STATE OF ALABAMA)

COUNTY OF BALDWIN)

RESOLUTION # 2016-041
OF THE
BALDWIN COUNTY COMMISSION

RESOLUTION OF THE BALDWIN COUNTY COMMISSION FOR APPROVAL OF BONDS ISSUED BY INFIRMARY HEALTH SYSTEM SPECIAL CARE FACILITIES FINANCING AUTHORITY OF MOBILE.

WHEREAS, Infirmary Health System Special Care Facilities Financing Authority of Mobile, a public corporation organized under the laws of the State of Alabama (the "Authority"), proposes to issue its revenue bonds in an amount not to exceed $250,000,000 (the "Bonds"). The Bonds will be issued to provide financing for the benefit of Infirmary Health System, Inc. ("IHS") and its affiliates, Mobile Infirmary Association ("Mobile Infirmary"), Gulf Health Hospitals, Inc. ("Gulf Health") and Infirmary Health Hospitals, Inc. ("Infirmary Hospitals"). IHS and its affiliates (collectively referred to as the "IHS System Affiliates") operate health care facilities in Mobile and Baldwin Counties; and

WHEREAS, the Bonds may be issued in a single series or in two or more series over a period ending December 31, 2018; and

WHEREAS, proceeds of the Bonds will be used for the following purposes: (i) to finance the costs of acquiring, constructing and equipping a free-standing emergency room facility (the "ER Facility") to be located on the southwestern quadrant of the intersection of Alabama Highway 181 and U.S. Highway 90 in unincorporated Baldwin County; (ii) to finance the costs of renovating, improving, expanding and equipping IHS's oncology facilities (the "Oncology Facilities") located at Mobile Infirmary Medical Center, Thomas Hospital and North Baldwin Infirmary; (iii) to finance the costs of acquiring, constructing and equipping certain diagnostic and other health care facilities (the "Diagnostic Facilities") to be located in a medical office building being constructed on the northwest corner of Alabama Highway 158 and U.S. Interstate 65 in Saraland, Alabama; (iv) to finance the costs of acquiring, constructing, improving, expanding, renovating, equipping or furnishing the various existing acute care hospital and outpatient facilities (collectively the "Existing System Facilities") of the IHS System Affiliates; and (v) to refund certain outstanding debt or bonds of the IHS System Affiliates incurred or issued to finance the Existing System Facilities;

WHEREAS, the Existing System Facilities include: (i) Mobile Infirmary Medical Center and Infirmary LTAC Hospital located at 5 Mobile Infirmary Circle (near Springhill Avenue and Mobile Infirmary Boulevard), in Mobile, Alabama; (ii) Thomas Hospital, located at 750 Morphy Avenue in Fairhope, Alabama; (iii) Thomas Medical Center located at 27961 U.S. Highway 98 in Daphne, Alabama; (iv) North Baldwin Infirmary located at 1815 Hand Avenue in Bay Minette, Alabama; and (v) Infirmary Eastern Shore Outpatient Center located at 7101 Highway 90 in Daphne, Alabama. The Existing System Facilities, the ER Facility, the Oncology Facilities and the Diagnostic Facilities are referred to collectively herein as the "Bond-Financed Facilities".

WHEREAS, the proceeds of the Bonds will be loaned to one or more of the IHS System Affiliates pursuant to one or more loan agreements between the Authority and IHS System Affiliates. The loan agreements will provide for loan payments by one or more of the IHS System Affiliates in

amounts sufficient to pay debt service on the Bonds when due. The Bonds will be limited obligations of the Authority and will be payable solely from the loan payments by the IHS System Affiliates to the Authority. The Bonds will not be general obligations of the Authority and will not in any way constitute a debt, liability or obligation of the State of Alabama, Baldwin County, Alabama or any other political subdivision of the State of Alabama, including without limitation the political subdivision holding the hearing described below or the political subdivisions where the Bond-Financed Facilities are located. The Bonds will not be payable from any tax revenues; and

WHEREAS, a public hearing concerning the proposed issuance of the Bonds was held in Commission Chambers at the Baldwin County Administration Building, 322 Courthouse Square, in the City of Bay Minette, Alabama at 9:00 a.m. on Tuesday, January 5, 2016; notice of such hearing was given by publication in *The Baldwin Times* on December 18, 2015, and such hearing provided an opportunity for persons with different views on the proposed issuance of the Bonds and the location and nature of the Bond-Financed Facilities to express their views, both orally and in writing.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSION OF BALDWIN COUNTY, ALABAMA that they hereby approve (i) the issuance of the Bonds by the Authority to finance the costs of acquiring, constructing and equipping a free-standing emergency room facility to be located on the southwestern quadrant of the intersection of Alabama Highway 181 and U.S. Highway 90 in unincorporated Baldwin County, and (ii) the location and nature of the Bond-Financed Facilities in Baldwin County, Alabama, in accordance with the foregoing proposal of the Authority. Such approval is being given pursuant to, and solely for the purposes of, the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended, and Section 11-62-1(a)(8) of the Code of Alabama (1975). The consent to and approval of the issuance of the Bonds by the Authority should not be construed as expressing any view whatsoever as to the financial feasibility of the Bond-Financed Facilities or the adequacy of any security provided for the Bonds.

APPROVED AND ADOPTED BY THE COUNTY COMMISSION OF BALDWIN COUNTY, ALABAMA, this 5th of January, 2016.

Commissioner J. Tucker Dorsey, Chairman

ATTEST:

Ronald J. Cink, County Administrator

I, Ronald J. Cink, County Administrator of Baldwin County, Alabama, do hereby certify the foregoing to be a true and exact copy of a Resolution approved and adopted by the County Commission of Baldwin County, Alabama, at its regular meeting held on the 5th day of January, 2016.

Ronald J. Cink, County Administrator