

RESOLUTION OF THE NORTH CAROLINA MEDICAL CARE APPROVING THE DEFEASANCE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION HOSPITAL REVENUE REFUNDING BONDS (WILSON MEMORIAL HOSPITAL PROJECT), SERIES 1997 AND NORTH CAROLINA MEDICAL CARE COMMISSION HOSPITAL REVENUE BONDS (WILSON MEDICAL CENTER), SERIES 2007 AND CERTAIN MATTERS RELATED THERETO

WHEREAS, the North Carolina Medical Care Commission (the “Commission”) has heretofore issued, pursuant to a Trust Agreement, dated as of February 1, 1997 (the “1997 Trust Agreement”), between the Commission and Branch Banking and Trust Company, as trustee (the “1997 Bond Trustee”), its \$50,953,361.10 North Carolina Medical Care Commission Hospital Revenue Refunding Bonds (Wilson Memorial Hospital Project), Series 1997 (the “1997 Bonds”), of which \$3,226,885.25 are currently outstanding;

WHEREAS, the Commission has heretofore loaned the proceeds of the 1997 Bonds to Wilson Medical Center (formerly known as Wilson Memorial Hospital, Inc.) (the “Corporation”) pursuant to a Loan Agreement, dated as of February 1, 1997, between the Corporation and the Commission;

WHEREAS, the Commission has heretofore issued, pursuant to a Trust Agreement, dated as of August 1, 2007 (the “2007 Trust Agreement” and, together with the 1997 Trust Agreement, the “Prior Trust Agreements”), between the Commission and Branch Banking and Trust Company, as trustee (the “2007 Bond Trustee”), its \$33,825,000 North Carolina Medical Care Commission Hospital Revenue Bonds (Wilson Medical Center), Series 2007 (the “2007 Bonds” and, together with the 1997 Bonds, the “Prior Bonds”), of which \$20,830,000 are currently outstanding;

WHEREAS, the Commission has heretofore loaned the proceeds of the 2007 Bonds to the Corporation pursuant to a Loan Agreement, dated as of August 1, 2007, between the Corporation and the Commission;

WHEREAS, the Corporation and DLP Healthcare, LLC (“DLP”) have entered into a Memorandum of Understanding that contemplates the transfer of substantially all of the assets of the Corporation and its affiliates to a newly formed for-profit joint venture in which DLP would hold an 80% interest;

WHEREAS, in connection with the formation of the joint venture with DLP and the related transfer of assets, the Corporation desires to (a) defease all of the outstanding 1997 Bonds and 2007 Bonds in accordance with Section 1201 of the 1997 Trust Agreement and Section 12.01 the 2007 Trust Agreement, respectively, and (b) release and discharge the 1997 Trust Agreement and the 2007 Trust Agreement;

WHEREAS, the Corporation also desires to cause the outstanding 2007 Bonds maturing on or after November 1, 2018 to be called for optional redemption on November 1, 2017, at a redemption price equal to 100% of the principal amount of such 2007 Bonds to be redeemed, plus accrued interest to the redemption date pursuant to the 2007 Trust Agreement;

WHEREAS, the amounts to be used to defease the Prior Bonds as described above shall be derived from amounts held in various funds and accounts established under the Prior Trust Agreements, if any, and other available funds of the Corporation (including funds received from DLP or its affiliates in connection with the above-referenced joint venture);

WHEREAS, in connection with such defeasance transaction, it will be necessary for the Corporation to enter into two Escrow Deposit Agreements, each to be dated as of December 1, 2013 or some other mutually agreeable date (the "Escrow Agreements"), among the Commission, the Corporation and Branch Banking and Trust Company, as escrow agent (the "Escrow Agent"), pursuant to which escrow funds composed of non-callable federal securities and/or cash shall be held in trust for the timely payment of principal or redemption price of and interest on all of the outstanding 1997 Bonds or the 2007 Bonds, as applicable, when the same becomes due and payable; and

WHEREAS, there has been presented at this meeting drafts of the Escrow Agreements;

WHEREAS, it has been represented to the Commission that the Corporation is financially responsible and capable of fulfilling its obligations under the proposed transaction; and

WHEREAS, the Commission has determined that the public interest will be served by causing all of the Prior Bonds to be defeased and to take such other actions as may be necessary or appropriate in connection therewith;

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

Section 1. The defeasance of the Prior Bonds and the release and discharge of the Prior Trust Agreements are hereby approved.

Section 2. The form, terms and provisions of the Escrow Agreements are hereby authorized and approved in all respects, and each of the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman for such purpose and the Secretary or any Assistant Secretary of the Commission (the "Authorized Officers") are each hereby authorized to execute and deliver on behalf of the Commission the Escrow Agreements in substantially the forms presented at this meeting, together with such additions, deletions or other modifications not inconsistent with the general tenor of said document as the Authorized Officer executing such document, with the advice of counsel, may deem necessary or appropriate, such execution and delivery to be conclusive evidence of the authorization and approval thereof by the Commission.

Section 3. The Authorized Officers are hereby authorized and directed to take such action and to execute and deliver any certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by this resolution and the documents described in this resolution, including, without limitation, such actions as may be necessary to maintain the tax-exempt status of the Bonds, defease and redeem the Prior Bonds and discharge and release the Prior Trust Agreements, provided such actions are not inconsistent with the provisions of this resolution.

Section 4. This resolution shall take effect immediately upon its passage.

ADOPTED the ____ day of November, 2013.

Respectfully submitted,

Christopher B. Taylor, CPA
Assistant Secretary

Date: November __, 2013