidavit in the name and behalf of the Institution which is the borrower under said Bond Purchase Agreement, Loan Agreement and Building Loan Contract.

The Bond Proceeds are: \$21,825,000

1. The Institution has paid to the Bank as consideration for this loan evidenced by the Bonds (as defined by the foregoing building loan contract) the sum of Forty-Three Thousand Six Hundred Fifty and 00/100 Dollars (\$43,650.00).
2. The Institution has repaid existing debt on the Improvements in the amount of \$0.00.
3. The Institution received \$0.00 from the Bond Proceeds for working capital.
4. All other expenses incurred, or to be incurred in connection with the loan made by the Bank are as follows:

Legal Fees for Bank Counsel and Bond Counsel	\$125,823.08
Title Insurance	\$ 65,804.00
Recording & Filing Fees	\$ 740.50
Agency Administrative Fee	\$218,250.00
Environmental Assessment Fee	\$ 2,200.00
Appraisal and Appraisal Review Fees	\$ 6,925.00
TOTAL	\$419,742.58

The Institution is to be reimbursed from the net sum available for the improvement for the following payments made in connection with the improvement prior to the date of the first advance but subsequent to the commencement of the improvement: \$2,500,000.00.



The net sum available to the Issuer and the Institution for the improvement is:  
\$18,861,607.42.

This statement is made for the purpose of complying with Lien Law Section 22. The facts herein stated are true to the knowledge of the deponent.

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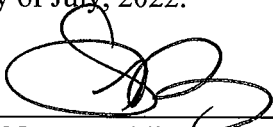
**[Signature Page to Lien Law Affidavit]**

The representations set forth herein are made with the understanding that the Issuer shall have no liability as the principal of the Institution under the foregoing building loan contract to any third party.

**CAYUGA MEDICAL CENTER AT ITHACA,  
INC.**

By:   
\_\_\_\_\_  
John Collett, Vice President

Sworn to before me this 27<sup>th</sup>  
day of July, 2022.

  
\_\_\_\_\_  
Notary Public

STACY BUCHHOLZ  
Notary Public, State of New York  
No. 01BU5087635  
Qualified in Chemung County  
Commission Expires November 03, 2025

EXHIBIT B  
BOND

**SERIES 2022**

THIS BOND HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933 AND IT MAY NOT BE TRANSFERRED EXCEPT UPON EITHER SUCH REGISTRATION OR AN OPINION OF COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED AND THAT SUCH TRANSFER WILL NOT RESULT IN A VIOLATION OF THE SECURITIES ACT OF 1933.

TOMPKINS COUNTY DEVELOPMENT CORPORATION  
\$21,825,000 PRINCIPAL AMOUNT TAX-EXEMPT REVENUE  
BOND (CAYUGA MEDICAL CENTER AT ITHACA, INC.  
PROJECT), SERIES 2022

TOMPKINS COUNTY DEVELOPMENT CORPORATION, a not-for-profit local development corporation of the State of New York (the "Issuer"), acknowledges itself indebted and for value received does hereby promise to pay, but solely from the sources and revenues as hereinafter provided, to the order of Tompkins Community Bank (the "Holder" or the "Bank"), or its registered assigns, the principal sum of \$21,825,000, plus interest at a per annum rate as set forth herein.

Principal Amount: \$21,825,000

Dated Date: July 28, 2022

Maturity Date: July 28, 2052

Interest Rate and Periods:

- (a) From the Dated Date through and including July 24, 2032, a rate of interest equal to four hundred and twenty-two basis points (4.22%).
- (b) From July 28, 2032 through and including July 27, 2042, a rate of interest equal to the sum of the average weekly rate of the Federal Home Loan Bank of New York Amortizing Rate Advance Rate (the "FHLB Rate") for ten (10) year maturities as of the immediately prior Tuesday for a comparable maturity for amortizing advances made available to the Bank, rounded to the nearest two decimal places, as reasonably determined by the Bank, plus one hundred and eighty-five basis points (1.85%) rounded up to the next higher one-quarter of a percentage point.
- (c) From July 28, 2042 through and including July 27, 2052, a rate of interest equal to the sum of the average weekly rate of the FHLB Rate for ten (10) year maturities as of the immediately prior Tuesday for a comparable maturity for amortizing

advances made available to the Bank, rounded to the nearest two decimal places, as reasonably determined by the Bank, plus one hundred and eighty-five basis points (1.85%) rounded up to the next higher one-quarter of a percentage point.

In the event that the FHLB Rate is not available, a substitute index shall be determined from any other source as deemed satisfactory to the Bank. Interest on this Bond shall be calculated on the basis of "a three hundred sixty (360) day year, for the actual number of days elapsed" (such phrase, as used throughout the Bond, shall mean that in computing interest for the subject period, the interest shall be multiplied by a fraction, the denominator of which is 360 and the numerator of which is the actual number of days elapsed from the date of the first disbursement of the Bond Proceeds or the date of the preceding interest and/or principal due date, as the case may be, to the date of the next interest and/or principal due date). Interest shall accrue until the date of receipt of payment.

The principal and interest payments due on this Bond shall be payable by the Institution, on behalf of the Issuer, directly to the Bank as follows: (A) during the period commencing on the first Business Day of the second month following the Dated Date and continuing on the first (1<sup>st</sup>) day of each month thereafter through July 27, 2024, monthly payments of interest and (B) from July 28, 2024 and continuing on the first (1<sup>st</sup>) day of each month thereafter through the Maturity Date, monthly payments of principal and interest based on a twenty-eight (28) year amortization schedule.

**OPTIONAL PREPAYMENT WITH PREMIUM**

Optional Prepayment. This Bond is subject to prepayment by the Issuer at the option of the Institution, in whole or in part, on any Bond Payment Date, at the redemption prices (expressed as percentages of the principal amount being redeemed) set forth in the following table, plus accrued interest to the redemption date:

<b>Redemption Date</b>	<b>Redemption Price</b>
July 28, 2022 through July 27, 2024	105%
July 28, 2024 through July 27, 2025	104%
July 28, 2025 through July 27, 2027	103%
July 28, 2027 through July 27, 2029	102%
July 28, 2029 through July 27, 2031	101%
After July 28, 2031	100%

Notwithstanding the foregoing, the Issuer, at the option of the Institution, may at any time prepay any portion of the principal amount of the Bond outstanding at a price equal to one hundred percent (100%) of the amount prepaid so long as the Institution can demonstrate, to the reasonable satisfaction of the Bank, that the source of funds used to make such prepayment is not a credit facility or other indebtedness obtained by the Institution from any Person other than the Bank.

#### MANDATORY PREPAYMENT WITHOUT PENALTY

This Bond shall be subject to mandatory prepayment in whole or in part on any Business Day, in an amount equal to (i) the amount, if any, by which the Bond Proceeds exceed the amount required to pay the Cost of the Facility advanced pursuant to Section 4.05 of the Bond Purchase Agreement (as hereinafter defined); (ii) the amounts received from or on behalf of contractors or subcontractors, as provided in the Bond Purchase Agreement (except to the extent that the Institution is entitled to reimbursement from such Net Proceeds for certain expenses); (iii) the amount, if any, by which the Net Proceeds of any insurance or any condemnation award with respect to the Facility exceed the cost of repairing or restoring the Facility, as provided in the Bond Purchase Agreement; or (iv) the amount, if any, of the Net Proceeds of title insurance covering the Facility. In addition, accrued interest to the date of such prepayment shall be paid on the amount of such prepayment.

#### INCREASE IN INTEREST RATE IF AN EVENT OF TAXABILITY OCCURS

If there shall occur an Event of Taxability (as hereafter defined), the rate of interest on this Bond shall be adjusted, to the extent permitted by law to the Taxable Rate (as hereinafter defined) commencing with the first day of the calendar month immediately succeeding the calendar month in which notification is given by the Holder to the Issuer that an Event of Taxability has occurred. In addition, there shall be paid to the Holder or former Holders of this Bond upon demand by any such Holder or former Holders therefor (i) an amount equal to (A) the aggregate amount which would have been payable as interest on this Bond if interest on this Bond had accrued at the Taxable Rate during the period commencing with the Tax Incidence Date (as hereinafter defined) and ending on the earlier of (1) the maturity of this Bond or (2) the date of payment of the amount described in this clause (i), less (B) the amount of the interest on this Bond previously received by the Holder or former Holders of this Bond for such period; and (ii) there shall be paid to the Holder or former Holders of this Bond upon demand by any such Holder or former Holders of this Bond any Additions to Tax (as hereinafter defined) paid or payable by any such Holder or former Holders as a consequence of the failure of such Holder or former Holders to include the interest on or any amount in respect of interest on this Bond held by such Holder or former Holder as gross income in its Federal tax return for any relevant period.

For the purposes of the preceding paragraph the following terms have the following defined meanings:

"Additions to Tax" means any penalties, fines, additions to tax, interest and additional amount described in Chapter 68 of the Internal Revenue Code of 1986, as amended, and in any similar state statute with respect to state income or franchise tax.

"Event of Taxability" means (A) the enactment of a statute or promulgation of a regulation eliminating, in whole or in part, the applicable exemption, as such exists on the Closing Date, from gross income for federal income tax purposes for interest payable under the Bond, (B) a "final determination by decision or ruling by a duly constituted administrative authority" to the effect that such exemption for interest payable under the Bond is not available, is no longer available or is contrary to law, (C) the expiration of the right to further administrative review of any determination, decision or ruling to the effect that such exemption for interest payable under the Bond is not available, is no longer available or is contrary to law, or (D) receipt by the Holder of a written opinion of Bond counsel that there is no longer a basis for the Holder (or any former Holder) to claim that any interest paid and payable on the Bond is not excluded from gross income for federal income tax purposes.

For the purposes of item (B) above, a "final determination by decision or ruling by a duly constituted administrative authority" shall mean (1) the issuance of a ruling (including, but not limited to, a revenue ruling or a letter ruling by the Internal Revenue Service ("IRS") or any successor thereto, or (2) the issuance of a preliminary notice of proposed deficiency ("30-Day Letter"), a statutory notice of deficiency ("90-Day Letter"), or other written order or directive of similar force and effect by the IRS, or any other United States Governmental Agency having jurisdiction therein.

Nothing in this definition of "Event of Taxability" shall be construed to mean that the Holder shall have any obligation to contest or appeal any assertion or decision that any interest payable under the Bonds is subject to taxation.

"Taxable Rate" means a rate equal to 5.62% per annum.

"Tax Incidence Date" means the first date on which, as a result of an Event of Taxability, interest on the Bond is includable in the gross income of the recipient thereof for Federal income tax purposes.

#### LATE PAYMENT FEE IN EVENT OF LATE PAYMENT; DEFAULT INTEREST RATE

In the event that the Holder has not received an interest or principal payment payable under this Bond (including a payment resulting from a prepayment of this Bond) on or before the tenth (10<sup>th</sup>) day after such payment is due, then there shall be a late penalty fee to the Issuer equal to the greater of five percent (5%) of any such unpaid payment or twenty-five dollars (\$25.00).

If the Issuer fails to pay or cause to be paid any late charge, the Holder may add such charge to the amount owing on any future payment. The Holder's assessment and/or collection of late charges hereunder shall in no way impair its right to pursue other remedies upon default.

Payment of the principal of this Bond, including any amounts prepaid, and interest thereon, shall be made at the office of Tompkins Community Bank, 118 East Seneca Street, Ithaca, New York 14850 (the "Bank"), or at such other place as the Holder, or its registered assigns, from time to time, have designated in writing sent to the Issuer and the Institution by certified or registered

mail, return receipt requested. The principal of and interest on this Bond are payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond constitutes the entire authorized issue of bonds limited in the aggregate principal amount of \$21,825,000, or so much as may be advanced hereunder, authorized by a bond resolution, duly adopted by the Issuer on July 21, 2022, (the "Bond Resolution") and is issued in accordance with a Bond Purchase Agreement, Loan Agreement and Building Loan Contract, dated as of July 1, 2022 (the "Bond Purchase Agreement"), by and among the Issuer, Cayuga Medical Center at Ithaca, Inc. (the "Institution") and the Bank for the purposes of financing a certain project (the "Project") as described in the Loan Agreement.

This Bond is secured by certain financial and other covenants made by the Institution in the Loan Agreement for the benefit of the Bank. If any covenant contained in the Bond Purchase Agreement is in violation, the Bank may, without obligation or prejudice to the Bank's rights, provide written notice of any such violation to the applicable party. Thereafter, if said breach or non-compliance of any of the aforementioned covenants persist, the Bank may:

(a) after the fiscal year ending December 31, 2024, if a Party is not in compliance with the covenants (as applicable) as set forth in this Section 2.04, the Bank may provide written notice of same to the Institution, which notice may elect a remedy to be taken, including a temporary waiver of the Bank's right to enforce said violation.

(b) after the fiscal year ending December 31, 2025, if a Party is not in compliance with the covenants (as applicable) as set forth in this Section 2.04, the Bank may provide written notice of same to the Institution, which notice may elect a remedy to be taken, including a temporary waiver of the Bank's right to enforce said violation, and may elect to proceed as follows:

- (i) after December 31, 2025, if any covenant contained herein is in violation (tested using financial statements of Guarantor for the first fiscal quarter of the immediately succeeding Fiscal Year) after a ninety (90) day cure period, a fee equal to five (5) basis points (0.05%) multiplied by the outstanding principal amount of the Bond then outstanding will be assessed and immediately due and payable.
- (ii) if the covenant continues to be in violation (tested using financial statements of Guarantor for the second quarter of the Fiscal Year described in clause (i)) after one hundred eighty (180) days, the interest rate on the Bonds will increase by three percent (3%) per annum
- (iii) if the covenant continues to be in violation (tested using year-end financial statements of Guarantor for the Fiscal Year described in clause (i)) after three hundred and sixty (360) days, an Event of Default may be declared by the Bank and the principal and interest due on the Bond accelerated and immediately due and payable.

If any covenant violation is subsequently cured for any fiscal year, Bank may, but shall not be obligated to, agree to reset the steps set forth in this subsection for subsequent year(s) of covenant testing

The Bond Purchase Agreement, among other things, provides that Bond Proceeds (as defined in the Bond Purchase Agreement) shall be disbursed to pay the Project Costs (as defined in the Bond Purchase Agreement), but only upon satisfaction of the requirements set forth in the Bond Purchase Agreement for making such disbursements.

The Issuer and the Institution have entered into a certain Tax Compliance Agreement (the "Tax Compliance Agreement"), dated July 28, 2022, pursuant to which the Issuer and the Institution, for the benefit of the Holders from time to time of the Bond, have made certain representations and covenants, established certain conditions and limitations and made certain expectations, relating to compliance with the requirements imposed by the Internal Revenue Code of 1986, as amended, and the regulations and rulings of the United States Treasury Department promulgated thereunder (collectively, the "Code") in order to ensure that the interest accruing on this Bond is and remains excluded from gross income for Federal income tax purposes.

Reference is hereby made to the Tax Compliance Agreement, and the Bond Purchase Agreement and to all amendments and supplements thereto (copies of which are on file at the office of the Issuer) for the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer, the Institution and the Holder and the terms upon which this Bond is or may be secured. By acceptance of this Bond, the Holder assents to all the provisions of such documents and all amendments and supplements thereto made in accordance with the provisions thereof. By acceptance of this Bond, the Holder assents to, and shall be entitled to the benefits of, all the provisions of such documents and all amendments and supplements thereto made in accordance with the provisions thereof.

This Bond is a special obligation of the Issuer and it is understood and agreed that the Holder shall look exclusively to the security as may from time to time be given for payment of obligations arising out of this Bond and the Bond Purchase Agreement, and that any judgment rendered on this Bond, the Bond Purchase Agreement or such other security shall be limited to such other security so given for the satisfaction thereof, and that no deficiency or personal judgment shall be sought or rendered against the Issuer, its successors or assigns, or its members, officers, agents (other than the Institution) or employees in any action or proceeding brought on this Bond, or judgment, order or decree rendered pursuant to any such action or proceeding.

**THIS BOND IS NOT AND SHALL NOT BE A DEBT OR LOAN OF CREDIT OF THE STATE OF NEW YORK OR TOMPKINS COUNTY, NEW YORK AND NEITHER THE STATE OF NEW YORK NOR TOMPKINS COUNTY, NEW YORK SHALL BE LIABLE HEREON.**

The Issuer may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment, including prepayment, of the principal of and interest on this Bond and for all other purposes. All such payments so made to the registered owner shall be valid and effectual to satisfy



and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary. Notwithstanding anything to the contrary herein contained, "Holder" means, whenever used herein, the registered owner of this Bond.

This Bond shall be transferable only upon the books of the Issuer at the office of Tompkins Community Bank, as bond registrar (the "Bond Registrar") located, on the date hereof, at 118 East Seneca Street, Ithaca, New York 14850, by the Holder in person or by his attorney duly authorized in writing, upon surrender thereof together with (i) a written instrument of transfer satisfactory to the Bond Registrar and duly executed by the Holder or such duly authorized attorney, (ii) if requested by the Issuer or the Institution, the delivery to the Issuer and the Institution (at the sole expense of the Institution) of an opinion of Bond Counsel (as defined in the Bond Purchase Agreement) that such transfer does not and will not require registration of the Bond under any securities laws, (iii) the delivery to the Issuer by the Holder of a certificate signed by the proposed transferee to the effect that such proposed transferee has been provided with all requested disclosure information by the Institution, and (iv) payment of all sums due the Holder under the Bond Documents. No such transfer of this Bond shall be valid unless made on such books and similarly noted by endorsement of the Bank on such Bond, or unless, at the expense of the Institution, the Issuer shall execute and deliver a new Bond registered in the name of the transferee.

No covenant or agreement contained in this Bond, the Tax Compliance Agreement, or the Bond Purchase Agreement shall be deemed to be the covenant or agreement of any member, officer, agent (other than the Institution) or employee of the Issuer in his individual capacity. No recourse shall be had for the payment of the principal of or the interest on this Bond or for any claim based hereon or on the Bond Purchase Agreement, or the Tax Compliance Agreement against any member, officer, agent or employee, past, present or future, of the Issuer, or of any successor corporation, as such, either directly or through the Issuer or any such successor corporation, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability of such members, officers, agents (other than the Institution), or employees being waived and released to the extent permitted by law as condition of, and as consideration for, the execution and delivery of this Bond, the Tax Compliance Agreement, and the Bond Purchase Agreement.

It is the intention of the Issuer and the Holder to conform strictly to the usury laws, whether state or federal, that are applicable to this Bond. All agreements between the Issuer and the Holder, whether now existing or hereafter arising and whether oral or written, are hereby expressly limited so that in no contingency or event whatsoever, whether by acceleration of maturity hereof or otherwise, shall the amount paid or agreed to be paid to the Holder, or collected by the Holder, for the use, forbearance or detention of the money to be loaned hereunder or otherwise, or for the payment or performance of any covenant or obligation contained herein, or in any of the Bond Documents, exceed the maximum amount permissible under applicable federal or state usury laws. If under any circumstances whatsoever fulfillment of any provision hereof or of the Bond Documents, at the time performance of such provision shall be due, shall involve exceeding the limit of validity prescribed by law, then the obligation to be fulfilled shall be reduced to the limit of such validity; and if under any circumstances the Holder shall ever receive an amount deemed interest by applicable law, which would exceed the highest lawful rate, such amount that would be excessive interest under applicable usury laws shall be applied to the reduction of the principal

amount owing hereunder or to other indebtedness secured by the Bond Documents and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal and such other indebtedness, the excess shall be deemed to have been a payment made by mistake and shall be refunded to the Issuer or to any other person making such payment on the Issuer's behalf. All sums paid or agreed to be paid to the Holder hereof for the use, forbearance or detention of the indebtedness of the Issuer evidenced hereby, outstanding from time to time shall, to the extent permitted by applicable law, and to the extent necessary to preclude exceeding the limit of validity prescribed by law, be amortized, pro-rated, allocated and spread from the date of disbursement of the proceeds of this Bond until payment in full of the obligation evidenced hereby, and thereby so that the actual rate of interest on account of such indebtedness is uniform throughout the term hereof and thereof.

This Bond may not be waived, changed, modified or discharged orally, but only by agreement in writing, signed by the party against whom any enforcement of any waiver, change, modification or discharge is sought. Modifications, amendments or alterations of the Bond Purchase Agreement or of any supplements thereto, may be made only to the extent and under the circumstances permitted by the Bond Purchase Agreement. Any capitalized word or term not otherwise defined herein shall have the meaning given such word or term in the Bond Purchase Agreement. It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen or be performed precedent to and in the issuance, execution and delivery of the Bond Purchase Agreement, and the issuance of this Bond and the adoption of the Bond Resolution do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this Bond together with all other obligations of the Issuer, does not exceed or violate any constitutional, statutory or corporate limitations.

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IN WITNESS WHEREOF, the TOMPKINS COUNTY DEVELOPMENT CORPORATION has caused this Bond to be executed in its name by the manual signature of its Administrative Director, its corporate seal or a facsimile thereof to be hereunto affixed, impressed, imprinted or otherwise reproduced hereon.

TOMPKINS COUNTY DEVELOPMENT  
CORPORATION

By:   
Name: Heather McDaniel  
Title: Administrative Director

(Form of Assignment)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (please print or typewrite name and address of transferee) \_\_\_\_\_ the within bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

In the presence of:

## Debt Service Schedule

**EXHIBIT C**

**REQUISITION FOR PAYMENT AND DISBURSEMENT**

To: Tompkins Community Bank

**Re: Tompkins County Development Corporation \$21,825,000 Tax Exempt  
Revenue Bonds (Cayuga Medical Center at Ithaca, Inc. Project), Series 2022**

Date: \_\_\_\_\_, 2022

Gentlemen:

You are hereby authorized and directed to make the following advances and disbursements of the Bond Proceeds in accordance with Section 4.04 of that certain Bond Purchase Agreement and Building Loan Contract, dated as of July 1, 2022 (the "Bond Purchase Agreement"), by and between the Tompkins County Development Corporation (the "Issuer"), Tompkins Community Bank (the "Bank") and Cayuga Medical Center at Ithaca, Inc. (the "Institution").

- (i) Payee: Cayuga Medical Center at Ithaca, Inc.
- (ii) Classification of the expenditure: Please see Schedule 1.

Reimbursement for payment by the Institution of items listed on Schedule 1:     \$ \_\_\_\_\_

With respect to the obligation(s) referred to above, the undersigned, an Authorized Representative of the Institution, hereby certifies that to his knowledge:

(A) For construction items, that insofar as the reimbursement is to be made for work, materials, supplies or equipment, the work has been performed and the materials, supplies or equipment have been installed in the Facility, and the payment of all labor, services, materials and supplies used in the acquisition, construction and equipping of the Facility has been made or provided for;

(B) the disbursement hereby requested is for a proper expenditure of Bond Proceeds pursuant to the Bond Purchase Agreement;

(C) with respect to items covered in this requisition, the undersigned has no knowledge of any vendors', mechanics' or other liens, bailment leases, conditional sale

contracts, security interests or laborers' claims which should be satisfied or discharged before the payments as requisitioned are made or which will not be discharged by such payment;

(D) none of the items for which this requisition is made has been the basis for any prior disbursement of Bond Proceeds;

(E) all Persons furnishing materials to, or performing work on, the Facility have been paid to date or will be fully paid to date from the proceeds of this requisition;

(F) the undisbursed Bond Proceeds are sufficient to complete the acquisition, construction and equipping of the Facility in accordance with the Plans and Specifications;

(G) the amount hereby requested has been paid or is to be paid or shall be paid from the monies requested and that insofar as the payment is for work, materials, supplies, or equipment, the work has been performed and the materials, supplies or equipment have been installed in the Facility or have been delivered either at the Facility or at a proper place for fabrication and are covered by adequate insurance;

(H) Copies of the permanent Certificates of Occupancy, issued by the appropriate authorities with respect to the Facility renovations that have been completed through the date of closing, have been provided to the Bank; and,

(H) there exists no Event of Default under any of the Bond Documents.

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**[Signature Page to Requisition for Payment and Disbursement]**

The capitalized terms herein, unless otherwise defined, will have the meaning provided in the Bond Purchase Agreement.

**CAYUGA MEDICAL CENTER AT ITHACA,  
INC.**

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

Name: John Collett

Title: Vice President