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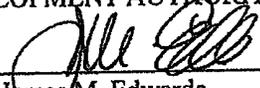
IN WITNESS WHEREOF, the Issuer has caused this Note to be executed in its name by the facsimile or manual signature of its Chairman or Vice Chairman and the facsimile of its corporate seal to be printed hereon and attested by the facsimile or manual signature of its Secretary or Assistant Secretary.

[SEAL]

ATTEST:

ALLEGHENY COUNTY HOSPITAL
DEVELOPMENT AUTHORITY

By: 
Name: Darnell Moses
Title: ~~Secretary~~ (Authorized Designate)

By: 
Name: James M. Edwards
Title: Chairman

ASSIGNMENT

For value received, Banc of America Public Capital Corp hereby sells, assigns and transfers unto _____ the within Note issued by ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY, and all rights thereunder.

BANK OF AMERICA PUBLIC CAPITAL
CORP

By _____

Dated: _____, 2006

West Penn Allegheny Foundation, LLC

Banc of America Public Capital Corp

Amortization 12/29/2006 for

EC145 Serial Number 9115

Average Life: 7.31 Years

Interest Only Till October 1, 2007

Date	Debt Service Number	Debt Service	Interest 4.6101%	Principal Retired	Remaining Balance ⁽¹⁾
12/29/2006	0	\$ -	\$ -	\$ -	\$ 5,969,356.00
1/1/2007	1	1,528.86	1,528.86	-	5,969,356.00
2/1/2007	2	22,932.93	22,932.93	-	5,969,356.00
3/1/2007	3	22,932.93	22,932.93	-	5,969,356.00
4/1/2007	4	22,932.93	22,932.93	-	5,969,356.00
5/1/2007	5	22,932.93	22,932.93	-	5,969,356.00
6/1/2007	6	22,932.93	22,932.93	-	5,969,356.00
7/1/2007	7	22,932.93	22,932.93	-	5,969,356.00
8/1/2007	8	22,932.93	22,932.93	-	5,969,356.00
9/1/2007	9	22,932.93	22,932.93	-	5,969,356.00
10/1/2007	10	22,932.93	22,932.93	-	5,969,356.00
11/1/2007	11	43,031.81	22,932.93	20,098.88	5,949,257.12
12/1/2007	12	43,031.81	22,855.72	20,178.09	5,929,081.03
1/1/2008	13	43,031.81	22,778.21	20,253.60	5,908,827.43
2/1/2008	14	43,031.81	22,700.40	20,331.41	5,888,496.02
3/1/2008	15	43,031.81	22,622.29	20,409.52	5,868,086.50
4/1/2008	16	43,031.81	22,543.88	20,487.93	5,847,598.57
5/1/2008	17	43,031.81	22,465.17	20,566.64	5,827,031.93
6/1/2008	18	43,031.81	22,386.16	20,645.65	5,806,386.28
7/1/2008	19	43,031.81	22,306.84	20,724.97	5,785,661.31
8/1/2008	20	43,031.81	22,227.22	20,804.59	5,764,856.72
9/1/2008	21	43,031.81	22,147.29	20,884.52	5,743,972.20
10/1/2008	22	43,031.81	22,067.06	20,964.75	5,723,007.45
11/1/2008	23	43,031.81	21,986.52	21,045.29	5,701,962.16
12/1/2008	24	43,031.81	21,905.67	21,126.14	5,680,836.02
1/1/2009	25	43,031.81	21,824.50	21,207.31	5,659,628.71
2/1/2009	26	43,031.81	21,743.03	21,288.78	5,638,339.93
3/1/2009	27	43,031.81	21,661.24	21,370.57	5,616,969.36
4/1/2009	28	43,031.81	21,579.14	21,452.67	5,595,516.69
5/1/2009	29	43,031.81	21,496.73	21,535.08	5,573,981.61
6/1/2009	30	43,031.81	21,413.99	21,617.82	5,552,363.79
7/1/2009	31	43,031.81	21,330.94	21,700.87	5,530,662.92
8/1/2009	32	43,031.81	21,247.57	21,784.24	5,508,878.68
9/1/2009	33	43,031.81	21,163.88	21,867.93	5,487,010.75
10/1/2009	34	43,031.81	21,079.87	21,951.94	5,465,058.81
11/1/2009	35	43,031.81	20,995.54	22,036.27	5,443,022.54
12/1/2009	36	43,031.81	20,910.88	22,120.93	5,420,901.61
1/1/2010	37	43,031.81	20,825.69	22,205.92	5,398,695.69
2/1/2010	38	43,031.81	20,740.58	22,291.23	5,376,404.46

Date	Debt Service Number	Debt Service	Interest 4.6101%	Principal Retired	Remaining Balance ⁽¹⁾
3/1/2010	39	43,031.81	20,654.95	22,376.86	5,354,027.60
4/1/2010	40	43,031.81	20,568.98	22,462.83	5,331,564.77
5/1/2010	41	43,031.81	20,482.68	22,549.13	5,309,015.64
6/1/2010	42	43,031.81	20,396.05	22,635.76	5,286,379.88
7/1/2010	43	43,031.81	20,309.09	22,722.72	5,263,657.16
8/1/2010	44	43,031.81	20,221.80	22,810.01	5,240,847.15
9/1/2010	45	43,031.81	20,134.16	22,897.65	5,217,949.50
10/1/2010	46	43,031.81	20,046.20	22,985.61	5,194,963.89
11/1/2010	47	43,031.81	19,957.89	23,073.92	5,171,889.97
12/1/2010	48	43,031.81	19,869.25	23,162.56	5,148,727.41
1/1/2011	49	43,031.81	19,780.28	23,251.55	5,125,475.86
2/1/2011	50	43,031.81	19,690.93	23,340.88	5,102,134.98
3/1/2011	51	43,031.81	19,601.26	23,430.55	5,078,704.43
4/1/2011	52	43,031.81	19,511.25	23,520.56	5,055,183.87
5/1/2011	53	43,031.81	19,420.89	23,610.92	5,031,572.95
6/1/2011	54	43,031.81	19,330.18	23,701.63	5,007,871.32
7/1/2011	55	43,031.81	19,239.12	23,792.69	4,984,076.63
8/1/2011	56	43,031.81	19,147.72	23,884.09	4,960,194.54
9/1/2011	57	43,031.81	19,055.98	23,975.85	4,936,218.69
10/1/2011	58	43,031.81	18,963.85	24,067.96	4,912,150.73
11/1/2011	59	43,031.81	18,871.39	24,160.42	4,887,990.31
12/1/2011	60	43,031.81	18,778.57	24,253.24	4,863,737.07
1/1/2012	61	43,031.81	18,685.39	24,346.42	4,839,390.65
2/1/2012	62	43,031.81	18,591.86	24,439.95	4,814,950.70
3/1/2012	63	43,031.81	18,497.97	24,533.84	4,790,416.86
4/1/2012	64	43,031.81	18,403.71	24,628.10	4,765,788.76
5/1/2012	65	43,031.81	18,309.10	24,722.71	4,741,066.05
6/1/2012	66	43,031.81	18,214.12	24,817.69	4,716,248.36
7/1/2012	67	43,031.81	18,118.77	24,913.04	4,691,335.32
8/1/2012	68	43,031.81	18,023.06	25,008.75	4,666,326.57
9/1/2012	69	43,031.81	17,926.98	25,104.83	4,641,221.74
10/1/2012	70	43,031.81	17,830.54	25,201.27	4,616,020.47
11/1/2012	71	43,031.81	17,733.72	25,298.09	4,590,722.38
12/1/2012	72	43,031.81	17,636.53	25,395.28	4,565,327.10
1/1/2013	73	43,031.81	17,538.97	25,492.84	4,539,834.26
2/1/2013	74	43,031.81	17,441.03	25,590.76	4,514,243.48
3/1/2013	75	43,031.81	17,342.72	25,689.09	4,488,554.39
4/1/2013	76	43,031.81	17,244.02	25,787.79	4,462,766.60
5/1/2013	77	43,031.81	17,144.95	25,886.86	4,436,879.74
6/1/2013	78	43,031.81	17,045.50	25,986.31	4,410,893.43
7/1/2013	79	43,031.81	16,945.67	26,086.14	4,384,807.29
8/1/2013	80	43,031.81	16,845.45	26,186.36	4,358,620.93
9/1/2013	81	43,031.81	16,744.85	26,286.96	4,332,333.97
10/1/2013	82	43,031.81	16,643.86	26,387.95	4,305,946.02
11/1/2013	83	43,031.81	16,542.48	26,489.33	4,279,456.69
12/1/2013	84	43,031.81	16,440.72	26,591.09	4,252,865.60
1/1/2014	85	43,031.81	16,338.56	26,693.25	4,226,172.35
2/1/2014	86	43,031.81	16,236.01	26,795.80	4,199,376.55
3/1/2014	87	43,031.81	16,133.07	26,898.74	4,172,477.81
4/1/2014	88	43,031.81	16,029.73	27,002.08	4,145,475.73
5/1/2014	89	43,031.81	15,925.99	27,105.82	4,118,369.91

Date	Debt Service Number	Debt Service	Interest 4.6101%	Principal Retired	Remaining Balance ⁽¹⁾
6/1/2014	90	43,031.81	15,821.86	27,209.95	4,091,159.96
7/1/2014	91	43,031.81	15,717.32	27,314.49	4,063,845.47
8/1/2014	92	43,031.81	15,612.39	27,419.42	4,036,426.05
9/1/2014	93	43,031.81	15,507.05	27,524.76	4,008,901.29
10/1/2014	94	43,031.81	15,401.30	27,630.51	3,981,270.78
11/1/2014	95	43,031.81	15,295.15	27,736.66	3,953,534.12
12/1/2014	96	43,031.81	15,188.59	27,843.22	3,925,690.90
1/1/2015	97	43,031.81	15,081.63	27,950.18	3,897,740.72
2/1/2015	98	43,031.81	14,974.25	28,057.56	3,869,683.16
3/1/2015	99	43,031.81	14,866.46	28,165.35	3,841,517.81
4/1/2015	100	43,031.81	14,758.25	28,273.56	3,813,244.25
5/1/2015	101	43,031.81	14,649.63	28,382.18	3,784,862.07
6/1/2015	102	43,031.81	14,540.59	28,491.22	3,756,370.85
7/1/2015	103	43,031.81	14,431.14	28,600.67	3,727,770.18
8/1/2015	104	43,031.81	14,321.26	28,710.55	3,699,059.63
9/1/2015	105	43,031.81	14,210.96	28,820.85	3,670,238.78
10/1/2015	106	3,684,338.97	14,100.22	3,670,238.78	-
TOTAL		\$ 7,980,286.18	\$ 2,010,930.18	\$ 5,969,356.00	

⁽¹⁾ A prepayment premium shall be payable by the Obligor equal to 6% of the entire principal balance if prepaid in the Debt Service Number 0 through 10 of the Note Term; 5% of the entire principal balance if prepaid in the Debt Service Number 11 through 47 of the Note Term; 4% of the entire principal balance if prepaid in the Debt Service Number 38 through 71 of the Note Term; 3% of the entire principal balance if prepaid in the Debt Service Number 72 through 83 of the Note Term; 2% of the entire principal balance if prepaid in the Debt Service Number 84 through 95 of the Note Term; and 1% of the entire principal balance if prepaid in the Debt service Number 96 through 105 of the Note Term.

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ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("Escrow Agreement") is made and entered into as of December 29, 2006, by and among DEUTSCHE BANK NATIONAL TRUST COMPANY as escrow agent, a national trust company (the "Escrow Agent"), BANC OF AMERICA PUBLIC CAPITAL CORP, a Kansas corporation, as Lender ("Lender") and WEST PENN ALLEGHENY FOUNDATION, LLC, a limited liability company existing under the laws of the Commonwealth of Pennsylvania, as Obligor ("Obligor").

In the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

ARTICLE 1: RECITALS.

Section 1.01. Lender, Issuer and Obligor have entered into a Master Financing Agreement, and Schedules No. 1, No. 2, No. 3 and No. 4 thereto, each dated as of December 29, 2006 (together, the "Agreement"), duplicate originals of which have been furnished to the Escrow Agent. Pursuant to the Agreement, the Allegheny County Hospital Development Authority, as Issuer (the "Issuer") in order to finance for Obligor the acquisition of certain personal property described in Schedules No. 1, No. 2, No. 3 and No. 4 (the "Equipment") will issue its Notes to Lender ("Series 2006B1, Series 2006B2, Series 2006B3 and Series 2006B4), and lend the proceeds thereof to Obligor, and Obligor has agreed to make payments to Lender, as assignee of Issuer, in the manner and on the terms set forth in the Agreement. This Escrow Agreement is not intended to alter or change the rights and obligations of Lender, Issuer, and Obligor under the Agreement, but is entirely supplemental thereto.

Section 1.02. The terms capitalized in this Escrow Agreement but not defined herein shall have the meanings given to them in the Agreement.

Section 1.03. Under the Agreement, upon the execution of the Schedules No. 1, No. 2, No. 3 and No. 4 and this Escrow Agreement and the delivery to Lender by Issuer and Obligor of all documents required to be delivered upon execution of the Agreement, Lender is required to deposit or cause to be deposited with the Escrow Agent the sum of \$24,000,000.00 which is required to be credited to the Equipment Acquisition Fund established in Article 2 hereof and used to pay the Contract Price of the items of Equipment and to pay the costs of issuance associated with the Closing of the Agreement, and, to the extent not needed for these purposes, to pay or prepay Principal coming due under the Agreement; all as hereinafter provided.

Section 1.04. Under the Agreement, Obligor will cause each item of Equipment to be ordered from the Vendor therefor. The Contract Price to be paid to the Vendors supplying the Equipment shall be paid solely from the amount deposited with the Escrow Agent as described in Section 1.03 hereof, in accordance with this Escrow Agreement.

Section 1.05. Lender, Issuer, and Obligor agree to employ the Escrow Agent to receive, hold, invest and disburse the moneys to be deposited with the Escrow

Agent by Lender as described in Section 1.03, all as hereinafter provided; however, the Escrow Agent shall not be obligated to assume or perform any obligation of Issuer, Obligor or Lender or any Vendor with respect thereto or under the Agreement by reason of anything contained in this Escrow Agreement.

Section 1.06. Each of the parties has authority to enter into this Escrow Agreement, and has taken all actions necessary to authorize the execution hereof by the officers whose signatures are affixed hereto.

ARTICLE 2: EQUIPMENT ACQUISITION FUND.

Section 2.01. The Escrow Agent shall establish a special escrow fund designated as the "Banc of America Public Capital Corp/West Penn Allegheny Foundation, LLC Acquisition Fund" with four sub-accounts for Schedule No. 1, Schedule No. 2, Schedule No. 3 and Schedule No. 4, (collectively the "Equipment Acquisition Fund"), shall keep such Equipment Acquisition Fund separate and apart from all other funds and moneys held by it and shall administer such Equipment Acquisition Fund as provided in this Escrow Agreement.

Section 2.02. All moneys deposited with the Escrow Agent by Lender pursuant to Section 1.03 of the Escrow Agreement shall be credited to the Equipment Acquisition Fund. The Escrow Agent shall use the moneys in the Equipment Acquisition Fund to pay the Contract Price of each item of Equipment subject to the Agreement, and to pay the costs of issuance associated with the Closing of the Agreement, upon receipt with respect thereto of a Payment Request Form attached hereto as Exhibit A, executed by Lender and Obligor, fully completed and with all supporting documents described therein attached thereto. Upon receipt of a Payment Request Form with respect to any item of Equipment, or costs of issuance, an amount equal to the Contract Price or charge, as shown therein shall be paid directly to the person or entity entitled to payment as specified therein. Obligor and Lender shall submit a Payment Request Form to Escrow Agent no more than once each calendar month during the term of this Escrow Agreement, except for the initial and the final disbursements from the Equipment Acquisition Fund. Obligor shall submit to Lender the supporting documents required for the execution of a Payment Request Form(s) by the 15th day of the month during which a disbursement from the Equipment Acquisition Fund is requested.

Section 2.03. Obligor shall furnish to the Escrow Agent as soon as available a copy of the purchase orders for all Equipment subject to Schedules No. 1, No. 2, No. 3 and No. 4 which Obligor has or will order pursuant to the Agreement, showing the Contract Price and the estimated delivery date. On June 28, 2008, or such later date as agreed to by the parties, the Escrow Agent shall pay: (1) to Lender an amount equal to the deposit made by Lender pursuant to Section 1.03, less the amount thereof previously disbursed to pay the Contract Price of any item of Equipment, and less an amount thereof equal to the Contract Price of all items of Equipment for which the Escrow Agent has received a copy of the purchase order relating thereto or a Payment Request Form and which has not been paid; and (2) to Obligor the entire remaining balance on deposit in the Equipment Acquisition Fund. The amount paid to Lender shall, at Lender's election upon consultation with the Obligor, be applied to pay the Principal portion of the next Loan Payment thereafter coming due under the Agreement or to pay and prepay a proportionate amount of

the Principal portion of all Loan Payments thereafter coming due under the Agreement including any prepayment premium. If prepayment is selected, Lender shall furnish to Obligor a new Loan Payment schedule reflecting any changes in Loan Payments due to any prepayment.

Section 2.04. Upon receipt of written notice from Lender that an Event of Default has occurred and is continuing under Section 12.01 of the Agreement, and that Lender has declared the unpaid principal amount of the Loan (and the related obligations) then outstanding, all interest accrued and unpaid thereon and all amounts payable under the Agreement to be forthwith due and payable, the Escrow Agent shall liquidate all investments held in the Equipment Acquisition Fund and transfer the proceeds thereof and all other moneys held in the Equipment Acquisition Fund to Lender to be applied to any prepayment premium, Loan Payments and any other amounts due under the Agreement, as determined by Lender.

Section 2.05. The Escrow Agent shall only be responsible for the safekeeping and investment of the moneys held in the Equipment Acquisition Fund, and the disbursement thereof in accordance with this Article, and shall not be responsible for the authenticity or accuracy of such certifications or documents, the application of amounts paid pursuant to such certifications by the persons or entities to which they are paid, or the sufficiency of the moneys credited to the Equipment Acquisition Fund to make the payments herein required.

ARTICLE 3: MONEYS IN EQUIPMENT ACQUISITION FUND; INVESTMENT.

Section 3.01. The moneys and investments held by the Escrow Agent under this Escrow Agreement are irrevocably held in trust for the benefit of Obligor and Lender, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Obligor or Lender. Lender, Obligor and the Escrow Agent intend that the Equipment Acquisition Fund constitute an escrow account in which Lender has a security interest, and such security interest is hereby granted by Obligor to secure payment of all sums due to Lender under the Agreement. For such purpose, the Escrow Agent hereby agrees to act as agent for Lender in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Equipment Acquisition Fund, Lender's interest therein. If the Equipment Acquisition Fund, or any part thereof, is converted to investments as set forth in this agreement, such investments shall be in the name of the Escrow Agent and the Escrow Agent hereby agrees to hold such investments as bailee for Lender so that Lender is deemed to have possession of such investments for the purpose of perfecting its security interest.

Section 3.02. Moneys in the Equipment Acquisition Fund shall be invested and reinvested by the Escrow Agent upon order of Obligor only in Qualified Investments, as defined in Section 3.05. Such investments shall be registered in the name of the Escrow Agent and held by the Escrow Agent for the benefit of Lender and Obligor. With the approval of Obligor, the Escrow Agent may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Article. Such

investments and reinvestments shall be made giving full consideration for the time at which funds are required to be available.

Section 3.03. The Escrow Agent shall, without further direction from Obligor, sell such investments as and when required to make any payment from the Equipment Acquisition Fund. Any income received on such investments shall be credited to the Equipment Acquisition Fund.

Section 3.04. The Escrow Agent shall furnish to Issuer, Obligor and Lender, an accounting of all investments and interest and income therefrom. Such accounting shall be furnished no less frequently than every month and upon request of Lender or Obligor. The Escrow Agent shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it in accordance with this Article.

Section 3.05. As used in this Agreement, the term "Qualified Investments" means (a) securities which are general obligations of or are guaranteed as to the payment of principal and interest by the United States of America; (b) obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Bank System, Government National Mortgage Association, Farmers Home Administration, Federal Home Loan Mortgage Corporation or Federal Housing Administration; (c) commercial paper issued by corporations organized under the laws of a state of the United States which is rated in the highest rating category by Standard & Poor's Corporation or Moody's Investors Service, Inc.; (d) money market funds registered under the Investment Company Act of 1940 whose shares are registered under the Securities Act of 1933 and which have a rating of "AAAm-G", "AAAm" or "AAm" of Standard & Poor's Corporation; or (e) certificates of deposit issued by or other forms of deposit in any nation or state bank to the extent that such deposits are fully insured by the Federal Deposit Insurance Corporation or any successor agency which is backed by the full faith and credit of the United States. In the absence of written instructions, the Escrow Agent is hereby authorized and directed to invest and reinvest all funds on hand in the Federated Government Obligations Money Market Fund, Fund 703 (AAAm/Aaa).

Section 3.06. Any income realized on investments acquired with moneys first deposited by the Lender hereunder may be invested without regard to yield for a period not to exceed one year from the date of receipt of such investment income. Any such investment income that is held for more than one year may, thereafter, be invested in obligations that bear a yield that does not exceed the yield of the Agreement.

The Obligor hereby particularly covenants and agrees with the Escrow Agent that no part of the proceeds of the Loan shall at any time be used directly or indirectly to acquire securities or obligations the acquisition of which would cause any of the Agreement and its related Notes to be arbitrage bonds as defined in Section 148 of the Code and the regulations issued hereunder.

ARTICLE 4: ESCROW AGENT'S AUTHORITY; INDEMNIFICATION.

Section 4.01. The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instructions in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution, or validity of any instrument deposited with it, nor as to the identity, authority or right of any person executing the same; and its duties hereunder shall be limited to those specifically provided herein.

Section 4.02. Unless the Escrow Agent is guilty of gross negligence or misconduct with regard to its duties hereunder, Obligor and Lender jointly and severally hereby agree to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Escrow Agreement; and in connection therewith, to indemnify the Escrow Agent against any and all expenses, including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim. The Escrow Agent shall be vested with a lien on all property deposited hereunder for indemnification, for reasonable attorneys' fees, court costs, for any suit, interpleader or otherwise, or any other expenses, fees or charges of any character or nature, which may be incurred by the Escrow Agent by reason of disputes arising among Issuer, Obligor and Lender as to the correct interpretation of the Agreement or this Escrow Agreement and instructions given to the Escrow Agent hereunder, or otherwise, with the right of the Escrow Agent, regardless of the instructions aforesaid, to hold the said property until and unless said additional expenses, fees and charges shall be fully paid.

Section 4.03. If Obligor or Lender shall be in disagreement about the interpretation of the Agreement or this Escrow Agreement, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Escrow Agent shall be reimbursed by Obligor for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Escrow Agreement until a final judgment in such action is received.

Section 4.04. The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel.

The Escrow Agent shall otherwise not be liable for any mistakes of facts or errors of judgment, or for any acts or omissions of any kind unless caused by its negligence or misconduct.

ARTICLE 5: CHANGE OF ESCROW AGENT.

Section 5.01. A national banking association located in the United States or a state bank or trust company organized under the laws of a state of the United States, qualified as a depository of public funds, may be substituted to act as Escrow Agent under this Escrow Agreement upon agreement of the parties hereto. Such substitution shall not be deemed to affect the rights or obligations of the parties. Upon any such substitution, the Escrow Agent agrees to assign to such substitute Escrow Agent its rights under this Escrow Agreement.

Section 5.02. The Escrow Agent or any successor may at any time resign by giving mailed notice to Issuer, Obligor and Lender of its intention to resign and of the proposed date of resignation, which shall be a date not less than 30 days after such notice is deposited in the United States mail with postage fully prepaid, unless an earlier resignation date and the appointment of a successor Escrow Agent shall have been or are approved by Obligor and Lender.

Section 5.03. The Escrow Agent may appoint an agent to exercise any of the powers, rights or remedies granted to the Escrow Agent under this Escrow Agreement, and to hold title to property or take any other action which may be desirable or necessary.

ARTICLE 6: ADMINISTRATIVE PROVISIONS.

Section 6.01. The Escrow Agent shall keep complete and accurate records of all moneys received and disbursed under this Escrow Agreement, which shall be available for inspection by Issuer, Obligor or Lender, or the agent of any of them, at any time during regular business hours.

Section 6.02. All written notices to be given under this Escrow Agreement shall be deemed to have been duly given when personally delivered or when deposited by mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below, or at such address as the party may provide to the other parties hereto in writing from time to time.

If to Lender: Banc of America Public Capital Corp
2059 Northlake Parkway, 4th Floor
Tucker, Georgia 30084-5399
Attn: P. Wesley Yount, III
Fax. (404) 532-2950

If to Issuer: Allegheny County Hospital
Development Authority
425 Sixth Avenue, Suite 800
Pittsburgh, Pennsylvania 15218
Attn: Authorities Manager
Fax: (412) 642-2217

If to Obligor: West Penn Allegheny Foundation, LLC
c/o West Penn Allegheny Health System, Inc

Escrow Agreement

Allegheny General Hospital
320 East North Avenue, 16th Floor
Pittsburgh, Pennsylvania 15212
Attn: Thomas S. Albanesi, Jr.
Fax: (412) 330-6070

If to Escrow Agent: Deutsche Bank National Trust Company
200 South Tryon Street, Suite 550
Charlotte, North Carolina 28202
Attn: Mike Weber
Fax: (704) 333-5850

Section 6.03. This Escrow Agreement, together with Schedules and Attachments hereto, constitutes the entire agreement of the parties relative to the Equipment Acquisition Fund. This Escrow Agreement shall be construed and governed in accordance with the laws of the Commonwealth of Pennsylvania.

Section 6.04. Any provisions of this Escrow Agreement found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Escrow Agreement or the Agreement.

Section 6.05. This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Specifically, as used herein the term "Lender" means any person or entity to whom Lender has assigned its right to receive payments under the Master Financing Agreement and the Equipment Schedule and any payments due to Lender hereunder from after the date when such assignment is filed with the Escrow Agent.

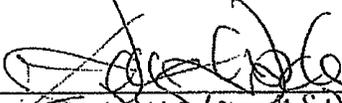
Section 6.06. This Escrow Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Agreement.

Section 6.07. This Escrow Agreement shall terminate upon disbursement by the Escrow Agent of all moneys held by it hereunder.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement
as of the day and year first written above.

DEUTSCHE BANK NATIONAL
TRUST COMPANY,
as Escrow Agent

By: 
Name: Michael Ueber
Title: V.P.
An Authorized Officer

By: 
Name: S. Saldas M.C.D.D.E.
Title: V.P.
An Authorized Officer

BANC OF AMERICA PUBLIC
CAPITAL CORP,
as Lender

By: _____
Name: _____
Title: _____
An Authorized Officer

WEST PENN ALLEGHENY
FOUNDATION, LLC,
as Obligor

By: _____
Name: _____
Title: _____
An Authorized Officer

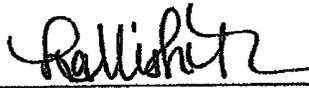
IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the day and year first written above.

DEUTSCHE BANK NATIONAL
TRUST COMPANY,
as Escrow Agent

By: _____
Name: _____
Title: _____
An Authorized Officer

By: _____
Name: _____
Title: _____
An Authorized Officer

BANC OF AMERICA PUBLIC
CAPITAL CORP,
as Lender

By:  _____
Name: LaMesh Abram
Title: Vice President
An Authorized Officer

WEST PENN ALLEGHENY
FOUNDATION, LLC,
as Obligor

By: _____
Name: _____
Title: _____
An Authorized Officer

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement
as of the day and year first written above.

DEUTSCHE BANK NATIONAL
TRUST COMPANY,
as Escrow Agent

By: _____
Name: _____
Title: _____
An Authorized Officer

By: _____
Name: _____
Title: _____
An Authorized Officer

BANC OF AMERICA PUBLIC
CAPITAL CORP,
as Lender

By: _____
Name: _____
Title: _____
An Authorized Officer

WEST PENN ALLEGHENY
FOUNDATION, LLC,
as Obligor

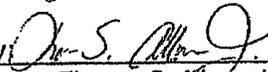
By:  _____
Name: Thomas S. Albanesi, Jr., CPA, FHFMA
Title: Assistant Treasurer
An Authorized Officer

EXHIBIT A

Payment Request Form No. _____

DEUTSCHE BANK, NATIONAL TRUST COMPANY, Escrow Agent under an Escrow Agreement dated as of December 29, 2006, by and among Escrow Agent, BANC OF AMERICA PUBLIC CAPITAL CORP ("Lender"), and WEST PENN ALLEGHENY FOUNDATION, LLC ("Obligor") is hereby requested to pay, from the Equipment Acquisition Fund held under said Escrow Agreement, to the persons, firms or corporations designated below as payee, the amount set forth opposite each such name, in payment of the Acquisition Costs (as defined in said Escrow Agreement) of the Equipment designated opposite such payee's name and account and described on the attached page(s). The Equipment comprises a portion of the Equipment described in Schedule No. ___ (the "Schedule") to the Financing Agreement described in the Escrow Agreement.

Payee	Contract Price Invoice No.	Equipment
-------	----------------------------	-----------

The undersigned hereby certifies that attached hereto is a duplicate original or certified copy of the following documents relating to the order, delivery and acceptance of the Equipment described in this Payment Request Form: (1) an Equipment purchase order form; (2) a manufacturer's or dealer's invoice; and (3) Obligor's acceptance certificate relating to the Equipment in the form prescribed by the Agreement described in the Escrow Agreement; provided that if the payment is a progress payment no separate acceptance certificate shall be required.

Dated: _____, 200__

Received and Approved:

WEST PENN ALLEGHENY
FOUNDATION, LLC
as Obligor

BANC OF AMERICA
PUBLIC CAPITAL CORP.,
as Lender

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Escrow Agreement

Obligor's Certificate of Acceptance

Part I:

WEST PENN ALLEGHENY FOUNDATION, LLC (the "Obligor"), as Obligor under that certain MASTER FINANCING AGREEMENT dated as of December 29, 2006 (the "Master Financing Agreement"), and under Schedule No. ___ thereto dated as of December 29, 2006 (collectively, the "Agreement"), each with BANC OF AMERICA PUBLIC CAPITAL CORP, as Lender ("Lender"), and the ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY, as Issuer, hereby certifies and represents to, and agrees with Lender and Issuer as follows:

(1) The Equipment described in Part II below (the "Equipment") is of a size, design, capacity and manufacture selected by Obligor, and has been delivered to the location indicated on Schedule No. ___, found to be properly installed and in good condition and functioning according to manufacturers specifications.

(2) The Obligor has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes on the Equipment Acceptance Date set forth in Part II; provided, however, that this certification does not constitute a waiver by Obligor of any rights against third parties, including the Vendor(s) under the Purchase Agreement(s) with respect to such Equipment, which exist at the date hereof or which may subsequently come into being.

(3) The Obligor is currently maintaining the insurance coverage required by Section _____ of the Master Financing Agreement.

(4) All representations and warranties of the Obligor contained in the Agreement are true and correct in all material respects as of the date hereof.

(5) That Lender is authorized to pay the Vendor(s) for the Equipment listed herein, or the Payees for the costs of issuance associated with the Closing of the Agreement.

Part II:

Equipment Acceptance Date: _____

The Equipment which is governed by the Agreement identified in Part I above is as follows:

- a.
- b.
- c.

Escrow Agreement

UPE-0009711

Part III:

Attached are the invoices of the Vendor(s) or Payees for the Equipment and other expenses listed herein.

Executed as of the Equipment Acceptance Date.

West Penn Allegheny
Foundation, LLC,
as Obligor

By: _____

Name: _____

Title: _____
An Authorized Officer

Document Divider

Execution Copy

MASTER HELICOPTER LEASE AGREEMENT

between

WEST PENN ALLEGHENY FOUNDATION,
as Lessor

and

ALLEGHENY GENERAL HOSPITAL
and
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
as Lessee

Dated as of December 29, 2006

UPE-0009713

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MASTER LEASE AGREEMENT

This Master Lease Agreement (the "Master Lease") dated as of the 1st day of December 2006, is entered into between West Penn Allegheny Foundation, LLC, a Pennsylvania limited liability company ("LLC"), Allegheny General Hospital, a Pennsylvania nonprofit corporation ("AGH") and West Penn Allegheny Health System, Inc. ("WPAHS"). The AGH and the WPAHS are referred to herein, jointly and severally, as the "Lessees."

RECITALS:

- A. LLC is a supporting organization of WPAHS, a 501(c)(3) charitable organization organized for the purpose of supporting the delivery of health care in the western Pennsylvania region through, among other things, support of certain affiliated nonprofit charitable hospitals and related charitable organizations including AGH. The LLC, in furtherance of its purpose, purchases and leases equipment ("Equipment") for lease or sublease to the Lessees for use in their health care operations.
- B. LLC has entered into a Master Financing Agreement dated as of December 29, 2006 (the "Master Financing Agreement"), among Banc of America Public Capital Corp. as Lender (the "Lender"), Allegheny County Hospital Development Authority as Issuer (the "Issuer") and LLC as Obligor, under which the parties thereto may enter into Equipment Schedules from time to time to finance LLC's purchase of the Equipment.
- C. Lessees desire to lease from LLC one or more pieces of Equipment financed under Equipment Schedules.

NOW THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, and intending to be legally bound hereby, the parties hereto agree as follows.

ARTICLE 1

DEFINITIONS

Section 1.01. Definitions. The following terms used herein will have the meanings indicated below unless the context clearly requires otherwise.

"Additional Payments" means the amounts other than Basic Lease Payments, payable by the Lessees as set forth in Section 8.03 hereof.

"After-Tax Basis" means, with respect to any Basic Lease Payment, the amount of such Basic Lease Payment supplemented by a further payment in an amount sufficient so that the sum of the two payments, after deduction of all Federal or State

income taxes (and any interest or penalties thereon) resulting from the receipt of the two payments, shall be equal to the amount of such Basic Lease Payment.

"Annual Administrative Fee" means, with respect to any Equipment Schedule, the annual fee, if any, for the general administrative services of the Issuer in the amount set forth in the related Equipment Schedule.

"Basic Lease Payments" means those scheduled payments (but excluding, the Annual Administrative Fees, indemnifications and reimbursements and Additional Payments) payable by Lessees pursuant to the provisions of this Master Lease Agreement and each Lease Agreement, as specifically set forth therein. As provided in Article IV hereof, Basic Lease Payments shall be payable by the Lessees directly to the Lender in the amounts and at the times set forth in the applicable Lease Agreement.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized on the subject of municipal bonds and acceptable to Lender.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and regulations issued thereunder.

"Contract Price" means the price of an item of Equipment, including, if approved by the Lender in its sole discretion, the cost of installation and training, but excluding the cost of any service contract, as set forth in the applicable Purchase Agreement relating thereto.

"Determination of Taxability" means any final determination, decision or decree by the Commissioner of Internal Revenue or any court of competent jurisdiction that an Event of Taxability shall have occurred. A determination of Taxability also shall be deemed to have occurred on the first to occur of the following:

- (a) the date when the LLC or a Lessee files any statement, supplemental statement, or other tax schedule, return or document, which discloses that an Event of Taxability shall have occurred;
- (b) the date when lender, Issuer, LLC or a Lessee shall be advised by the Commissioner of Internal Revenue or any District Director of Internal Revenue that an Event of Taxability shall have occurred; or
- (c) the effective date of any Federal legislation enacted after the date of this Agreement that causes an Event of Taxability.

"Equipment" means the fixed and moveable personal property to be used in connection with Lessee's health care operations, which property shall be identified in an Equipment Schedule and identified as part of the Master Financing Agreement (including to the extent permitted pursuant to the Code without jeopardizing the tax-exempt status of the interest on any Note certain items originally financed through internal advances of

Lessee in anticipation of obtaining permanent financing through Issuer), together with all replacement parts, additions, repairs, modifications, substitutions, accessions and accessories incorporated therein and/or affixed to such personal property.

"Equipment Schedule" means, with respect to the provision of the Equipment under the Master Financing Agreement, a schedule of Equipment and Loan Payments, which has been executed by the Lender, Issuer and LLC which reasonably identifies the Equipment subject to such schedule, which sets forth the Annual Administrative Fee, the Loan Payments and Prepayment Price payable in respect thereof, and which states the Loan Term applicable thereto and certain other matters. Equipment Schedules shall be numbered consecutively beginning with 1, and each Equipment Schedule shall be accompanied by the attachments, if any, referred to in such schedule.

"Event of Taxability" with respect to any Note means: (i) the application of the proceeds of such Note in such manner that such Note becomes an "arbitrage bond" within the meaning of the Code, and with the result that interest on such Note is or becomes includable in holder's gross income; (ii) if as a result of any act, failure to act or use of the proceeds of any Note or any misrepresentation or inaccuracy in any of the representations, warranties or covenants contained in any Agreement by Issuer, LLC or Lessees or the enactment of any Federal legislation after the date of this Agreement, the interest on any Note is or becomes includable in a holder's gross income, or (iii) any revocation or challenge of the determination letter from the Internal Revenue Service regarding status of either Lessee as a 501 (c)(3) organization.

"Lender" means, with respect to each Lease Agreement, Bank of America Public Capital Corp and any assignee of the rights and remedies of the Lender under that Lease Agreement.

"Lease Agreement" means a Lease Agreement incorporating this Master Lease Agreement, as the same may be amended or modified from time to time, including the accompanying attachments and documents relating thereto, which shall constitute a fully integrated transaction existing in accordance with its own terms and conditions separate from and independent of all other transactions pursuant to this Master Lease Agreement.

"Master Financing Agreement" means the Master Financing Agreement dated as of December 29, 2006, among Lender, Issuer, and the LLC.

"Note" means a promissory note of Issuer issued to finance the cost of Equipment for the LLC pursuant to an Equipment Schedule.

"Note Term" means with respect to any Note, the term specified in the applicable Equipment Schedule.

"Prepayment Price" means, with respect to a Lease Agreement, the amount which the LLC may pay or cause to be paid to the Lender in order to prepay its obligations

under the Equipment Schedule under which the Equipment subject to that Lease Agreement was financed, as provided in Article X of the Master Financing Agreement, such amount being set forth in the Equipment Schedule covering that Equipment plus all other amounts then owed under such Equipment Schedule by LLC including the prepayment premium payable, if any, as set forth or described in such Equipment Schedule and any money owed to the Issuer.

"Purchase Agreements" means each of the purchase agreements for the Equipment with each Vendor of the Equipment.

"State" means the Commonwealth of Pennsylvania.

"Vendor" means the manufacturer or other supplier of an item of Equipment, as well as the agents or dealers of such manufacturer or supplier, from whom the LLC has purchased or is purchasing items of Equipment.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of the Master Financing Agreement, and all related Agreements thereto:

- (a) Words of the masculine gender mean and include correlative words of the feminine and neuter genders.
- (b) Words importing the singular number mean and include the plural number and vice-versa.
- (c) The headings and the table of contents are solely for convenience of reference and shall not constitute a part of the Master Financing Agreement, nor shall they affect its meaning, construction or effect.
- (d) Words importing persons include any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

ARTICLE II

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.01. Representations and Warranties of the Parties Hereto. LLC and Lessee each represent and warrant to each other that as of the date hereof:

- (a) It is duly organized and validly existing under the laws of the jurisdiction of its incorporation or establishment and has full power and legal right to execute and deliver, and to perform its obligations under, this Master Lease Agreement;

(b) The execution, delivery and performance by it of this Master Lease Agreement have been and remain duly authorized and do not and will not contravene any provision of its certificate of incorporation or by-laws (or equivalent documents or statutory authorizations) or any law, ordinance, regulation or contractual restriction binding on or affecting it or its assets;

(c) All consents, authorizations and approvals requisite for the due execution, delivery and performance by it of this Master Lease Agreement have been obtained and remain in full force and effect and all conditions have been duly complied with, and no other action by, and no notice to or filing with, any governmental authority or regulatory body is required for such execution, delivery or performance;

(d) This Master Lease Agreement is its legal, valid and binding obligation enforceable in accordance with its terms, except to the extent that the enforcement thereof may be limited by applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); and

(e) There is no proceeding pending or, to its knowledge, threatened against it at law or in equity, or before any governmental instrumentality or in any arbitration, which would materially impair its ability to perform its obligations under this Master Lease Agreement, and there is no such proceeding which purports or is likely to affect the legality, validity or enforceability of this Master Lease Agreement.

Section 2.02. Additional Representations, Warranties and Covenants of the Lessees. Each Lessee further represents, warrants and covenants, for the benefit of LLC, the Lender, as follows:

(a) Each Lessee is, and throughout the term of the Master Lease Agreement and each Lease Agreement shall continue to be (i) a non-profit corporation, duly organized and existing under the laws of the State of Pennsylvania for purposes which include the provision of health care services; (ii) an organization described in Section 501(c)(3) of the Code which is not a "private foundation" as defined in Section 509(a) of the Code; and (iii) authorized to lease, sublease, purchase and hold real and personal property, to borrow money to finance the purchase of such property, and to grant security interests in and liens upon such property;

(b) Each Lessee shall do or cause to be done all things necessary to preserve and keep in full force and effect its existence as an organization described in Section 501(c)(3) of the Code which is not a "private foundation" as defined in Section 509(a) of the Code;

(c) The Equipment is, and during the period the Master Financing Agreement is in force will remain, either (i) personal property and, when subjected to use by the Lessees hereunder, will not be or become fixtures or, (ii) if any portion of the Equipment may be considered to be a fixture, the Lessees shall cause filings to be made with the applicable governmental officials and offices to create and preserve for the Lender a perfected first priority security interest in the Equipment;

(d) During the Note Term, except as otherwise permitted by the Master Financing Agreement, the Equipment shall be used by the Lessees only in conjunction with their corporate purposes of performing services related to their status as organizations described in Section 501(c)(3) of the Code and consistent with the permissible scope of the Lessees' authority and will not be used in an unrelated trade or business of the Lessees or in the trade or business of any person or entity other than Lessees;

(e) During the period the Master Financing Agreement is in force the Lessees shall provide to the Lender and the Issuer (i) within ten (10) days after any tax or other lien shall attach to any Equipment, written notification of the full particulars thereof and the location of such Equipment on the date of such notification; (ii) annually within one hundred and twenty (120) days of the close of each fiscal year, the Lessees' balance sheet and profit and loss statement, certified by a recognized firm of public accountants; (iii) within ninety (90) days of the close of each fiscal quarter of Lessees, Lessees' quarterly consolidated financial report certified by the chief financial officer of WPAHS; and (iv) within fifteen (15) days of each such request other financial information relating to the ability of the Lessees to continue performing hereunder as may, from time to time, be reasonably requested by the Lender or the Issuer (any such consolidated financial statements may include entities in addition to the Lessees if the financial statements of the Lessees are set forth separately on Schedules included therewith);

(f) As among Lender, Issuer, LLC and Lessees, the Lessees assume full responsibility for the safety and any consequences of lack of safety with respect to the operation and maintenance of the Equipment.

(g) With respect to any Equipment leased hereunder, the property at which the Equipment may be located will be properly zoned for its current and anticipated use and the use of the Equipment will not violate any applicable zoning, land use, environmental or similar law or restriction. The Lessees have, or will obtain, all licenses and permits to use the Equipment and, where required by law, the Lessees have received any required certificates of need for the acquisition and installation of such Equipment.

(h) The execution and delivery of the Master Financing Agreement, including Equipment Schedules, and any other related documentation, and the fulfillment of, or compliance with, these documents does not conflict with, or result in a breach, or default, of any of the terms, conditions or provisions of the

authorizing documents of either Lessee (including debt limitations) or of any material agreement, contract or other instrument, or law, ordinance, regulation or judicial or other governmental order to which either Lessee is now a party or by which either Lessee or its properties are otherwise subject or bound.

(i) The audited financial statements of Lessees and the unaudited financial statements of Lessees provided to Lender correctly and fairly present the financial condition of Lessees as of the dates and for the periods stated therein, and the results of the operations of Lessees for each of such periods, respectively, all in accordance with generally accepted accounting principles consistently applied except as stated in the Notes thereto, and there has been no material adverse change in the condition, financial or otherwise, of either Lessee from that set forth in said financial statements, except as disclosed in writing to Lender.

(j) The financial statements referred to in paragraph (i) of this Section do not, nor do the representations and warranties of Lessees in this Master Lease Agreement, the Lease Agreements or any written statement furnished by either Lessee to Lender, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein not misleading. There is no fact which Lessees have not disclosed to Lender in writing which materially affects adversely or, so far as Lessees can now foresee, will materially affect adversely the financial condition of Lessees, their status as Tax-Exempt Organizations, their ability to own and operate their properties or their ability to make the payments hereunder and under the Lease Agreements when and as the same become due and payable.

Section 2.03. Tax Covenants

(a) It is the intention of the parties hereto that the interest on each Note received by the Lender under any Equipment Schedule be and remain excludable from gross income for purposes of federal income taxation.

(b) LLC covenants that, with respect to the law of federal income taxation, it will not, at any time, perform any act, or fail to perform any act that shall have the effect of terminating such exclusion from gross income of the interest on any Note for federal income tax purposes.

(c) The Lessees covenant that they will take any and all other actions lawfully within their powers and applicable to the acts done or omitted by Lessees so as to maintain an exclusion from gross income for federal income tax purposes of the interest on each Note, and that they will not perform any act or enter into any agreement or use or permit the use of the Equipment or any portion thereof in a manner that will have the effect of terminating such exclusion from gross income for federal income tax purposes of the interest on any Note received by Lender.

(d) The Lessees covenant that they will not perform any act or enter into any agreement that will adversely affect the status of either Lessee as an organization described in Section 501 (c)(3) of the Code and will conduct their operations in a manner that will conform to the standards necessary to qualify each Lessee as an organization described in Section 501(c)(3) of the Code.

(e) The Lessees covenant that they will not use or permit the use of any Equipment in any manner, or for any trade or business unrelated to the exempt purpose of the Lessees, which could adversely affect the exclusion from gross income for federal income tax purposes of the interest on any Note. The Lessees will not lease the Equipment to or permit the use of the Equipment by any person that is not either (i) an organization exempt from federal income taxation under Section 501(c)(3) of the Code which is not using the Equipment in any trade or business that constitutes an unrelated trade or business as defined in Section 513 of the Code with respect to that organization or in any private business use within the meaning of Section 141 of the Code or (ii) a governmental unit (other than the Federal government).

(f) Lessees will pay any arbitrage rebate due to the United States of America in connection with any Note issued under the Master Financing Agreement and any Equipment Schedule thereto and covenants that they will not take or permit any action or omit to take any action that would cause any Note to be an arbitrage bond within the meaning of Section 148 of the Code. Without limiting the generality of the foregoing, the Lessees shall not create or establish any sinking fund, pledged fund or other similar fund to secure or provide the Basic Lease Payments, the Loan Payments under the Master Financing Agreement or payments on any Note. Neither the Lessees, nor any person related to it within the meaning of Section 147(a)(2) of the Code, shall acquire an interest in any Note pursuant to the Issuer's financing program in an amount related to the aggregate principal components of the Notes.

(g) The Lessees covenant that they will not take any action or permit or suffer any action to be taken or condition to exist if the result of such action or condition would be to cause the Notes to be guaranteed directly or indirectly in whole or in part by the United States or by any agency or instrumentality thereof.

(h) Neither Lessee will consolidate with or merge into any person, or permit any other person to merge into it, or sell all or substantially all its assets (in a transaction analogous in purpose or effect to a consolidation or merger) unless an opinion of Bond Counsel is obtained and provided to Lender to the effect that the exclusion of the interest on each Note from gross income for federal income tax purposes will not be affected by such action.

ARTICLE III

TERM OF LEASE AGREEMENTS

Section 3.01. Commencement of Term. The term applicable to any Lease Agreement shall commence on the date specified therein and shall terminate as provided therein subject to any election by Lender, as the LLC's assignee, to terminate this Master Lease Agreement under Article XI due to the Lessees' default hereunder.

Section 3.02. Termination of Master Lease Agreement. This Master Lease Agreement shall terminate upon the termination of all Lease Agreements in effect on July 1 that immediately precedes the fifteenth anniversary of the date of the Master Lease Agreement and no Lease Agreement shall be executed following that date.

ARTICLE IV

LEASE PAYMENTS

Section 4.01. Basic Lease Payments. As to each Lease Agreement, the Lessee shall pay to the LLC or, upon notice from the Lender that an Event of Default has occurred under the Master Financing Agreement, shall pay to the Lender the Basic Lease Payments in the amounts and at the times specified in that Lease Agreement and shall pay to the appropriate person all other payments and fees due hereunder. The Basic Lease Payments shall be payable without notice or demand when due at such place as the recipient shall direct in writing at the time the Equipment Schedule is executed or such other place as the recipient may from time to time designate in writing.

The obligations of Lessees to make payment of the Basic Lease Payments and all other payments and fees due hereunder, as well as to perform and observe all other covenants hereunder, shall be absolute and unconditional in all events, without abatement, diminution, deduction, set-off or defense for any reason, including without limitation any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation, destruction or unforeseen circumstances. Notwithstanding any dispute between Lessees and any of the LLC, Issuer, Lender, any Vendor or any other person, the Lessees shall make all Basic Lease Payments and Additional Payments when due and shall not withhold any Basic Lease Payments or Additional Payments pending final resolution of such dispute, nor shall Lessees assert any right of set-off or counterclaim against its obligation to make such payments required under this Master Lease Agreement.

Section 4.02. Appointment of Servicer. The Lender shall have the right to designate an entity to act as the "Servicer" for the collection of Basic Lease Payments payable by the Lessees, the enforcement of remedies or the distribution of funds to one or more holders of a Note or interests in the Master Financing Agreement or in any of the Equipment Schedules. Any Servicer appointed under this section shall be a corporation, a trust company or a bank having the powers of a trust company, in each case having a

capital and surplus of not less than \$25,000,000. Any such Servicer shall notify the LLC, Lessees and Lender of its acceptance of the appointment and, upon giving such notice, shall become Servicer, vested with all the property, rights and powers of the Servicer hereunder, without any further act or conveyance. Such Servicer shall execute, deliver, record and file such instruments as are required to confirm or perfect its acceptance hereunder and set forth its duties hereunder. The Lender shall be responsible for all fees and expenses of the Servicer.

Section 4.03. Annual Administrative Fees. The Lessees shall pay to the Issuer the Annual Administrative Fee in installments on the dates set forth in each related Equipment Schedule. The obligation to pay the Annual Administrative Fee shall continue until all the Lessees' obligations under this Master Lease Agreement have been paid in full.

ARTICLE V

TITLE TO EQUIPMENT; SECURITY INTEREST OF LENDER

Section 5.01. Title. Legal title to the Equipment, including, if applicable, any software license component thereof, governed by a Lease Agreement shall be in LLC. The Lessees shall at all times protect and defend, at its own cost and expense, LLC's title to the Equipment from and against all claims, liens and legal processes of creditors of LLC or the Lessee, and keep all Equipment free and clear of all such claims, liens and processes. The Equipment is and shall remain personal property. Upon the occurrence of an Event of Default under any Equipment Schedule or the Master Financing Agreement, (i) the Lender may exercise the remedies described in Article XI thereof, including taking possession and sale of the Equipment; and (ii) upon request by the Lender, the Lessees shall deliver possession of the Equipment to the Lender.

Section 5.02. Security Interest. The Master Financing Agreement and each Equipment Schedule thereto are intended to constitute a security agreement within the meaning of the Uniform Commercial Code of the State of Pennsylvania (the "UCC"). In order to secure all of its obligations under the Master Financing Agreement and each Equipment Schedule to the Issuer, and to Lender as the Issuer's assignee, LLC has granted to Lender as assignee of Issuer a purchase money security interest constituting a first lien on any and all right, title and interest of LLC in the Equipment and in all additions, attachments, accessions, and substitutions thereto, and on any proceeds therefrom. Lessees acknowledge and agree that their interest in and rights to the Equipment under this Master Lease Agreement and the Lease Agreements are subordinate and subject to Lender's security interest in the Equipment and Lender's rights under the Master Financing Agreement and Equipment Schedules. Lessees will execute and deliver any documents requested by Lender to acknowledge or evidence Lender's interest in the Equipment.

Section 5.03. Liens and Encumbrances. Except as provided in Sections 5.01 and 5.02 above, Lessees shall promptly discharge any liens placed on the Equipment including, without limitation, any mechanic's or materialmen's liens. If requested by

Lender, Lessees shall obtain any landlord's and mortgagee's waiver of rights to the Equipment as fixtures or otherwise. Furthermore, if requested by the Lender, Lessees shall obtain the waiver of any interest in the Equipment from any owner of, or a secured party with an interest in, equipment on which the Equipment becomes an accession. To the extent that the Equipment would be subject to a lien under any agreement or other instrument to which a Lessee or any affiliate of a Lessee is a party, the Lessees shall obtain a waiver of such lien.

Section 5.04. Change in Name, Corporate Structure or Principal Place of Business. Lessees shall provide written notice to LLC, the Lender of any change in the name, corporate structure, or principal place of business of either Lessee. Such notice shall be provided thirty (30) days in advance of the date that such change is planned to take effect.

Section 5.05. Inspection of Equipment. The Lender shall have the right at all reasonable times during business hours, upon reasonable advance notice to Lessees, to enter into and upon the property on which the Equipment is located for the purpose of inspecting the Equipment, to observe its use and operation or to remove the Equipment pursuant to Article XII of the Master Financing Agreement or Article XI hereof, whether or not the Equipment is located on the Lessees' property or elsewhere.

Section 5.06. Location. The Equipment shall be located in the place designated in the Equipment Schedule pertaining thereto.

ARTICLE VI

MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

Section 6.01. Use and Maintenance of Equipment by the Lessees. Upon acceptance of the Equipment as provided by the Master Financing Agreement, care of such Equipment shall be solely the obligation and responsibility of the Lessees, who shall care for and promptly make and effect all repairs, replacements, and the like as may be necessary to maintain the Equipment in good working order and running condition at all times in accordance, at a minimum, with the manufacturer's then prevailing specifications therefor. The cost of such care, maintenance, repairs, replacements, parts and the like shall be borne solely by Lessees. Lessees shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law, license or insurance policy provision, including the provisions of the applicable Purchase Agreement relating thereto, or in any manner contrary to that contemplated by the Lease Agreement or the purchase agreement applicable thereto. The Lessees shall secure all permits and licenses, if any, necessary for the installation, use, operation, modification and upgrade of the Equipment. The Lessees shall comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with the laws of each jurisdiction in which its operations involving the Equipment may extend and

any legislative, executive, administrative or judicial body exercising power over the Equipment or the Lease Agreement applicable thereto.

The Equipment shall be based on behalf of Lessees at the site or sites described in the related Equipment Schedule, and the Equipment's base shall not be moved to any other location except upon advance written notice to Lender as discussed in the related Equipment Schedule or unless an opinion of Bond Counsel is obtained and provided to Lender to the effect that the exclusion of interest on each Note from gross income for federal income tax purposes will not be adversely affected by such move. Any and all costs of moving the Equipment during a Note Term shall be borne solely by the Lessees. The Equipment shall not be used by any person or entity other than the Lessees for Lessees' tax-exempt purposes. LLC, the Lender and Issuer shall be entitled to inspect the Equipment or observe its use and operation during reasonable business hours regardless of whether the Equipment is located on the Lessees' property or is located elsewhere.

Lessees assume full responsibility for the safety and any consequences of lack of safety with respect to the operation and maintenance of the Equipment while the Lessees have possession or control of the Equipment. In connection with the execution of any Equipment Schedule, the Lender may require that LLC and Lessees agree to comply with any special or additional maintenance provisions or requirements which are not inconsistent with the manufacturer's requirements, as the Lender shall require. Such additional maintenance provisions shall be set forth as the attachment to any such Equipment Schedule and shall constitute part of the applicable Lease Agreement.

Section 6.02. Taxes, Other Governmental Charges and Utility Charges. The parties hereto contemplate that the Equipment will be used for the tax-exempt purposes of LLC and the Lessees and, therefore that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes, if any, of the Lender) the Lessees shall pay, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, the Lessees shall be obligated to pay only such installments as have accrued during the time this Master Lease Agreement is in effect. Notwithstanding the provisions set forth above, the Lessees shall not be required to cause to be paid and discharged any obligation, tax, assessment, charge, levy or claim so long as its validity is contested in the normal course of business and in good faith by appropriate and timely proceedings and the Lessees set aside on their books adequate reserves with respect to each tax, assessment, charge, levy or claim so contested, nor shall the Lessees be required to pay or discharge any indebtedness or charge which is not past its stated due date by more than thirty (30) days.

Section 6.03. Risk of Loss; Damage; Destruction; Condemnation. As to each Lease Agreement, Lessees assume all risk of loss of or damage to the Equipment governed thereby from any cause whatsoever, and no such loss of or damage to such Equipment nor defect therein nor unfitness or obsolescence thereof shall relieve the Lessee of the obligation to make Basic Lease Payments or to perform any other obligation under such Lease Agreement. In the event of damage to any item of Equipment, the Lessees immediately shall place the same in good repair, and, when received, shall apply the proceeds of any insurance recovery to the costs incurred in making such repairs. If the Lender reasonably determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessees shall, at their option, either (a) replace the same with like property in good condition pursuant to Article VIII hereof, or (b) on the next date when a Basic Lease Payment is due, pay to the Lender (i) all amounts then owed by the Lessees under the Lease Agreement governing such Equipment, including the Basic Lease Payment due on such date, and (ii) an amount equal to that portion of the Prepayment Price due on such date determined by the Lender to be applicable to the Equipment lost, stolen, destroyed or damaged beyond repair (which shall be applied to the simultaneous prepayment of the Note which financed that Equipment.)

Section 6.04. Insurance.

(a) Lessees shall, at their own expense, cause casualty, public liability and property damage insurance, for such amounts and against such hazards as the LLC and the Lender may reasonably require, to be carried and maintained, or demonstrate to the satisfaction of the LLC and the Lender that adequate self-insurance is provided with respect to the Equipment sufficient to protect the full replacement value of the Equipment and to protect the Lender, LLC, Issuer and Lessees from liability in all events. All insurance proceeds from casualty losses shall be payable to the Lender, LLC and Lessees as hereinafter provided. Lessees shall furnish to the Lender certificates of insurance evidencing such coverage throughout the Note Term. Alternatively, upon the written approval of the LLC and the Lender, which approval may not be unreasonably withheld, the Lessees may insure the Equipment under a blanket insurance policy or policies that cover not only the Equipment but also other property of the Lessees.

(b) Any insurance policy carried or maintained pursuant to this section shall be so written or endorsed as to make losses, if any, payable to LLC, Lender and Lessees as their respective interests may appear and naming the Lender, the LLC and the Issuer as additional insured for liability. The Net Proceeds (as defined in Section 8.01) of the insurance required in this section shall be applied as provided in Article VIII hereto. Each insurance policy provided for in this section shall contain a provision to the effect that the insurance company shall not cancel the policy, or fail to renew the policy, or modify the policy materially and adversely to the interest of LLC, Issuer or the Lender, without first giving written notice thereof to LLC, Issuer and the Lender at least 30 days in advance of such cancellation, modification or non-renewal.

Section 6.05. Advances. In the event the Lessees shall fail to maintain the full insurance coverage required above or shall fail to keep the Equipment in good repair and operating condition, the Lender or LLC may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by Lender or LLC, together with interest thereon as provided in Section 11.05 shall be repaid by Lessees as Additional Payments in accordance with the terms of Section 8.03.

Section 6.06. Modifications and Substitutions.

(a) The Lessees shall not without the prior written consent of LLC and Lender make any material alterations, modifications, additions, substitutions, subtractions or improvements to the Equipment which materially decrease the value or the functional capabilities of the Equipment or which cannot be removed without materially damaging the functional capabilities or economic value of the Equipment. In the event the Equipment is required to be delivered to the Lender, the Lessees, at its sole cost and expense, and at the request of the Lender, will remove all alterations, modifications and additions and repair the Equipment as necessary to return the Equipment to the condition in which it was furnished, ordinary wear and tear and permitted modifications excepted.

(b) Notwithstanding the provisions of subparagraph (a) of this section, the Lessees may, with the prior written consent of LLC and the Lender, substitute for parts, elements, portions or all of the Equipment, other parts, elements, portions, equipment or facilities; provided, however, that any substitutions made pursuant to the Lessees' obligations to make repairs referenced under Section 6.01 or 7.01 hereof shall not require such prior written consent. The Lessees shall make any such permitted substitutions using only parts, elements, equipment or other material of equal quality to those contained in the Equipment as originally delivered to the Lessees by the Vendor thereof. The LLC and Lessees shall provide such documents or assurances as the Lender may reasonably request to maintain or confirm Lender's security interest in the Equipment as so modified or substituted.

ARTICLE VII

DAMAGE, DESTRUCTION AND CONDEMNATION;
USE OF NET PROCEEDS

Section 7.01. Damage, Destruction and Condemnation. Unless LLC shall have exercised the option to prepay its Loan Payments under the applicable Equipment Schedule with respect to the Equipment by making payment of the Prepayment Price as provided in the Master Financing Agreement, if during the term of a Lease Agreement (a) the Equipment or any portion thereof is destroyed (in whole or in part), lost, secreted, stolen or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the estate of LLC or the Lessees in the Equipment or any

part thereof shall be taken under the exercise of the power of eminent domain by any governmental authority, then the Lessees shall, at Lender's option in consultation with Lessee, promptly either: (i) pay to Lender from the Net Proceeds (as defined below) an amount equal to the Prepayment Price of such item as of the next following Basic Lease Payment date (and all other amounts due hereunder); or, (ii) replace such Equipment with other replacement equipment of like kind and having the same or greater value, utility and useful life. Notwithstanding any such event of loss or condemnation, in the event of any such substitution, the Lessees' obligation to pay Basic Lease Payments and Additional Payments hereunder shall continue without abatement or delay.

In the event of any substitution of Equipment, immediately upon the effectiveness of such substitution and without further act, (i) title to such replacement equipment shall vest in LLC free and clear of all liens other than the first priority security of Lender under the related Equipment Schedule; (ii) LLC's title to the replaced equipment shall be free and clear of all rights of the Lender's liens and shall no longer be deemed Equipment hereunder; and, (iii) such replacement equipment shall become Equipment for all purposes under this Master Lease Agreement. Upon the substitution of replacement equipment, the following documents shall be duly authorized, executed and delivered by the respective party or parties thereto, and shall be in full force and effect upon delivery to the Lender:

- (a) a full warranty bill of sale in form and substance satisfactory to the Lender, covering the replacement equipment, executed by the owner thereof;
- (b) evidence satisfactory to Lender that the replacement equipment being substituted is of like kind and has equal or greater value, useful life and utility than the Equipment it replaces;
- (c) all documentation reasonably requested by Lender to effectuate a first-in-priority lien and security interest in the replacement equipment being substituted; and,
- (d) all other documents Lender reasonably deems necessary.

For purposes of Section 6.04 and this Article VII, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including reasonable attorney's fees) incurred in the collection of such claim or award.

Section 7.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement referred to in Section 7.01 hereof, the Lessees shall either (i) complete the work to the satisfaction of the Lender and LLC, and pay any cost in excess of the amount of the Net Proceeds, in which event if the Lessees shall make any payments pursuant to the provisions of this section, the Lessees shall not be entitled to any reimbursement therefor from LLC, the Lender or Issuer nor shall Lessees be entitled to any diminution of

the amounts payable under Article IV hereof; or (ii) if the Lessees are not then in default hereunder, pay to or cause to be paid to the Lender the amount of the then applicable Prepayment Price. The amount of the Net Proceeds in excess of the then applicable Prepayment Price plus all other amounts due hereunder, if any, may be retained by the Lessees.

ARTICLE VIII

DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT

Section 8.01. Disclaimer of Warranties. LLC, THE LENDER AND ISSUER MAKE NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS OR WORKMANSHIP, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, USE OR OPERATION, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT, TITLE OR FITNESS FOR USE OF THE EQUIPMENT, OR ANY COMPONENT THEREOF OR ANY OTHER WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT THERETO AND, AS TO LLC, THE LENDER AND ISSUER, THE OBLIGORS' LEASE OF THE EQUIPMENT SHALL BE ON AN 'AS IS' BASIS. All such risks, as between the Lender, LLC, Issuer and Lessees, are to be borne by the Lessees. Without limiting the foregoing, LLC, the Lender and Issuer shall have no responsibility or liability to the Lessees or any other person with respect to any of the following: any liability, loss or damage caused or alleged to be caused directly or indirectly by the Equipment, any inadequacy thereof, any deficiency or defect (latent or otherwise) therein, or any other circumstances in connection therewith; the use, operation or performance of the Equipment or any risks relating thereto; any interruption of service, loss of business or anticipated profits or consequential damages; or the delivery, operation, servicing, maintenance, repair, improvement or replacement of the Equipment. If, and so long as, no default exists under a Lease Agreement, the Lessees shall be, and hereby are, authorized during the term of that Lease Agreement to assert and enforce, at the Lessees' sole cost and expense, from time to time, in the name of LLC, whatever claims and rights LLC may have against the Vendor or any prior title holder or possessor of the Equipment. In no event shall LLC, the Lender or Issuer be liable for any loss or damage in connection with or arising out of any Lease Agreement, the Equipment, or the existence, furnishing, functioning or the Lessees' use of any item or products or services provided for in this Master Lease Agreement.

Section 8.02. Vendor's Warranties. LLC hereby irrevocably appoints the Lessees its agent and attorney-in-fact during the Note Term, so long as the Lessees shall not be in default hereunder, to assert from time to time whatever claims and rights including warranties of the Equipment which LLC may have against the Vendor. Lessees' sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against either or any of LLC, the Lender and Issuer, nor shall such matter have any effect whatsoever on the rights and obligations of LLC or the Lender with respect to this Master Lease Agreement, including the right to

receive full and timely payments under this Master Lease Agreement and each Lease Agreement. The Lessees expressly acknowledge that LLC, Lender and the Issuer make, and have made, no representation or warranty whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 8.03. Additional Payments. The Lessees shall pay to the Lender or the LLC, as Additional Payments hereunder, in addition to the Basic Lease Payments payable by the Lessees, such amounts in each year as shall be required by the Lender or the LLC in payment of any reasonable costs and expenses, incurred by the Lender or the LLC in connection with the execution, performance or enforcement of the Master Lease Agreement or, upon an Event of Default under the Master Financing Agreement resulting from Lessee's breach of the Master Lease Agreement, enforcement of remedies under the Master Financing Agreement, including but not limited to payment of all reasonable fees, costs and expense and all reasonable administrative costs of the Lender or the LLC in connection with the Equipment, reasonable expenses (including, without limitation, attorneys' fees and disbursements), reasonable fees of auditors or attorneys, insurance premiums not otherwise paid hereunder and all other reasonable, direct and necessary administrative costs of the Lender or the LLC or charges required to be paid by it in order to comply with the terms of, or to enforce its rights under, each Lease Agreement or Equipment Schedule. Such Additional Payments shall be billed to the Lessees by the Lender or the LLC from time to time, together with a statement certifying that the amount so billed has been paid by the Lender or the LLC for one or more of the items described, or that such amount is then payable by the Lender or the LLC for such items. Amounts so billed shall be due and payable to the Lender within thirty (30) days after receipt of the bill by the Lessees.

ARTICLE IX

PREPAYMENT

Section 9.01. Mandatory Prepayment.

(a) A Lease Agreement shall be subject to mandatory prepayment upon the occurrence of an Event of Default.

(b) If all or substantially all of the assets of Lessor or either Lessee, including its interest in this Master Lease Agreement and the Equipment, are acquired in any manner by another entity, the Lessees may be required, at the direction of the Lender, to prepay in whole the then applicable Prepayment Prices for all Lease Agreements if, among other pertinent reasons, Lender in its reasonable discretion determines that the creditworthiness of the other entity immediately after the acquisition is less than the creditworthiness of Lessor or that Lessee, as appropriate, immediately before the acquisition.

ARTICLE X

ASSIGNMENT, INDEMNIFICATION, MORTGAGING AND SELLING

Section 10.01. Assignment by LLC or Lender. Simultaneously with the execution and delivery of each Lease Agreement, LLC will assign all of its rights and remedies under that Lease Agreement to the Lender as an inducement to Lender to purchase the Note which is financing the Equipment under that Lease Agreement. Lessee hereby consents to that assignment. Lender may further assign its rights and remedies under a Lease Agreement without the consent of the LLC or the Lessees.

Section 10.02. No Sale, Assignment or Subleasing by Lessees. This Master Lease Agreement, any Lease Agreement and the interest of the Lessees in the Equipment may not be sold, assumed, assigned or encumbered, and the Equipment may not be leased or subleased, by the Lessees without the prior written consent of the LLC and the Lender and an opinion of Bond Counsel addressed to the LLC and the Lender to the effect that the exclusion of the interest on each Note from gross income for federal income tax purposes will not be affected by such action. No agreement or interest therein and no Equipment shall be subject to involuntary assignment, sublease, transfer or sale or to assignment, sublease, transfer or sale by operation of law in any manner whatsoever except as expressly provided in this Master Lease Agreement, and any such attempted assignment, sublease, transfer or sale shall be void and of no effect and shall, at the option of the Lender, constitute an Event of Default hereunder.

Section 10.03. (a) Indemnification. As to this Master Lease Agreement and each Lease Agreement, the Lessees agree: (i) to indemnify and hold harmless the Lender, and the Issuer and their agents, employees, officers, attorneys and directors from and, at the Lessees' expense, defend the Lender and Issuer and their agents, employees, officers, attorneys and directors against any and all claims, actions, proceedings, expenses, damages or liabilities whatsoever, and expenses in connection therewith including, without limitation, attorneys' fees and expenses, penalties and interest, arising out of or as the result of the entering into this Master Lease Agreement, each Lease Agreement or each Purchase Order including expenses and fees arising out of events described in paragraph (b) of this Section; any act of negligence of the Lessees, its officers, agents, contractors, servants, employees, licensees or invitees in connection with such Equipment or agreement; the recovery of claims under insurance policies on such Equipment; the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of such Equipment; arising out of or as a result of any violation of or non-compliance with any applicable environmental law or permit as such may relate to the Equipment or any use thereof; arising out of any treatment, handling, storage, processing or disposal or related aspect or action with respect to environmental matters as such may relate to the Equipment or any use thereof; or any accident in connection with the operation, use, condition, possession, storage or return of any item of such Equipment, any of the foregoing of which result in damage to property or the injury to or death of any person including, without limitation, latent and other defects, whether or not discernable by the Lender, LLC, Issuer or Lessees and any claim for

patent, trademark or copyright infringement; (ii) that the indemnification arising under this section shall continue in full force and effect notwithstanding the full payment of all obligations hereunder or under any Lease Agreement or the termination of this Master Lease Agreement or any Lease Agreement for any reason; and (iii) that it shall not withhold or abate any portion of the payments required pursuant to any Lease Agreement by reason of any defects, malfunctions, breakdowns or infirmities of the Equipment governed thereby. All amounts which become due from the Lessees under this section shall be payable by the Lessees within thirty (30) days following demand therefor by the Lender or the Issuer and shall survive the termination or expiration of this Master Lease Agreement and the subject Lease Agreement.

(b) Tax Indemnification. If at any time there is a Determination of Taxability with respect to any Note, Lender shall either instruct Issuer by written notice to Issuer and Lessees to call, and upon the giving of such notice, Issuer shall be deemed to have called such Note for redemption and Lessees shall pay to Lender the applicable Prepayment Price (plus accrued and unpaid interest) on the date specified in such notice (which shall be within 30 days of the Determination of Taxability). In addition, Lessees shall make a payment to Lender on such call date, or on the date of the first Note payment after the Determination of Taxability sufficient to indemnify Lender on an After-Tax Basis for any Federal or State taxes imposed on any prior Interest Payment as a result of such Determination of Taxability.

Section 10.04. Limitations of Liability. In no event, whether as a result of breach of contract, warranty, tort (including negligence or strict liability), indemnity or otherwise, shall the Lender, its assignees, if any, LLC or the Issuer be liable to Lessee for any special, consequential, incidental or penal damages including, but not limited to, loss of profit or revenue, loss of use of the Equipment or any associated equipment, service materials or software, damage to associated equipment, service materials or software, cost of capital, cost of substitute equipment, service materials or software, facilities, services or replacement power, down time costs or claims of the Lessee's patients for such damages, or costs and claims associated with any treatment, handling, storage, processing or disposal or related aspect or action incurred with respect to environmental matters, and the Lessee shall indemnify and hold harmless the Lender, LLC and Issuer from any such damages.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default. The following constitute "Events of Default" under this Master Lease Agreement:

- (a) failure by the Lessees to pay within ten (10) days of when due any Basic Lease Payment or to pay any other payment required to be paid hereunder or under any agreement between the Lender and the Lessee; or

(b) failure by the Lessees to maintain insurance on the Equipment in accordance with Section 6.04 hereof; or

(c) failure by the Lessees to observe and perform any other covenant, condition or agreement on its part to be observed or performed hereunder, including without limitation, a breach of the Lessees' tax covenants contained in Section 2.03 hereof, or under any other agreement between the Lender and a Lessee, as the case may be, with respect to a Lease Agreement, for a period of thirty (30) days after written notice is given to Lessees by the Lender, specifying such failure and requesting that it be remedied or performed provided that if corrective action is instituted by the Lessees within the applicable period and diligently pursued, the Lender shall not unreasonably withhold consent to an extension of the time period to address the default; or

(d) initiation by a Lessee of a proceeding under any federal or state bankruptcy or insolvency law seeking relief under such laws concerning the indebtedness of the Lessee; or

(e) a Lessee (i) is determined by the Lender to have made any material false or misleading statements or representation in connection with a Lease Agreement, or (ii) sells, assigns, subleases, or otherwise transfers or encumbers all or any part of its interest in a Lease Agreement or the Equipment without the Lender's prior written consent.

Section 11.02. Remedies on Default. Whenever any Event of Default shall have occurred and be continuing, the Lender, as assignee of LLC, shall have the right, at its sole option to take any one or any combination of the following remedial actions with respect to any or all Lease Agreements under which it is the assignee of LLC:

(a) Without any further demand or notice, declare all unpaid Basic Lease Payments not otherwise due under any or all of the Lease Agreements (which portion shall be deemed to be equal to the then applicable Prepayment Price under the Equipment Schedule or Equipment Schedules which financed the Equipment leased thereunder) to be immediately due and payable;

(b) Require the Lessees to assemble the Equipment at a place reasonably convenient to both the Lender and Lessees; and use or operate the Equipment for the purpose of preserving it;

(c) With or without terminating this Master Lease Agreement or any Lease Agreement, take possession of the Equipment wherever situated, without any court order or other process of law and without liability for entering the premises, and lease, sublease or make other disposition of the Equipment for use over a term in a commercially reasonable manner, all for the account of the Lender or the Lessees; provided that the Lessees shall remain directly liable for the deficiency, if any, between (i) the rent or other amounts paid by a lessee of the

Equipment pursuant to such lease or sublease during the same period of time, after deducting all costs and expenses, including reasonable attorney's fees and expenses incurred with respect to the recovery, repair and storage of the Equipment during such period of time and (ii) the sum of the Prepayment Price plus Additional Payments and all other amounts due hereunder:

(d) With or without terminating this Master Lease Agreement or any Lease Agreement, take possession of the Equipment wherever situated, without any court order or other process of law and without liability for entering the premises, and sell any or all of the Equipment at a public or private sale, or otherwise dispose of, hold, use, operate, lease to others or keep idle the Equipment, with ten (10) days' notice to the Lessees, all free and clear of any rights of the Lessees and LLC; provided that any and all such actions be taken in a commercially reasonable manner, all proceeds from such sale to be applied in the following manner:

FIRST, to pay all proper and reasonable costs and expenses associated with the recovery, repair, storage and sale of the Equipment, including reasonable attorneys' fees and expenses,

SECOND, to pay (i) the Lender the amount of all unpaid Basic Lease Payments, if any, which are then due and owing, together with interest and late charges thereon, (ii) the Lender the then applicable Prepayment Price (taking into account the payment of past due Basic Lease Payments as aforesaid), plus interest thereon at the rate utilized to establish the interest on the Note which financed that Equipment from the next preceding due date of a Basic Lease Payment until the date of payment by the buyer, and (iii) the Lender any other amounts due hereunder, including indemnity payments, reimbursement of any advances, Additional Payments and other amounts payable to the Lender hereunder,

THIRD, to pay to the appropriate person any other amounts due hereunder, and

FOURTH, to pay the remainder of the sale proceeds, purchase moneys or other amounts paid by a buyer of the Equipment to the Lessees;

(e) Proceed by appropriate court action to enforce performance by the Lessees of the applicable covenants of this Master Lease Agreement or to recover for the breach thereof, including the payment of all amounts due from the Lessees, in which event the Lessees shall pay or repay to the Lender all costs of such action or court action including without limitation, reasonable attorneys' fees; and

(f) Take whatever action at law or equity may appear necessary or desirable to enforce its rights with respect to the Equipment, in which event the

Lessees shall pay or repay to the Lender all costs of such action or court action, including, without limitation, reasonable attorneys' fees.

To the extent permitted by applicable law, the Lessees hereby waive any rights now or hereafter conferred by statute or otherwise which might require the Lender to use, sell, lease or otherwise dispose of any Equipment in mitigation of the Lender's damages or which might otherwise limit or modify any of the Lender's rights hereunder.

All of the Lessees' right, title and interest in any Equipment the possession of which is retaken by the Lender upon the occurrence of any Event of Default (including, without limitation, construction contracts, warranties, guaranties or completion assurances applicable to such Equipment) shall pass to the Lender, and the Lessees' rights in such Equipment shall terminate immediately upon such repossession.

Section 11.03. Delivery of Equipment. If an Event of Default has occurred and is continuing, the Lessees shall allow the Lender, as LLC's assignee, to recover the Equipment at the Lessees' sole cost and expense, including without limitation, all costs of transportation. The cost of all transportation of Equipment of any nature prior to the expiration or prior termination of a Lease Agreement will be at the Lessees' sole expense. In the event that the Lessees make modifications to a site after any Equipment has been installed therein and such modifications impede the removal of the Equipment, the cost of removing the impediments and restoring the site shall be the sole expense of the Lessees.

Section 11.04. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Lender, as LLC's assignee, is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Master Lease Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any such right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lender to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be required by this Article. All remedies herein conferred upon or reserved to the Lender shall survive the termination of this Master Lease Agreement.

Section 11.05. Late Charge; Interest on Late Payment. Any Basic Lease Payment, Additional Payments or other amounts payable by the Lessees to or for the benefit of the LLC or the Lender hereunder and not paid by the Lessees on the due date thereof or amounts advanced by the LLC or the Lender under Section 7.05 shall, to the extent permissible by law, bear a one-time late charge equal to four percent (4%) of the amount of the past due Basic Lease Payment, Additional Payments or other amounts. In addition, any amounts unpaid or so advanced, will bear interest at the lower of 18% and the highest rate permitted by law from the due date or the date advanced until the date paid.

ARTICLE XII
MISCELLANEOUS

Section 12.01. Notices. All notices pursuant to this Master Lease Agreement shall be in writing, may be delivered by messenger, facsimile, tested telex or certified mail, return receipt requested, and shall be effective upon receipt thereof. All notices shall be directed to the party intended as the recipient thereof at the address of such party set forth below, or at such other address or to the attention of such other person as such party shall have designated for such purpose in a written notice:

If to the LLC:	West Penn Allegheny Foundation, LLC 320 East North Avenue, 16 th Floor Pittsburgh, Pennsylvania 15216
If to the Lessees:	Allegheny General Hospital 320 East North Avenue, 16 th Floor Pittsburgh, Pennsylvania 15216 West Penn Allegheny Health System 320 East North Avenue, 16 th Floor Pittsburgh, Pennsylvania 15216
If to the Lender:	Banc of America Public Capital Corp 2059 Northlake Parkway, Suite 400 Tucker, Georgia 30084

Section 12.02. Binding Effect. This Master Lease Agreement shall inure to the benefit of and shall be binding upon LLC, Lessees and their respective successors and assigns, if any. This Master Lease Agreement is also for the benefit of the Lender, and the Lender is a third-party creditor-beneficiary hereof.

Section 12.03. Severability. In the event any provision of the Master Lease Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 12.04. Amendments. To the extent permitted by law, the terms of the Master Lease Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the parties hereto and the Lender, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

Section 12.05. No Recourse under this Master Lease Agreement or any Lease Agreement. All covenants, stipulations, promises, agreements and obligations of the Lender, LLC and Lessees contained in this Master Lease Agreement and any Lease Agreement shall be deemed to be the covenants, stipulations, promises, agreements and

obligations of LLC and Lessees respectively, and not of any director, member, officer or employee of LLC or Lessees or any person executing this Master Lease Agreement or any Lease Agreement.

Section 12.06. Execution in Counterparts. This Master Lease Agreement or any Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument and any of the parties hereto may execute the Master Lease Agreement or any Lease Agreement by signing any such counterpart.

Section 12.07. Applicable Law. This Master Lease Agreement shall be governed by and construed in accordance with the laws, excluding the laws relating to the choice of law, of the State.

Section 12.08. Jury Trial Waiver. THE PARTIES TO THIS MASTER LEASE AGREEMENT HEREBY UNCONDITIONALLY WAIVE, IN A KNOWING AND INTENTIONAL MANNER, THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS MASTER LEASE AGREEMENT, ANY AGREEMENT, ANY OF THE RELATED DOCUMENTS, ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN THEM. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court (including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims). THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS MASTER LEASE AGREEMENT, ANY LEASE AGREEMENT, ANY RELATED DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THIS TRANSACTION OR ANY RELATED TRANSACTION. In the event of litigation, this Master Lease Agreement may be filed as a written consent to a trial by the court.

Section 12.09. Captions. The captions or headings in this Master Lease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Master Lease Agreement.

Section 12.10. Entire Agreement. This Master Lease Agreement together with the Lease Agreements, and the attachments thereto, attached hereto constitutes the entire agreement between LLC and Lessees. There are no understandings, agreements, representations or warranties, express or implied, not specified herein regarding the Master Lease Agreement or the Equipment leased hereunder. A Lease Agreement shall not be effective or binding upon the respective parties hereunder until it is executed on its behalf by one of its authorized officers.

Section 12.11. Waiver. The Lender's, LLC's or Lessees' failure to enforce at any time or for any period of time any provision of a Lease Agreement shall not be construed to be a waiver of such provision or of the right of the Lender, LLC or Lessees thereafter to enforce each and every provision. No express or implied waiver by the Lender, LLC or Lessees of any default or remedy of default shall constitute a waiver of any other default or remedy of default, or a waiver of any of the Lender's, LLC's or Lessees' rights.

Section 12.12. Disclosure of Information. Except as may be otherwise consented to in a subsequent writing signed by a duly authorized representative of the Lender, any information, suggestion or idea transmitted by the Lessees to the Lender or the LLC is not to be regarded as secret or submitted in confidence and no compensation of any kind or in any amount will be paid to the Lender or the LLC if either of such parties elect to use such information, suggestion or idea.

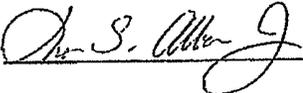
Section 12.13. Survivability. All of the limitations of liability and indemnities contained in a Lease Agreement shall continue in full force and effect notwithstanding the expiration or early termination of the Lease Agreement and are expressly made for the benefit of, and shall be enforced by, the Lender, LLC and Lessees, or their successors and assigns.

Section 12.14. Helicopter Addenda and Riders. Addenda relating to Helicopter (the "Helicopter Addenda") and Cape Town Convention Riders (the "Helicopter Riders") will be entered into by LLC in connection with the Equipment Schedules. Lessees hereby (i) represent and warrant that all representations and warranties contained in the Helicopter Addenda and Helicopter Riders are true and correct, (ii) assume all obligations of the LLC under Section 7 of the Helicopter Addenda (other than LLC's obligations under Section 7(e)(2) thereof) and (iii) acknowledge Lender's rights, remedies and security interest under the Helicopter Addenda and Helicopter Riders and that Lessee's rights under the Lease Agreements are subordinate and subject to Lender's rights, remedies and security interest under the Helicopter Addenda and Helicopter Riders as well as Lender's other rights, remedies and security interests under the Equipment Schedules.

Section 12.15. Lessees' Obligations. Each of Lessees' obligations hereunder are joint and several obligations of each Lessee.

IN WITNESS WHEREOF, the parties hereto have executed the Master Lease Agreement in their respective corporate names by a duly authorized officer, all as of the date first written above.

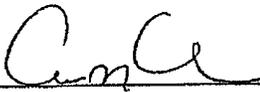
WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 

Title: Assistant Treasurer

LESSEES:

ALLEGHENY GENERAL HOSPITAL

By: 

Title: President and CEO

WEST PENN ALLEGHENY HEALTH
SYSTEM

By: 

Title: President and CEO

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UPE-0009742

LEASE AGREEMENT NO. 1
dated as of December 29, 2006
under
MASTER LEASE AGREEMENT
dated as of December 29, 2006
between
WEST PENN ALLEGHENY FOUNDATION,
as Lessor
and
ALLEGHENY GENERAL HOSPITAL
and
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
as Lessee

THIS LEASE AGREEMENT NO. 1 (this "Lease Agreement") under the Master Lease Agreement identified above (the "Master Lease Agreement") is entered into as of December 29, 2006, between West Penn Allegheny Foundation as lessor ("LLC") and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees ("Lessees"). All of the provisions of the Master Lease Agreement are incorporated herein by reference as if fully set forth herein, and capitalized terms used herein and not defined shall have the meanings assigned them in the Master Lease Agreement.

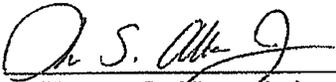
1. LLC hereby leases to Lessees the Equipment identified in Exhibit 1 hereto (the "Equipment") subject to and upon the terms and conditions set forth in his Lease Agreement.
2. Lessees hereby certify that the description of the Equipment set forth above is accurate and reasonably identifies it. The Equipment identified in item 1 above shall serve the medical community throughout Allegheny County and western Pennsylvania, and have its base of operation located at Allegheny General Hospital, 320 East North Avenue, Pittsburgh, Allegheny County, Pennsylvania. It is possible that at any time during the term of this Agreement, Obligor upon notice to Purchaser shall move its base of operation to any of the following locations: (i) Indiana Regional Medical Center, White Township, Indiana County, Pennsylvania; (ii) Rostraver Airport, Belle Vernon, Westmoreland County, Pennsylvania; or, (iii) Greensburg-Jeannette Regional Airport, Greensburg, Westmoreland County, Pennsylvania.
3. The terms of this Lease Agreement shall commence on December 29, 2006, and shall terminate on December 29, 2014, unless earlier terminated in accordance with Article XI of the Master Lease Agreement.
4. Basic Lease Payments shall be due on the 29th day of each month (or, in the case of a February having no February 29, on February 28), beginning on January 29, 2007, and continuing to and including December 29, 2014. The Basic Lease Payments shall consist of 95 payments of \$43,629.58 each (due January 29, 2007 through November 29, 2014) followed by a final payment of \$2,795,331.03 (due December 29, 2014).

5. Lessees represent, covenant and warrant that they have not taken and will not take, cause to be taken or fail to take any action which will cause the interest on the Note issued by the Issuer to finance the Equipment to be or become subject to federal income taxation under the Code, and that all of their representations, covenants and warranties contained in the Master Lease Agreement were true and accurate as of the date made, remain true and accurate as of the date of the execution and delivery of this Lease Agreement and are hereby reaffirmed.
6. The Equipment will be used by Lessees for hospital/health facility purposes. The use of the Equipment is essential to Lessees' proper, efficient and economic operation.

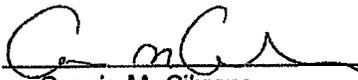
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IN WITNESS WHEREOF, the parties hereunto affix their signatures to this Lease Agreement as of the day and year first written above.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: Thomas S. Albanesi, Jr.
Title: Assistant Treasurer

ALLEGHENY GENERAL HOSPITAL

By: 
Name: Connie M. Cibrone
Title: President and CEO

WEST PENN ALLEGHENY HEALTH
SYSTEM

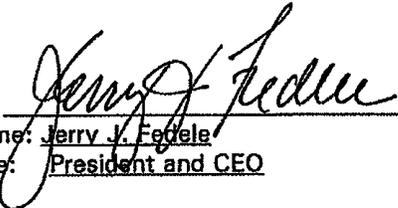
By: 
Name: Jerry J. Fedele
Title: President and CEO

Exhibit A

Aircraft Description:

One (1) 2006 Eurocopter Deutschland GMBH Model MBB-BK 117 C-2 Rotorcraft that consists of the following components:

- a) Airframe bearing FAA Registration Mark N131LF and manufacturer's serial number 9096
- b) Two (2) Turbomeca Model Arriel 1E2 engines bearing manufacturer's serial numbers 18806 and 18802
- c) One (1) Eurocopter Main Gear Box bearing manufacturer's serial number KA-0668
- d) One (1) Eurocopter Interned Main Gear Box bearing manufacturer's serial number 984
- e) Four (4) Eurocopter Main Rotor Blades bearing serial numbers 660, 656, 655, and 653
- f) Two (2) Eurocopter Tail Rotor Blades bearing manufacturer numbers 321 and 484
- g) One (1) Eurocopter Tail Rotor Gear Box bearing manufacturer's serial number 1019

Avionics:

NVG Compatible
COM/NAV/GPS w/GA56 Ant GNS530 Garmin
XM Radio & Wx satellite data link GDL69A Garmin
COM Antenna CI 211-1 Comant
COM/NAV/GPS w/GA56 Ant GNS430 Garmin
Standby NAV Ind. GI 106A Garmin
NAV Antenna DMN4-4 D&M
Splitter CI 1125 Comant
COM Antenna CI 2480-201 Comant
Radar Altimeter w/out indicator KRA405B Honeywell
(2) Rad Alt Antenna S67-2002 Sensor
Cooling Fan KA-33 Honeywell
DME Transceiver DME-441B (DME-42) Collins
DME Antenna CI 105-6 Comant
Marker Beacon KR21 Bendix King
Marker Antenna CI 118-5(6) or (10) Comant
Transponder System, Mode S GTX-330 Garmin
Transponder Antenna CI 105-6 Comant
Flight Following Tracking System Sky Connect/SkyTrac
(2) Radio Master
Dimmer System
Circuit Breakers MS3320-X
ELT ELT100HM(C406-HM) Artex
Audio Panel - Pilot AA95 NAT
Audio Panel - Copilot AA95 NAT
Audio Panel - Medical AA95 NAT
Audio Isolate System AA31 NAT
Headsets, (2) ea H10-13H David Clark
Coil Cords, (6) ea CIX-404 Comm Innovations
FM Transceiver TFM550 Technisonic
FM Control PLF250 Technisonic
Remote FM Control RC550 Technisonic
800 Mhz FM Transceiver TDFM0680 P391 Technisonic
FM UHF Antenna CI 275 Comant
FM VHF Antenna CI 177 Comant
VHF Lo Antenna S65-8282-34 Sensor Systems
800 MHz Antenna CI 310-20 Comant
TAS w/o display SKY497 Skywatch
Terrain Avoidance Mark XXI Bendix King
Multi-function display GMX200 Garmin
Rev XI Dec 14 2006

Radar w/o Indicator RDR2000-04 Honeywell
Radome included Norton
NVG Compatible ASU

Other Features:

VERSION II (SPIFR/MEGHAS/CPDS) - FACTORY INSTALLED
Bleed Air Heating
40Ah Battery, 24V
MEGHAS Sensor Kit
AFCS
2nd Portable Fire Extinguisher
Meghas Displays (2 x SMD45H) w/Battery Relocation
Dual Controls (w/Manual engine back-up and additional switches)
Copilot Controls Covers
Ventilation for Avionic Deck
Fuzz Burner Engines
Chip Detectors for Tail Rotor and Intermediate Gearbox
Engine Compressor Washing Device
Map Case In Copilot Door
Clamshell Door Window - LH
Clamshell Door Window - RH
Tinted Sunshades for Cockpit Windshield, Roof Section Pilot and Copilot
Comfort Improvement Kit
Wire Strike Protection System - Fixed Provisions
AHRS Free Steering Mode
Landing & SearchLight 200/400 W-Fixed Parts
Additional Electrical Unit

Additional Airframe Equipment:

B8541-001-20 Wire Strike Protection System, Detachable parts
B3111-001-03 7" Panel Extension w/Copilot Glareshield
Fuzz Burner-Tail Rotor & Intermediate GearBox
Fuzz Burner-Main Gear Box.
Chip Detector-Main Gear Box.
Tie Down Rings
Tail Rotor Floodlight, Metro
Air Conditioning System, Mechanical Driven, Dual Evaporator
Hi-Viz Paint MRB - One Color (Yellow)
SX-5 Complete
ALL NVG (Cabin & Cargo comp. Not External Lights)
Landing and SearchLight 200/400 W - Removable Parts
Ground Handling equipment
Fixed Landing lights on aft section of aircraft
Paint Scheme 3-color w/ interior to match
Standard Aircraft Covers
Sliding windows for cockpit
Horizontal stabilizer lights with LED anti-collision light
Snap vents for cabin
Lashing Points (hard installed SN 9096)
Multi-Purpose Fittings - RH Bulkhead (hard installed SN 9096)
Tinted RH Aft Window
Tinted LH Aft Window
Tinted RH Mid Window

Air Medical Interior: Vendor installed -FAA Certified
Suction System with 2 Outlets

First AFT facing tracking and swivelling seat
Second AFT facing swivelling rotating seat
Third FWD/AFT facing swivelling rotating seat
Cabinet with Drawers
Primary IV Rail/Hooks
Secondary IV Rail/Hooks
Portable Oxygen Mount on clamshell doors "D"
Portable Oxygen Mount behind pilot seat on the floor
Primary Litter (Ferno Powerflexx)
Secondary Litter (Low Profile Stowable at Aft Clamshell door) with Posilock System
LOX System (7.5 Liter external)
Medical Inverter with Line & Auto Switching
Cabin Flood LED Blue/White Lights (8 each)
Infusion Pump Mount (2 total)
Medical Equipment mounts for: Cardiac Monitor, Ventilator, and IV Pumps (Rail mtg system in medical wall)
Floor Mounts for Intra-Aortic Balloon Pump (1 set per aircraft)
Floor Mounts for Ventricular Assist Device
Medical wall on Primary Side
Metro Medical Floor (Aerolite Type)
Pouches per Customer Specification
Tape Holders for Rail
Wastebag Holder for Rail
Rail Mounts - RH/LH Aft Windows
Seat Covers - Dove Gray to include monogrammed headrest covers with hospital logo
Center Communication Console
LH/RH Slant Medical Switch Panels
Neonatal Litter on Powerflexx,
Spare LOX Bottle
Spare Powerflexx
Cockpit/Cabin Separation Curtain, NVG
(2 each aircraft) Streamlight Stingers with Chargers (1 in front and 1 in back)
Latex free Interior
All NVG

LEASE AGREEMENT NO. 2
dated as of December 29, 2006
under
MASTER LEASE AGREEMENT
dated as of December 29, 2006
between
WEST PENN ALLEGHENY FOUNDATION,
as Lessor
and
ALLEGHENY GENERAL HOSPITAL
and
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
as Lessee

THIS LEASE AGREEMENT NO. 2 (this "Lease Agreement") under the Master Lease Agreement identified above (the "Master Lease Agreement") is entered into as of December 29, 2006, between West Penn Allegheny Foundation as lessor ("LLC") and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees ("Lessees"). All of the provisions of the Master Lease Agreement are incorporated herein by reference as if fully set forth herein, and capitalized terms used herein and not defined shall have the meanings assigned them in the Master Lease Agreement

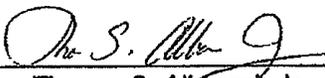
1. LLC hereby leases to Lessees the Equipment identified in Exhibit 1 hereto (the "Equipment") subject to and upon the terms and conditions set forth in his Lease Agreement.
2. Lessees hereby certify that the description of the Equipment set forth above is accurate and reasonably identifies it. The Equipment identified in item 1 above shall serve the medical community throughout Indiana County and western Pennsylvania, and have its base of operation located at Indiana Regional Medical Center, White Township, Indiana County, Pennsylvania. It is possible that at any time during the term of this Agreement, Obligor upon notice to Purchaser shall move its base of operation to any of the following locations: (i) Allegheny General Hospital, 320 East North Avenue, Pittsburgh, Allegheny County, Pennsylvania; (ii) Rostraver Airport, Belle Vernon, Westmoreland County, Pennsylvania, or, (iii) Greensburg-Jeannette Regional Airport, Greensburg, Westmoreland County, Pennsylvania
3. The terms of this Lease Agreement shall commence on December 29, 2006, and shall terminate on December 29, 2014, unless earlier terminated in accordance with Article XI of the Master Lease Agreement.
4. Basic Lease Payments shall be due on the 1st day of each month, beginning on January 1, 2007, and continuing to and including April 1, 2015. The Basic Lease Payments shall consist of 100 payments, consisting of 1 payment of \$1,527.28 (due January 1, 2007), followed by 3 payments of \$22,913.70 each (due February 1, 2007 through April 1, 2007), in turn followed by 95 payments of \$43,024.71 each (due May 1, 2007 through March 1, 2015) and finally followed by a final payment of \$2,736,941.58 (due April 1, 2015).

- 5 Lessees represent, covenant and warrant that they have not taken and will not take, cause to be taken or fail to take any action which will cause the interest on the Note issued by the Issuer to finance the Equipment to be or become subject to federal income taxation under the Code, and that all of their representations, covenants and warranties contained in the Master Lease Agreement were true and accurate as of the date made, remain true and accurate as of the date of the execution and delivery of this Lease Agreement and are hereby reaffirmed.
6. The Equipment will be used by Lessees for hospital/health facility purposes. The use of the Equipment is essential to Lessees's proper, efficient and economic operation.

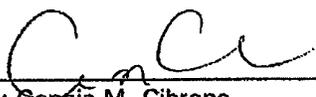
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IN WITNESS WHEREOF, the parties hereunto affix their signatures to this Lease Agreement as of the day and year first written above.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: Thomas S. Albanesi, Jr.
Title: Assistant Treasurer

ALLEGHENY GENERAL HOSPITAL

By: 
Name: Connie M. Cibrone
Title: President and CEO

WEST PENN ALLEGHENY HEALTH
SYSTEM

By: 
Name: Jerry W. Fedele
Title: President and CEO

EXHIBIT 1

EQUIPMENT DESCRIPTION

[TO BE PROVIDED BY LENDER UPON FUNDING OF HELICOPTER #2]

LEASE AGREEMENT NO. 3
dated as of December 29, 2006
under
MASTER LEASE AGREEMENT
dated as of December 29, 2006
between
WEST PENN ALLEGHENY FOUNDATION,
as Lessor
and
ALLEGHENY GENERAL HOSPITAL
and
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
as Lessee

THIS LEASE AGREEMENT NO. 3 (this "Lease Agreement") under the Master Lease Agreement identified above (the "Master Lease Agreement") is entered into as of December 29, 2006, between West Penn Allegheny Foundation as lessor ("LLC") and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees ("Lessees"). All of the provisions of the Master Lease Agreement are incorporated herein by reference as if fully set forth herein, and capitalized terms used herein and not defined shall have the meanings assigned them in the Master Lease Agreement.

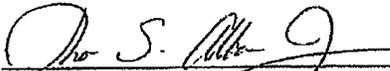
1. LLC hereby leases to Lessees the Equipment identified in Exhibit 1 hereto (the "Equipment") subject to and upon the terms and conditions set forth in his Lease Agreement.
2. Lessees hereby certify that the description of the Equipment set forth above is accurate and reasonably identifies it. The Equipment identified in item 1 above shall serve the medical community throughout Westmoreland County and western Pennsylvania, and have its base of operation located at Rostraver Airport, Belle Vernon, Westmoreland County, Pennsylvania. It is possible that at any time during the term of this Agreement, Obligor upon notice to Purchaser shall move its base of operation to any of the following locations: (i) Indiana Regional Medical Center, White Township, Indiana County, Pennsylvania; (ii) Allegheny General Hospital, 320 East North Avenue, Pittsburgh, Allegheny County, Pennsylvania; or, (iii) Greensburg-Jeannette Regional Airport, Greensburg, Westmoreland County, Pennsylvania.
3. The terms of this Lease Agreement shall commence on December 29, 2006, and shall terminate on December 29, 2014, unless earlier terminated in accordance with Article XI of the Master Lease Agreement.
4. Basic Lease Payments shall be due on the 1st day of each month, beginning on January 1, 2007, and continuing to and including September 1, 2015. The Basic Lease Payments shall consist of 105 payments, consisting of 1 payment of \$1,528.55 (due January 1, 2007), followed by 8 payments of \$22,928.21 each (due February 1, 2007 through September 1, 2007), in turn followed by 95 payments of \$43,027.89 each (due October 1, 2007 through August 1, 2015) and finally followed by a final payment of \$2,735,589.39 (due September 1, 2015).

5. Lessees represent, covenant and warrant that they have not taken and will not take, cause to be taken or fail to take any action which will cause the interest on the Note issued by the Issuer to finance the Equipment to be or become subject to federal income taxation under the Code, and that all of their representations, covenants and warranties contained in the Master Lease Agreement were true and accurate as of the date made, remain true and accurate as of the date of the execution and delivery of this Lease Agreement and are hereby reaffirmed.
6. The Equipment will be used by Lessees for hospital/health facility purposes. The use of the Equipment is essential to Lessees's proper, efficient and economic operation.

[The remainder of this page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereunto affix their signatures to this Lease Agreement as of the day and year first written above.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: Thomas S. Albanesi, Jr.
Title: Assistant Treasurer

ALLEGHENY GENERAL HOSPITAL

By: 
Name: Connie M. Cibrone
Title: President and CEO

WEST PENN ALLEGHENY HEALTH
SYSTEM

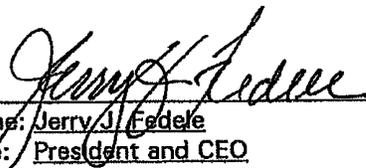
By: 
Name: Jerry J. Fedele
Title: President and CEO

EXHIBIT 1

EQUIPMENT DESCRIPTION

[TO BE PROVIDED BY LENDER UPON FUNDING OF HELICOPTER #3]

LEASE AGREEMENT NO. 4
dated as of December 29, 2006
under
MASTER LEASE AGREEMENT
dated as of December 29, 2006
between
WEST PENN ALLEGHENY FOUNDATION,
as Lessor
and
ALLEGHENY GENERAL HOSPITAL
and
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.
as Lessee

THIS LEASE AGREEMENT NO. 4 (this "Lease Agreement") under the Master Lease Agreement identified above (the "Master Lease Agreement") is entered into as of December 29, 2006, between West Penn Allegheny Foundation as lessor ("LLC") and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees ("Lessees"). All of the provisions of the Master Lease Agreement are incorporated herein by reference as if fully set forth herein, and capitalized terms used herein and not defined shall have the meanings assigned them in the Master Lease Agreement.

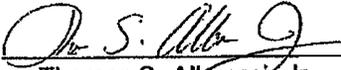
1. LLC hereby leases to Lessees the Equipment identified in Exhibit 1 hereto (the "Equipment") subject to and upon the terms and conditions set forth in his Lease Agreement.
2. Lessees hereby certify that the description of the Equipment set forth above is accurate and reasonably identifies it. The Equipment identified in item 1 above shall serve the medical community throughout Westmoreland County and western Pennsylvania, and have its base of operation located at Greensburg-Jeanette Regional Airport, Greensburg, Westmoreland County, Pennsylvania. It is possible that at any time during the term of this Agreement, Obligor upon notice to Purchaser shall move its base of operation to any of the following locations: (i) Indiana Regional Medical Center, White Township, Indiana County, Pennsylvania; (ii) Rostraver Airport, Belle Vernon, Westmoreland County, Pennsylvania; or, (iii) Allegheny General Hospital, 320 East North Avenue, Pittsburgh, Allegheny County, Pennsylvania.
3. The terms of this Lease Agreement shall commence on December 29, 2006, and shall terminate on December 29, 2014, unless earlier terminated in accordance with Article XI of the Master Lease Agreement.
4. Basic Lease Payments shall be due on the 1st day of each month, beginning on January 1, 2007, and continuing to and including October 1, 2015. The Basic Lease Payments shall consist of 106 payments, consisting of 1 payment of \$1,528.86 (due January 1, 2007), followed by 9 payments of \$22,932.93 each (due February 1, 2007 through October 1, 2007), in turn followed by 95 payments of \$43,031.81 each (due November 1, 2007 through September 1, 2015) and finally followed by a final payment of \$2,735,502.05 (due October 1, 2015).

5. Lessees represent, covenant and warrant that they have not taken and will not take, cause to be taken or fail to take any action which will cause the interest on the Note issued by the Issuer to finance the Equipment to be or become subject to federal income taxation under the Code, and that all of their representations, covenants and warranties contained in the Master Lease Agreement were true and accurate as of the date made, remain true and accurate as of the date of the execution and delivery of this Lease Agreement and are hereby reaffirmed.
6. The Equipment will be used by Lessees for hospital/health facility purposes. The use of the Equipment is essential to Lessees's proper, efficient and economic operation.

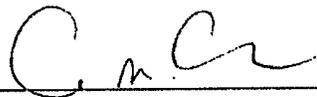
[The remainder of this page left blank intentionally.]

IN WITNESS WHEREOF, the parties hereunto affix their signatures to this Lease Agreement as of the day and year first written above.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: Thomas S. Albanesi, Jr.
Title: Assistant Treasurer

ALLEGHENY GENERAL HOSPITAL

By: 
Name: Connie M. Cibrone
Title: President and CEO

WEST PENN ALLEGHENY HEALTH
SYSTEM

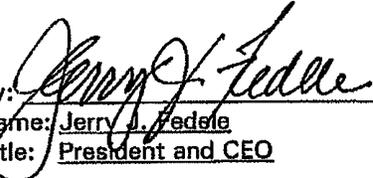
By: 
Name: Jerry J. Fedele
Title: President and CEO

EXHIBIT 1

EQUIPMENT DESCRIPTION

[TO BE PROVIDED BY LENDER UPON FUNDING OF HELICOPTER #4]

ASSIGNMENT OF LEASES AND RENTS

(Respecting Lease Agreement No. 1)

THIS ASSIGNMENT OF LEASES AND RENTS (the "Assignment of Leases"), dated as of December 29, 2006, by WEST PENN ALLEGHENY FOUNDATION, LLC, a single member limited liability company ("Assignor"), to BANC OF AMERICA PUBLIC CAPITAL CORP, a Kansas corporation (hereinafter called "Assignee").

WITNESSETH THAT:

WHEREAS, the Allegheny County Hospital Development Authority (the "Authority") is issuing its Health Facilities Revenue Note, Series B-1 of 2006 (West Penn Allegheny Foundation, LLC Project), in the principal amount of \$6,089,722 (the "Note") under a Master Financing Agreement and Equipment Schedule No. 1 thereto, each dated as of December 29, 2006 (collectively, the "Financing Agreement") among the Assignor, the Assignee and the Authority to Assignee for the purpose of financing the acquisition of certain equipment and other property identified therein (the "Equipment") by Assignor and the payment of certain related financing costs; and

WHEREAS, as security for the Note, the Assignor has granted to the Assignee a first lien security interest in the Equipment; and

WHEREAS, as additional security for the payment of the principal of and interest and any premium on the Note and the payment and performance of Assignor's obligations under the Financing Agreement (and any extensions and/or modifications thereof), Assignor has agreed to assign to Assignee, all of Assignor's rights under that certain Lease Agreement No. 1 dated as of December 29, 2006 (the "Equipment Lease"), between the Assignor as lessor and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees (together, the "Lessees"), relating to the Equipment; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Assignor hereby agrees as follows:

1. Assignment of Leases. Assignor hereby assigns and transfers to Assignee all of Assignor's rights, title and interest and privileges in the Equipment Lease, including, but not limited to all licenses, if any, and any other agreements entered into between Assignor and Lessees, now or hereafter in existence with respect to the Equipment or any part thereof, together with any extension or renewal of any such lease (collectively, the "Lease"). This Assignment includes:

- (a) all rents, income and profits due or to become due under the Lease;
- (b) any sums to which Assignor may become entitled in any court proceeding involving the bankruptcy, insolvency or reorganization of any lessee;

- (c) any payments made by any lessee in lieu of rent;
- (d) the right to collect all rents, issues and profits from the Equipment; and
- (e) the right to exercise all rights and remedies of Assignor as lessor under the Lease, to enforce the performance by Lessee of its obligations under the Lease, to grant all consents, approvals and waivers thereunder and to receive all notices thereunder.

2. Limitations on Assignment.

(a) This Assignment is given for the purpose of securing payment of the Note and performance by Assignor of all of its obligations under the Financing Agreement, and accordingly will terminate, upon payment in full of all indebtedness evidenced by the Note and discharge of all Assignor's obligations under the Financing Agreement.

(b) So long as Assignor has not received notice of default, if required, under the Note, the Financing Agreement or this Assignment, Assignor shall have the right to collect all rents, issues and profits from the Equipment; provided Assignor agrees that it will not under any circumstances collect or accept any rent more than 30 days prior to accrual.

3. Assignor's Obligations. Assignor will perform all of its obligations as lessor under the Lease. Assignor will not terminate the Lease, accept surrender of possession of any Equipment covered by the Lease, modify the Lease, grant waivers or excuse, condone or release any lessee or any guarantor or surety of any Lessee's obligations without the prior written consent of Assignee.

4. Cross-Default. Any default under the Note or the Financing Agreement or under the Master Financing Agreement mentioned above or any other Equipment Schedule or Note entered into or issued pursuant to that Master Financing Agreement or any default by Assignor under the Lease which shall not be cured by Assignor within the applicable cure periods, if any, shall be considered a default under this Assignment, and any default under this Assignment shall be considered a default under the Note and the Financing Agreement and, in any such event, Assignee shall be entitled to exercise all or some or any of its remedies under the Note, under the Financing Agreement or under this Assignment, or as may otherwise be available to Assignee at law or in equity, in such order as Assignee may elect.

5. Assignee Not Bound to Perform Under Lease. Assignee is not assuming any of Assignor's obligations under the Lease and shall not be obligated by reason of acceptance of this Assignment or otherwise to perform any obligation of Assignor as lessor under the Lease, and Assignor hereby agrees to indemnify Assignee and save it harmless from and against any loss, liability or damage arising from any claim by any lessee or any other party arising under or in connection with the Lease or this Assignment except gross negligence or willful misconduct. However, Assignee may, at its option, and without releasing Assignor from any obligation hereunder, after ten (10) days' written notice, except in emergency, discharge any obligation which Assignor fails to discharge, including without limitation, defending any legal action, and

Assignor agrees to pay immediately upon demand all sums expended by Assignee in connection therewith, including reasonable counsel fees, together with interest thereon at the rate provided for in the Note and the same shall be added to the indebtedness and secured by this Assignment.

6. Warranties of Assignor. Assignor hereby represents and warrants to Assignee, as a material inducement to Assignee to accept this Assignment, that:

(a) Except as stated hereinabove, there is no prior assignment of any of Assignor's rights under the Lease; and

(b) There is no agreement, written or oral, modifying any term of the Lease, or waiving or releasing any Lessee from any obligation thereunder; and

(c) Assignor has not done anything which might prevent Assignee from or limit Assignee in operating under any of the provisions hereof.

7. Notice to Lessees. Assignor hereby authorizes Assignee to give written notice of this Assignment at any time to the Lessees. The Lessees are authorized and directed to pay all rent, including without limitation all Basic Lease Payments, directly to Assignee upon receipt from Assignee of a notice to such effect, which notice shall not be given unless Assignor is in default hereunder or under the Note or the Financing Agreement, accompanied by a demand for such payment, without any further proof of Assignor's default.

8. Security Agreement. This Assignment constitutes a security agreement pursuant to the Pennsylvania Uniform Commercial Code, and Assignee shall have all of the rights and remedies of a secured party thereunder. Assignor shall deliver to Assignee such financing statements, continuation statements, and other instruments necessary to perfect or continue Assignee's security interest granted hereunder.

9. Benefit and Burdens. This Assignment shall be binding upon Assignor and its successors and assigns, including any subsequent owner of the Equipment, and shall inure to the benefit of Assignee and its successors and assigns, including any assignee(s) of the Note.

10. Notices. All notices or demands hereunder must be served by personal service, or by certified or registered mail, postage prepaid, addressed to the parties as follows:

Assignor: West Penn Allegheny Foundation, LLC
c/o: West Penn Allegheny Health System, Inc.
Allegheny General Hospital
320 East North Avenue, 16th Floor
Pittsburgh, PA 15216

Copy to General Counsel

West Penn Allegheny Health System, Inc.
East Commons Professional Building

Four Allegheny Center, 9th Floor
Pittsburgh, PA 15212
Attention: General Counsel

Assignee: Banc of America Public Capital Corp
2059 Northlake Parkway, Suite 400
Tucker, Georgia 30084

Either party may change the address to which notices shall be sent by notice to the other given in accordance with this paragraph.

11. Applicable Law. This Assignment of Leases and Rents shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, Assignor has duly executed this Assignment on the day and year first above written.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: THOMAS S. ALFORD JR.
Title: ASSISTANT TREASURER

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ASSIGNMENT OF LEASES AND RENTS

(Respecting Lease Agreement No. 2)

THIS ASSIGNMENT OF LEASES AND RENTS (the "Assignment of Leases"), dated as of December 29, 2006, by WEST PENN ALLEGHENY FOUNDATION, LLC, a single member limited liability company ("Assignor"), to BANC OF AMERICA PUBLIC CAPITAL CORP, a Kansas corporation (hereinafter called "Assignee").

WITNESSETH THAT:

WHEREAS, the Allegheny County Hospital Development Authority (the "Authority") is issuing its Health Facilities Revenue Note, Series B-2 of 2006 (West Penn Allegheny Foundation, LLC Project), in the principal amount of \$5,971,566 (the "Note") under a Master Financing Agreement and Equipment Schedule No. 2 thereto, each dated as of December 29, 2006 (collectively, the "Financing Agreement") among the Assignor, the Assignee and the Authority to Assignee for the purpose of financing the acquisition of certain equipment and other property identified therein (the "Equipment") by Assignor and the payment of certain related financing costs; and

WHEREAS, as security for the Note, the Assignor has granted to the Assignee a first lien security interest in the Equipment; and

WHEREAS, as additional security for the payment of the principal of and interest and any premium on the Note and the payment and performance of Assignor's obligations under the Financing Agreement (and any extensions and/or modifications thereof), Assignor has agreed to assign to Assignee, all of Assignor's rights under that certain Lease Agreement No. 2 dated as of December 29, 2006 (the "Equipment Lease"), between the Assignor as lessor and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees (together, the "Lessees"), relating to the Equipment; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Assignor hereby agrees as follows:

1. Assignment of Leases. Assignor hereby assigns and transfers to Assignee all of Assignor's rights, title and interest and privileges in the Equipment Lease, including, but not limited to all licenses, if any, and any other agreements entered into between Assignor and Lessees, now or hereafter in existence with respect to the Equipment or any part thereof, together with any extension or renewal of any such lease (collectively, the "Lease"). This Assignment includes:

- (a) all rents, income and profits due or to become due under the Lease;
- (b) any sums to which Assignor may become entitled in any court proceeding involving the bankruptcy, insolvency or reorganization of any lessee;

- (c) any payments made by any lessee in lieu of rent;
- (d) the right to collect all rents, issues and profits from the Equipment; and
- (e) the right to exercise all rights and remedies of Assignor as lessor under the Lease, to enforce the performance by Lessee of its obligations under the Lease, to grant all consents, approvals and waivers thereunder and to receive all notices thereunder.

2. Limitations on Assignment.

(a) This Assignment is given for the purpose of securing payment of the Note and performance by Assignor of all of its obligations under the Financing Agreement, and accordingly will terminate, upon payment in full of all indebtedness evidenced by the Note and discharge of all Assignor's obligations under the Financing Agreement.

(b) So long as Assignor has not received notice of default, if required, under the Note, the Financing Agreement or this Assignment, Assignor shall have the right to collect all rents, issues and profits from the Equipment; provided Assignor agrees that it will not under any circumstances collect or accept any rent more than 30 days prior to accrual.

3. Assignor's Obligations. Assignor will perform all of its obligations as lessor under the Lease. Assignor will not terminate the Lease, accept surrender of possession of any Equipment covered by the Lease, modify the Lease, grant waivers or excuse, condone or release any lessee or any guarantor or surety of any Lessee's obligations without the prior written consent of Assignee.

4. Cross-Default. Any default under the Note or the Financing Agreement or under the Master Financing Agreement mentioned above or any other Equipment Schedule or Note entered into or issued pursuant to that Master Financing Agreement or any default by Assignor under the Lease which shall not be cured by Assignor within the applicable cure periods, if any, shall be considered a default under this Assignment, and any default under this Assignment shall be considered a default under the Note and the Financing Agreement and, in any such event, Assignee shall be entitled to exercise all or some or any of its remedies under the Note, under the Financing Agreement or under this Assignment, or as may otherwise be available to Assignee at law or in equity, in such order as Assignee may elect.

5. Assignee Not Bound to Perform Under Lease. Assignee is not assuming any of Assignor's obligations under the Lease and shall not be obligated by reason of acceptance of this Assignment or otherwise to perform any obligation of Assignor as lessor under the Lease, and Assignor hereby agrees to indemnify Assignee and save it harmless from and against any loss, liability or damage arising from any claim by any lessee or any other party arising under or in connection with the Lease or this Assignment except gross negligence or willful misconduct. However, Assignee may, at its option, and without releasing Assignor from any obligation hereunder, after ten (10) days' written notice, except in emergency, discharge any obligation which Assignor fails to discharge, including without limitation, defending any legal action, and

Assignor agrees to pay immediately upon demand all sums expended by Assignee in connection therewith, including reasonable counsel fees, together with interest thereon at the rate provided for in the Note and the same shall be added to the indebtedness and secured by this Assignment.

6. Warranties of Assignor. Assignor hereby represents and warrants to Assignee, as a material inducement to Assignee to accept this Assignment, that:

(a) Except as stated hereinabove, there is no prior assignment of any of Assignor's rights under the Lease; and

(b) There is no agreement, written or oral, modifying any term of the Lease, or waiving or releasing any Lessee from any obligation thereunder; and

(c) Assignor has not done anything which might prevent Assignee from or limit Assignee in operating under any of the provisions hereof.

7. Notice to Lessees. Assignor hereby authorizes Assignee to give written notice of this Assignment at any time to the Lessees. The Lessees are authorized and directed to pay all rent, including without limitation all Basic Lease Payments, directly to Assignee upon receipt from Assignee of a notice to such effect, which notice shall not be given unless Assignor is in default hereunder or under the Note or the Financing Agreement, accompanied by a demand for such payment, without any further proof of Assignor's default.

8. Security Agreement. This Assignment constitutes a security agreement pursuant to the Pennsylvania Uniform Commercial Code, and Assignee shall have all of the rights and remedies of a secured party thereunder. Assignor shall deliver to Assignee such financing statements, continuation statements, and other instruments necessary to perfect or continue Assignee's security interest granted hereunder.

9. Benefit and Burdens. This Assignment shall be binding upon Assignor and its successors and assigns, including any subsequent owner of the Equipment, and shall inure to the benefit of Assignee and its successors and assigns, including any assignee(s) of the Note.

10. Notices. All notices or demands hereunder must be served by personal service, or by certified or registered mail, postage prepaid, addressed to the parties as follows:

Assignor: West Penn Allegheny Foundation, LLC
c/o: West Penn Allegheny Health System, Inc.
Allegheny General Hospital
320 East North Avenue, 16th Floor
Pittsburgh, PA 15216

Copy to General Counsel

West Penn Allegheny Health System, Inc.
East Commons Professional Building

Four Allegheny Center, 9th Floor
Pittsburgh, PA 15212
Attention: General Counsel

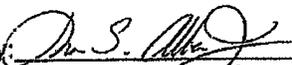
Assignee: Banc of America Public Capital Corp
2059 Northlake Parkway, Suite 400
Tucker, Georgia 30084

Either party may change the address to which notices shall be sent by notice to the other given in accordance with this paragraph.

11. Applicable Law. This Assignment of Leases and Rents shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, Assignor has duly executed this Assignment on the day and year first above written.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: THOMAS S. ALCAMESI, JR.
Title: ASSISTANT TREASURER

ASSIGNMENT OF LEASES AND RENTS

(Respecting Lease Agreement No. 3)

THIS ASSIGNMENT OF LEASES AND RENTS (the "Assignment of Leases"), dated as of December 29, 2006, by WEST PENN ALLEGHENY FOUNDATION, LLC, a single member limited liability company ("Assignor"), to BANC OF AMERICA PUBLIC CAPITAL CORP, a Kansas corporation (hereinafter called "Assignee").

WITNESSETH THAT:

WHEREAS, the Allegheny County Hospital Development Authority (the "Authority") is issuing its Health Facilities Revenue Note, Series B-3 of 2006 (West Penn Allegheny Foundation, LLC Project), in the principal amount of \$5,969,356 (the "Note") under a Master Financing Agreement and Equipment Schedule No. 3 thereto, each dated as of December 29, 2006 (collectively, the "Financing Agreement") among the Assignor, the Assignee and the Authority to Assignee for the purpose of financing the acquisition of certain equipment and other property identified therein (the "Equipment") by Assignor and the payment of certain related financing costs; and

WHEREAS, as security for the Note, the Assignor has granted to the Assignee a first lien security interest in the Equipment; and

WHEREAS, as additional security for the payment of the principal of and interest and any premium on the Note and the payment and performance of Assignor's obligations under the Financing Agreement (and any extensions and/or modifications thereof), Assignor has agreed to assign to Assignee, all of Assignor's rights under that certain Lease Agreement No. 3 dated as of December 29, 2006 (the "Equipment Lease"), between the Assignor as lessor and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees (together, the "Lessees"), relating to the Equipment; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Assignor hereby agrees as follows:

1. Assignment of Leases. Assignor hereby assigns and transfers to Assignee all of Assignor's rights, title and interest and privileges in the Equipment Lease, including, but not limited to all licenses, if any, and any other agreements entered into between Assignor and Lessees, now or hereafter in existence with respect to the Equipment or any part thereof, together with any extension or renewal of any such lease (collectively, the "Lease"). This Assignment includes:

- (a) all rents, income and profits due or to become due under the Lease;
- (b) any sums to which Assignor may become entitled in any court proceeding involving the bankruptcy, insolvency or reorganization of any lessee;

- (c) any payments made by any lessee in lieu of rent;
- (d) the right to collect all rents, issues and profits from the Equipment; and
- (e) the right to exercise all rights and remedies of Assignor as lessor under the Lease, to enforce the performance by Lessee of its obligations under the Lease, to grant all consents, approvals and waivers thereunder and to receive all notices thereunder.

2. Limitations on Assignment.

(a) This Assignment is given for the purpose of securing payment of the Note and performance by Assignor of all of its obligations under the Financing Agreement, and accordingly will terminate, upon payment in full of all indebtedness evidenced by the Note and discharge of all Assignor's obligations under the Financing Agreement.

(b) So long as Assignor has not received notice of default, if required, under the Note, the Financing Agreement or this Assignment, Assignor shall have the right to collect all rents, issues and profits from the Equipment; provided Assignor agrees that it will not under any circumstances collect or accept any rent more than 30 days prior to accrual.

3. Assignor's Obligations. Assignor will perform all of its obligations as lessor under the Lease. Assignor will not terminate the Lease, accept surrender of possession of any Equipment covered by the Lease, modify the Lease, grant waivers or excuse, condone or release any lessee or any guarantor or surety of any Lessee's obligations without the prior written consent of Assignee.

4. Cross-Default. Any default under the Note or the Financing Agreement or under the Master Financing Agreement mentioned above or any other Equipment Schedule or Note entered into or issued pursuant to that Master Financing Agreement or any default by Assignor under the Lease which shall not be cured by Assignor within the applicable cure periods, if any, shall be considered a default under this Assignment, and any default under this Assignment shall be considered a default under the Note and the Financing Agreement and, in any such event, Assignee shall be entitled to exercise all or some or any of its remedies under the Note, under the Financing Agreement or under this Assignment, or as may otherwise be available to Assignee at law or in equity, in such order as Assignee may elect.

5. Assignee Not Bound to Perform Under Lease. Assignee is not assuming any of Assignor's obligations under the Lease and shall not be obligated by reason of acceptance of this Assignment or otherwise to perform any obligation of Assignor as lessor under the Lease, and Assignor hereby agrees to indemnify Assignee and save it harmless from and against any loss, liability or damage arising from any claim by any lessee or any other party arising under or in connection with the Lease or this Assignment except gross negligence or willful misconduct. However, Assignee may, at its option, and without releasing Assignor from any obligation hereunder, after ten (10) days' written notice, except in emergency, discharge any obligation which Assignor fails to discharge, including without limitation, defending any legal action, and

Assignor agrees to pay immediately upon demand all sums expended by Assignee in connection therewith, including reasonable counsel fees, together with interest thereon at the rate provided for in the Note and the same shall be added to the indebtedness and secured by this Assignment.

6. Warranties of Assignor. Assignor hereby represents and warrants to Assignee, as a material inducement to Assignee to accept this Assignment, that:

(a) Except as stated hereinabove, there is no prior assignment of any of Assignor's rights under the Lease; and

(b) There is no agreement, written or oral, modifying any term of the Lease, or waiving or releasing any Lessee from any obligation thereunder; and

(c) Assignor has not done anything which might prevent Assignee from or limit Assignee in operating under any of the provisions hereof.

7. Notice to Lessees. Assignor hereby authorizes Assignee to give written notice of this Assignment at any time to the Lessees. The Lessees are authorized and directed to pay all rent, including without limitation all Basic Lease Payments, directly to Assignee upon receipt from Assignee of a notice to such effect, which notice shall not be given unless Assignor is in default hereunder or under the Note or the Financing Agreement, accompanied by a demand for such payment, without any further proof of Assignor's default.

8. Security Agreement. This Assignment constitutes a security agreement pursuant to the Pennsylvania Uniform Commercial Code, and Assignee shall have all of the rights and remedies of a secured party thereunder. Assignor shall deliver to Assignee such financing statements, continuation statements, and other instruments necessary to perfect or continue Assignee's security interest granted hereunder.

9. Benefit and Burdens. This Assignment shall be binding upon Assignor and its successors and assigns, including any subsequent owner of the Equipment, and shall inure to the benefit of Assignee and its successors and assigns, including any assignee(s) of the Note.

10. Notices. All notices or demands hereunder must be served by personal service, or by certified or registered mail, postage prepaid, addressed to the parties as follows:

Assignor: West Penn Allegheny Foundation, LLC
c/o: West Penn Allegheny Health System, Inc.
Allegheny General Hospital
320 East North Avenue, 16th Floor
Pittsburgh, PA 15216

Copy to General Counsel

West Penn Allegheny Health System, Inc.
East Commons Professional Building

Four Allegheny Center, 9th Floor
Pittsburgh, PA 15212
Attention: General Counsel

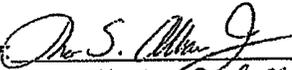
Assignee: Banc of America Public Capital Corp
2059 Northlake Parkway, Suite 400
Tucker, Georgia 30084

Either party may change the address to which notices shall be sent by notice to the other given in accordance with this paragraph.

11. Applicable Law. This Assignment of Leases and Rents shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, Assignor has duly executed this Assignment on the day and year first above written.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: THOMAS S. ALBANESE JR.
Title: ASSISTANT TREASURER

ASSIGNMENT OF LEASES AND RENTS

(Respecting Lease Agreement No. 4)

THIS ASSIGNMENT OF LEASES AND RENTS (the "Assignment of Leases"), dated as of December 29, 2006, by WEST PENN ALLEGHENY FOUNDATION, LLC, a single member limited liability company ("Assignor"), to BANC OF AMERICA PUBLIC CAPITAL CORP, a Kansas corporation (hereinafter called "Assignee").

WITNESSETH THAT:

WHEREAS, the Allegheny County Hospital Development Authority (the "Authority") is issuing its Health Facilities Revenue Note, Series B-4 of 2006 (West Penn Allegheny Foundation, LLC Project), in the principal amount of \$5,969,356 (the "Note") under a Master Financing Agreement and Equipment Schedule No. 4 thereto, each dated as of December 29, 2006 (collectively, the "Financing Agreement") among the Assignor, the Assignee and the Authority to Assignee for the purpose of financing the acquisition of certain equipment and other property identified therein (the "Equipment") by Assignor and the payment of certain related financing costs; and

WHEREAS, as security for the Note, the Assignor has granted to the Assignee a first lien security interest in the Equipment; and

WHEREAS, as additional security for the payment of the principal of and interest and any premium on the Note and the payment and performance of Assignor's obligations under the Financing Agreement (and any extensions and/or modifications thereof), Assignor has agreed to assign to Assignee, all of Assignor's rights under that certain Lease Agreement No. 4 dated as of December 29, 2006 (the "Equipment Lease"), between the Assignor as lessor and Allegheny General Hospital and West Penn Allegheny Health System, Inc. as lessees (together, the "Lessees"), relating to the Equipment; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Assignor hereby agrees as follows:

1. Assignment of Leases. Assignor hereby assigns and transfers to Assignee all of Assignor's rights, title and interest and privileges in the Equipment Lease, including, but not limited to all licenses, if any, and any other agreements entered into between Assignor and Lessees, now or hereafter in existence with respect to the Equipment or any part thereof, together with any extension or renewal of any such lease (collectively, the "Lease"). This Assignment includes:

- (a) all rents, income and profits due or to become due under the Lease;
- (b) any sums to which Assignor may become entitled in any court proceeding involving the bankruptcy, insolvency or reorganization of any lessee;

- (c) any payments made by any lessee in lieu of rent;
- (d) the right to collect all rents, issues and profits from the Equipment; and
- (e) the right to exercise all rights and remedies of Assignor as lessor under the Lease, to enforce the performance by Lessee of its obligations under the Lease, to grant all consents, approvals and waivers thereunder and to receive all notices thereunder.

2. Limitations on Assignment.

(a) This Assignment is given for the purpose of securing payment of the Note and performance by Assignor of all of its obligations under the Financing Agreement, and accordingly will terminate, upon payment in full of all indebtedness evidenced by the Note and discharge of all Assignor's obligations under the Financing Agreement.

(b) So long as Assignor has not received notice of default, if required, under the Note, the Financing Agreement or this Assignment, Assignor shall have the right to collect all rents, issues and profits from the Equipment; provided Assignor agrees that it will not under any circumstances collect or accept any rent more than 30 days prior to accrual.

3. Assignor's Obligations. Assignor will perform all of its obligations as lessor under the Lease. Assignor will not terminate the Lease, accept surrender of possession of any Equipment covered by the Lease, modify the Lease, grant waivers or excuse, condone or release any lessee or any guarantor or surety of any Lessee's obligations without the prior written consent of Assignee.

4. Cross-Default. Any default under the Note or the Financing Agreement or under the Master Financing Agreement mentioned above or any other Equipment Schedule or Note entered into or issued pursuant to that Master Financing Agreement or any default by Assignor under the Lease which shall not be cured by Assignor within the applicable cure periods, if any, shall be considered a default under this Assignment, and any default under this Assignment shall be considered a default under the Note and the Financing Agreement and, in any such event, Assignee shall be entitled to exercise all or some or any of its remedies under the Note, under the Financing Agreement or under this Assignment, or as may otherwise be available to Assignee at law or in equity, in such order as Assignee may elect.

5. Assignee Not Bound to Perform Under Lease. Assignee is not assuming any of Assignor's obligations under the Lease and shall not be obligated by reason of acceptance of this Assignment or otherwise to perform any obligation of Assignor as lessor under the Lease, and Assignor hereby agrees to indemnify Assignee and save it harmless from and against any loss, liability or damage arising from any claim by any lessee or any other party arising under or in connection with the Lease or this Assignment except gross negligence or willful misconduct. However, Assignee may, at its option, and without releasing Assignor from any obligation hereunder, after ten (10) days' written notice, except in emergency, discharge any obligation which Assignor fails to discharge, including without limitation, defending any legal action, and

Assignor agrees to pay immediately upon demand all sums expended by Assignee in connection therewith, including reasonable counsel fees, together with interest thereon at the rate provided for in the Note and the same shall be added to the indebtedness and secured by this Assignment.

6. Warranties of Assignor. Assignor hereby represents and warrants to Assignee, as a material inducement to Assignee to accept this Assignment, that:

(a) Except as stated hereinabove, there is no prior assignment of any of Assignor's rights under the Lease; and

(b) There is no agreement, written or oral, modifying any term of the Lease, or waiving or releasing any Lessee from any obligation thereunder; and

(c) Assignor has not done anything which might prevent Assignee from or limit Assignee in operating under any of the provisions hereof.

7. Notice to Lessees. Assignor hereby authorizes Assignee to give written notice of this Assignment at any time to the Lessees. The Lessees are authorized and directed to pay all rent, including without limitation all Basic Lease Payments, directly to Assignee upon receipt from Assignee of a notice to such effect, which notice shall not be given unless Assignor is in default hereunder or under the Note or the Financing Agreement, accompanied by a demand for such payment, without any further proof of Assignor's default.

8. Security Agreement. This Assignment constitutes a security agreement pursuant to the Pennsylvania Uniform Commercial Code, and Assignee shall have all of the rights and remedies of a secured party thereunder. Assignor shall deliver to Assignee such financing statements, continuation statements, and other instruments necessary to perfect or continue Assignee's security interest granted hereunder.

9. Benefit and Burdens. This Assignment shall be binding upon Assignor and its successors and assigns, including any subsequent owner of the Equipment, and shall inure to the benefit of Assignee and its successors and assigns, including any assignee(s) of the Note.

10. Notices. All notices or demands hereunder must be served by personal service, or by certified or registered mail, postage prepaid, addressed to the parties as follows:

Assignor: West Penn Allegheny Foundation, LLC
c/o: West Penn Allegheny Health System, Inc.
Allegheny General Hospital
320 East North Avenue, 16th Floor
Pittsburgh, PA 15216

Copy to General Counsel

West Penn Allegheny Health System, Inc.
East Commons Professional Building

Four Allegheny Center, 9th Floor
Pittsburgh, PA 15212
Attention: General Counsel

Assignee: Banc of America Public Capital Corp
2059 Northlake Parkway, Suite 400
Tucker, Georgia 30084

Either party may change the address to which notices shall be sent by notice to the other given in accordance with this paragraph.

11. Applicable Law. This Assignment of Leases and Rents shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, Assignor has duly executed this Assignment on the day and year first above written.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Name: THOMAS S. ALBANESE JR.
Title: ASSISTANT TREASURER

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**Information Return for Tax-Exempt
 Private Activity Bond Issues**
 (Under Internal Revenue Code section 149(e))
 ▶ See separate instructions.

OMB No 1545-0720

Part I Reporting Authority

Check if Amended Return

1 Issuer's name Allegheny County Hospital Development Authority		2 Issuer's employer identification number 25 : 1327925
3 Number and street (or P O box if mail is not delivered to street address) 425 Sixth Avenue, Suite 800	Room/suite	4 Report number 1 2007--1
5 City, town, or post office, state, and ZIP code Pittsburgh, PA 15219		6 Date of issue 12/29/06
7 Name of issue Health Facilities Revenue Note, Series B of 2006		8 CUSIP number n/a
9 Name and title of officer or legal representative whom the IRS may call for more information Darnell Moses, Authorities Manager		10 Telephone number of officer or legal representative (412) 350-1067

Part II Type of Issue (check the applicable box(es) and enter the issue price for each)

Issue Price

11 Exempt facility bond:	11a	
a <input type="checkbox"/> Airport (sections 142(a)(1) and 142(c))	11b	
b <input type="checkbox"/> Docks and wharves (sections 142(a)(2) and 142(c))	11c	
c <input type="checkbox"/> Water furnishing facilities (sections 142(a)(4) and 142(e))	11d	
d <input type="checkbox"/> Sewage facilities (section 142(a)(5))	11e	
e <input type="checkbox"/> Solid waste disposal facilities (section 142(a)(6))	11f	
f <input type="checkbox"/> Qualified residential rental projects (sections 142(a)(7) and 142(d)), as follows:		
Meeting 20-50 test (section 142(d)(1)(A)) <input type="checkbox"/>		
Meeting 40-60 test (section 142(d)(1)(B)) <input type="checkbox"/>		
Meeting 25-60 test (NYC only) (section 142(d)(6)) <input type="checkbox"/>		
Has an election been made for deep rent skewing (section 142(d)(4)(B))? <input type="checkbox"/> Yes <input type="checkbox"/> No	11g	
g <input type="checkbox"/> Facilities for the local furnishing of electric energy or gas (sections 142(a)(8) and 142(f))	11h	
h <input type="checkbox"/> Facilities allowed under a transitional rule of the Tax Reform Act of 1986 (see instructions)		
Facility type		
1986 Act section	11i	
i <input type="checkbox"/> Qualified enterprise zone facility bonds (section 1394) (see instructions)	11j	
j <input type="checkbox"/> Qualified empowerment zone facility bonds (section 1394(f)) (see instructions)	11k	
k <input type="checkbox"/> District of Columbia Enterprise Zone facility bonds (section 1400A) (see instructions)	11l	
l <input type="checkbox"/> Qualified public educational facility bonds (sections 142(a)(13) and 142(k))	11m	
m <input type="checkbox"/> Other Describe (see instructions) ▶	12	
12 <input type="checkbox"/> Qualified mortgage bond (section 143(a))	13	
13 <input type="checkbox"/> Qualified veterans' mortgage bond (section 143(b))		
Check the box if you elect to rebate arbitrage profits to the United States <input type="checkbox"/>	14	
14 <input type="checkbox"/> Qualified small issue bond (section 144(a)) (see instructions)		
Check the box for \$10 million small issue exemption <input type="checkbox"/>	15	
15 <input type="checkbox"/> Qualified student loan bond (section 144(b))	16	
16 <input type="checkbox"/> Qualified redevelopment bond (section 144(c))	17	
17 <input type="checkbox"/> Qualified hospital bond (section 145(c)) (attach schedule—see instructions)	18	24,000,000
18 <input checked="" type="checkbox"/> Qualified 501(c)(3) nonhospital bond (section 145(b)) (attach schedule—see instructions)		
Check box if 95% or more of net proceeds will be used only for capital expenditures ▶ <input type="checkbox"/>	19	
19 <input type="checkbox"/> Nongovernmental output property bond (treated as private activity bond) (section 141(d))	20	
20 <input type="checkbox"/> Other. Describe (see instructions) ▶		

Part III Description of Bonds (Complete for the entire issue for which this form is being filed)

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	10/01/15	\$ 24,000,000	\$ 24,000,000	5 years	4.5921%

For Paperwork Reduction Act Notice, see page 4 of the separate instructions.

Cat No 49973K

Form 8038 (Rev 1-2002)

Part IV Uses of Proceeds of Issue (including underwriters' discount)			Amount
22	Proceeds used for accrued interest		0
23	Issue price of entire issue (enter amount from line 21, column (b))		24,000,000
24	Proceeds used for bond issuance costs (including underwriters' discount)	107,047	
25	Proceeds used for credit enhancement	0	
26	Proceeds allocated to reasonably required reserve or replacement fund	0	
27	Proceeds used to currently refund prior issue (complete Part VI)	0	
28	Proceeds used to advance refund prior issue (complete Part VI)	0	
29	Add lines 24 through 28		107,047
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)		23,892,953

Part V Description of Property Financed by Nonrefunding Proceeds
 Caution: The total of lines 31a through e below must equal line 30 above. Do not complete for qualified student loan bonds, qualified mortgage bonds, or qualified veterans' mortgage bonds.

31 Type of Property Financed by Nonrefunding Proceeds:		Amount
a	Land	n/a
b	Buildings and structures	n/a
c	Equipment with recovery period of more than 5 years	23,892,953
d	Equipment with recovery period of 5 years or less	n/a
e	Other (describe)	n/a

32 North American Industry Classification System (NAICS) of the projects financed by nonrefunding proceeds.			
	NAICS Code	Amount of nonrefunding proceeds	
a	621910	\$ 23,892,953	c
b		\$	d

Part VI Description of Refunded Bonds (Complete this part only for refunding bonds.)

33	Enter the remaining weighted average maturity of the bonds to be currently refunded	n/a	years
34	Enter the remaining weighted average maturity of the bonds to be advance refunded	n/a	years
35	Enter the last date on which the refunded bonds will be called	n/a	
36	Enter the date(s) the refunded bonds were issued	n/a	

Part VII Miscellaneous

37 Name of governmental unit(s) approving issue (see the instructions) **Allegheny County, Pennsylvania**
Allegheny County Hospital Development Authority

38 Check the box if you have designated any issue under section 265(b)(3)(B)(i)(II)

39 Check the box if you have elected to pay a penalty in lieu of arbitrage rebate

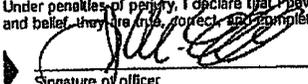
40 Check the box if you have identified a hedge (see instructions)

41 Check the box if the issue is comprised of qualified redevelopment, qualified small issue, or exempt facilities bonds and provide name and EIN of the primary private user

Name EIN

Part VIII Volume Caps		Amount
42	Amount of state volume cap allocated to the issuer. Attach copy of state certification	n/a
43	Amount of issue subject to the unified state volume cap	n/a
44	Amount of issue not subject to the unified state volume cap or other volume limitations:	n/a
a	Of bonds for governmentally owned solid waste facilities, airports, docks, wharves, environmental enhancements of hydroelectric generating facilities, or high-speed intercity rail facilities	n/a
b	Under a carryforward election. Attach a copy of Form 8328 to this return	n/a
c	Under transitional rules of the Tax Reform Act of 1986. Enter Act section	n/a
d	Under the exception for current refunding (section 146(f) and section 1313(a) of the Tax Reform Act of 1986)	n/a
45a	Amount of issue of qualified veterans' mortgage bonds	n/a
b	Enter the state limit on qualified veterans' mortgage bonds	n/a
46a	Amount of section 1394(f) volume cap allocated to issuer. Attach copy of local government certification	n/a
b	Name of empowerment zone	n/a
47	Amount of section 142(k)(5) volume cap allocated to issuer. Attach copy of state certification.	n/a

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here 

Signature of officer: **James M. Edwards**

Name of above officer (type or print): **James M. Edwards**

Date: **3/5/07**

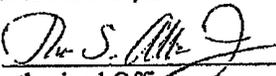
Chairman

Title of officer (type or print): **Chairman**

CERTIFICATE OF WEST PENN ALLEGHENY FOUNDATION, LLC

The undersigned hereby certifies that he holds the office of West Penn Allegheny Foundation, LLC, a Pennsylvania nonprofit corporation (the "Corporation"), set forth below his name and as such is authorized to make this certificate, and further certifies that the information contained in the Information Return for Tax-Exempt Private Activity Bond Issues (Form 8038) to be filed with the Internal Revenue Service pursuant to Section 149(e) of the Internal Revenue Code of 1986, as amended, is true, accurate and complete as of the date hereof and may be relied upon by the Allegheny County Hospital Development Authority in preparing and filing said Information Return with the Internal Revenue Service.

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: 
Authorized Officer

Dated: December 29, 2006

CG_1165122_1

SCHEDULE I
to
Form 8038
of
Allegheny County Hospital Development Authority

Name of Organization

Employer Identification No.

West Penn Allegheny Foundation, LLC

20-1107650

Document Divider

**UCC-1 FINANCING STATEMENTS FOR EACH
HELICOPTER FILED BY LENDER AND IN POSSESSION
OF LENDER**

Document Divider

TAX REGULATORY AGREEMENT

and

NO ARBITRAGE CERTIFICATE

Between

Allegheny County Hospital Development Authority

and

West Penn Allegheny Foundation, LLC

Dated as of December 29, 2006

\$24,000,000

**Health Facilities Revenue Notes, Series B of 2006
(West Penn Allegheny Foundation, LLC Project)**

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TAX REGULATORY AGREEMENT

and

NO ARBITRAGE CERTIFICATE

THIS TAX REGULATORY AGREEMENT and NO ARBITRAGE CERTIFICATE (the "Tax Regulatory Agreement") is made and dated as of December 29, 2006, between Allegheny County Hospital Development Authority, (the "Issuer") and West Penn Allegheny Foundation, LLC (the "Borrower"). For purposes of the use of proceeds of the Notes (as hereinafter defined) and any certification contained in this Tax Regulatory Agreement, "Borrower" includes any organization described in Section 501(c)(3) of the Code (defined below) that is part of the same "controlled group" with the Borrower within the meaning of Section 1.150-1(e) of the Regulations (as hereinafter defined).

WITNESSETH:

WHEREAS, this Tax Regulatory Agreement has been executed by the Issuer and the Borrower to ensure compliance by the Issuer and the Borrower with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and the Regulations thereunder; and

WHEREAS, the Issuer is acting as a "conduit issuer" in order to benefit the Borrower, and the Issuer's representations herein concerning the use of the Project and the use of Proceeds of the Notes is based on information provided to it by the Borrower, including the Borrower's warranties, representations and covenants herein; and

WHEREAS, to ensure that interest on the Issuer's Health Facilities Revenue Notes, Series B of 2006 (West Penn Allegheny Foundation, LLC Project) (the "Notes") will be and remain excludable from gross income under the Code, the restrictions contained in this Tax Regulatory Agreement must be satisfied.

NOW THEREFORE, the Issuer and the Borrower warrant, represent and covenant as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. The following words and phrases shall have the following meanings. Any capitalized word or term used herein ascribed thereto in the hereinafter defined Agreement.

"Act" means the Municipal Authorities Act.

"Agreement" means the Master Financing Agreement dated as of December 29, 2006 by and between the Issuer, Lender and the Borrower, as supplemented and amended from time to time.

"Bona Fide Debt Service Fund" means, as defined by the Regulations, a fund, which may include Proceeds of an issue, that is used primarily to achieve a proper matching of revenues and interest payments within each Bond Year, and is depleted at least once a year, except for a reasonable carryover amount (not to exceed the greater of the earnings on the fund for the immediately preceding Bond Year or one-twelfth of the principal and interest payments on the issue for the immediately preceding Bond Year).

"Note Counsel" means the law firm or firms with expertise in public finance delivering their approving opinions with respect to the issuance of or the exclusion from gross income for federal income tax purposes of interest on the Notes.

"Bond Year" means the one-year periods during the term of the Notes beginning January 1 of any calendar year and ending on December 31 of the next succeeding calendar year. The first Bond Year begins on the Date of Issue of the Notes and ends on December 31, 2006.

"Capitation Fee" means a fixed periodic amount for each person for whom the Service Provider assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of services actually provided to covered persons varies substantially.

"Code" means the Internal Revenue Code of 1986, as amended.

"Cost of Issuance" means with respect to the Notes all costs that are treated as costs within the meaning of Section 1.150-1(b) of the Regulations, including but not limited to, (a) underwriter's spread (whether realized directly or derived through purchase of the Notes at a discount below the price at which they are expected to be sold to the public); (b) counsel fees (including Notes counsel, underwriter's counsel, Issuer's counsel, trustee's counsel and Borrower's counsel, as well as any other specialized counsel fees incurred in connection with the issuance of the Notes); (c) financial advisory fees incurred in connection with the issuance of the Notes; (d) rating agency fees; (e) ant trustee fees incurred in connection with the issuance of the Notes; (f) paying agent and certifying and authenticating agent fees related to issuance of the Notes; (g) accountant fees related to the issuance of the Notes; (h) printing costs of the Notes and of the preliminary and final offering materials, if any; (i) publication costs associated with the financing proceedings; (j) any fees paid to the Issuer; and (k) costs of engineering and feasibility studies necessary to the issuance of the Notes; provided, that bond insurance premiums and certain credit enhancement fees, to the extent treated as interest expense under applicable income tax regulations, shall not be treated as "Costs of Issuance "

"Costs of the Project" means all reasonable or necessary costs and expenses of the Project that are permitted under the Act and the Code to be paid out of proceeds of the Notes.

"Date of Issue" means December 29, 2006.

"Discharged" means, with respect to any bond or notes, the date on which all amounts due with respect to such bond or Notes are actually and unconditionally due, if cash is available at the place of payment for such bond or Notes, and no interest accrues with respect to such bond after such date.

"Facilities" means the capital projects financed by the Borrower with the Proceeds of the Notes.

"Governmental Unit" means a state, a political subdivision or instrumentality of the foregoing within the meaning of Section 141(b)(6) of the Code and shall include the Issuer but not the Borrower.

"Gross Proceeds" means the Proceeds and Replacement Proceeds of an issue.

"Investment Proceeds" means any amounts actually or constructively received from investing Proceeds of an issue.

"IRS" means the Internal Revenue Service.

"Issue Price" (other than for purposes of Form 8038) means \$24,000,000 (par, plus accrued interest, less any original issue discount ("OID") plus original issue premium ("OIP")). For purposes of Form 8038, Issue Price means \$24,000,000 (par, less OID plus OIP).

"Lender" means Banc of America Public Capital Corp

"Net Proceeds" means Proceeds of an issue reduced by amounts in a reasonably required reserve or replacement fund.

"Nonpurpose Investment" means any security, obligation, annuity contract, or investment type property as defined in Section 148(b) of the Code, that is not a Purpose Investment, including "specified private activity bonds" as defined in Code Section 57(a)(5)(c), but not including any other tax-exempt bond.

"Periodic Fixed Fee" means a stated dollar amount for services rendered for a specified period of time. The stated dollar amount may automatically increase according to a specified, objective, external standard that is not linked to the output or efficiency of a facility. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective external standards.

"Per-Unit Fee" means a fee based on a unit of service provided. For example, a stated dollar amount for each car parked or each unit of a housing facility that is occupied would constitute a "per-unit fee."

"Private Person" means any person or entity other than a Governmental Unit.

"Proceeds" means any Sale Proceeds, Investment Proceeds, and Transferred Proceeds of an issue.

"Project" means the Facilities financed with the Proceeds of the Notes.

"Purpose Investment" means an investment that is acquired to carry out the governmental purpose of an issue.

"Qualified Project" means collectively that portion of the Project financed with Qualified Project Costs.

"Qualified Project Costs" means Costs of the Project which will result in property which is or will be owned by the Borrower and will not be used in an "unrelated trade or business" (as such term is used in Section 513(a) of the Code) of the Borrower (or any other organization described in Section 501(c)(3) of the Code) or in the trade or business of a person who is neither a governmental unit nor an organization described in Section 501(c)(3) of the Code. For purposes of the preceding sentence, any fees paid for guarantees, capitalized interest, remarketing fees or any similar costs properly allocable to Qualified Project Costs to be paid or reimbursed from Proceeds of the Notes (e.g., interest and guarantee fees paid with Proceeds of the Notes allocable to a building owned and operated by the Borrower that is not used in an unrelated trade or business and is not otherwise used by a person that is neither a governmental unit nor an organization described in Section 501(c)(3) of the code) shall be considered Qualified Project Costs. Qualified Project Costs shall not include costs or expenses paid more than sixty (60) days prior to the adoption by the Borrower of its resolution declaring its intent to reimburse Project Costs with Notes Proceeds unless those expenditures qualify as "Preliminary Expenditures" within the meaning of the Regulations or a de minimus amount that does not exceed the lesser of five percent (5%) of the Proceeds of the Notes or \$100,000. Qualified Project Costs shall not include any Costs of Issuance.

"Regulation" or "Regulations" means the temporary, proposed or final Income Tax Regulations, and any amendments thereto, promulgated by the Department of the Treasury and applicable to the Notes, including Sections 1.148-0 through 1.148-11, 1.149(b)-1, 1.149(d)-1, 1.149(g)-1 and Sections 1.150-1 and 1.150-2.

"Replacement Proceeds" means amounts defined in Section 1.148-1(c) of the Regulations.

"Sale Proceeds" means any amount actually or constructively received from the sale of an issue, including amounts used to pay Underwriter's discount or compensation and accrued interest other than "pre-issuance accrued interest." Sale Proceeds also include, but are not limited to, amounts derived from the sale of a right that is associated with a bond, and that is described in Section 1.148-4(b)(4) of the Regulations.

"Service Provider" means any Private Person that provides services under a Service Provider agreement with respect to the Project financed or refinanced by the Notes.

"State" means the Commonwealth of Pennsylvania.

"Tax-Exempt Bond" means any obligation other than specified private activity bonds (as defined in Section 57(a)(5)(C) of the Code) the interest on which is excludable from the gross income of the recipients thereof.

"Tax Regulatory Agreement" means this Tax Regulatory Agreement and No Arbitrage Certificate dated as of December 29, 2006 between the Issuer and the Borrower.

"Transferred Proceeds" means those Proceeds of a prior issue that become Proceeds of a refunding issue and cease to be Proceeds of the prior issue when Proceeds of the refunding issue discharge any of the outstanding principal amount of the prior issue. The amount of Proceeds of the issue that become Transferred Proceeds of the refunding issue is an amount equal to the Proceeds of the prior issue on the date of that discharge multiplied by a fraction (i) the numerator of which is the principal amount of the prior issue discharged with Proceeds of the refunding issue on the date of that discharge; and (ii) the denominator of which is the total outstanding principal amount of the prior issue on that date immediately before the date of that discharge.

"Yield" or "yield" means, for purposes of yield on an issue, and as specifically modified herein and as provided further in Section 1.148-4 of the Regulations, the discount rate that, when used in computing the present value as of the issue date of all unconditionally payable payments of principal, interest, fees for qualified guarantees (as defined in Section 1.148-4 of the Regulations) on the issue and amounts properly allocable to a qualified hedge (as defined in Section 1.148-4 of the Regulations), produces an amount equal to the present value, using the same discount rate, of the aggregate Issue Price of the bonds as of the issue date. For purposes of determining yield on an investment, and as specifically modified herein and as provided further in Section 1.148-5 of the Regulations, yield is that discount rate that, when used in computing the present value as of the date the investment is first allocated to the issue of all unconditionally payable receipts from the investment, produces an amount equal to the present value of all unconditionally payable payments for the investment.

Section 1.2 Reliance on Information Provided by the Issuer and the Borrower.

The Lender, Note Counsel and Borrower's Counsel shall be permitted to rely upon the contents of any certification, document or instructions provided pursuant to this Tax Regulatory Agreement and shall not

be responsible or liable in any way for the accuracy of their contents or the failure of the Issuer or the Borrower to deliver any required information.

ARTICLE II CERTAIN REPRESENTATIONS

Section 2.1 Representations as to the Project.

(a) (i) The Issuer, based solely on information provided to it by the Borrower, and the Borrower represent, that at least 95% of the Proceeds of the Notes will be used to finance a Qualified Project. The Borrower represents that no more than 2% of the Proceeds of the Notes will be used to pay for Costs of Issuance and that no more than 5% of the Proceeds of the Notes (less the portion of the Proceeds of the Notes allocable to Costs of Issuance) will be used to finance Costs of the Project which in the aggregate will be used in an unrelated trade or business of the Borrower or will be used pursuant to a lease, sub-lease or other contractual arrangement that provides a Private Person other than the Borrower use of the facility that is different from the use by the general public unless the Borrower receives an opinion of Notes Counsel that such use or arrangement will not adversely affect the exclusion of interest on the Notes from gross income for federal income tax purposes. See Section 2.4 of this Tax Regulatory Agreement.

(ii) The Borrower represents and covenants that it will not enter into any lease, operating agreement or activity with respect to the Project that is unrelated to its exemption under Section 501(a) of the Code without obtaining an unqualified opinion of Notes Counsel that such lease, operating agreement or activity will not adversely affect the exclusion of interest on the Notes for federal income tax purposes.

(b) The Borrower represents that the Project does not include any airplanes, skybox or private luxury box, facilities primarily used for gambling or any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(c) The Borrower represents that any health club facility which is a part of the Project will be used directly for purposes qualified under the Borrower's Section 501(c)(3) exempt purposes under the Code.

(d) The Notes are registered within the meaning of Section 149(a) of the Code.

(e) The Issuer, based solely on information provided to it by the Borrower, and the Borrower represent that they reasonably expect that at least 95% of the Costs of Issuance of the Notes will have been paid by the date that is one hundred eighty (180) days after the Date of Issue.

(f) The Issuer, based solely on information provided to it by the Borrower, and the Borrower represent that they reasonably expect that 85% of the Proceeds of the Notes allocable to the Project will be used to carry out the governmental purpose of the Notes by the date that is three (3) years from the Date of Issue of the Notes, and Borrower further represents that no more than 50% of the Proceeds of the Notes allocable to such Project will be invested in nonpurpose investments having a substantially guaranteed yield for four (4) years or more.

Section 2.2 Representations as to 501(c)(3) Status of the Borrower; Representations as to \$150 Million Cap.

(a) As of the date of delivery hereof, the Borrower represents that it is a single member limited liability company and its sole member has been recognized by the IRS as an organization exempt from federal income taxes under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code. The Borrower agrees that it shall not perform any acts or enter into any agreement which shall adversely affect its federal income tax status nor shall the Borrower carry on or permit to be carried on at the Project or permit the Project to be used in any trade or business or by any person if such activity would adversely affect the exclusion from gross income for federal income tax purposes of interest on the Notes or if such activity would adversely affect the Borrower's or its sole member's federal income tax status under Section 501(c)(3) of the Code. The Borrower also represents that it will not permit any use of the Project that would cause any portion of the Project to be used in an unrelated trade or business within the meaning of Section 513 of the Code.

(b) For purposes of the \$150 million cap, the Borrower represents that at least 95% of the Net Proceeds of the Notes will be used to finance or refinance capital expenditures incurred after August 5, 1997.

Section 2.3 Change in Use of the Project. The Borrower acknowledges that a change in use of the Project, within the meaning of Section 150 of the Code, will result in the Borrower being treated as engaged in an "unrelated trade or business" within the meaning of Section 513 of the Code from the date on which the change in use occurs. The amount of such unrelated trade or business income is equal to the fair rental value of the property, with interest on the Notes being nondeductible against the unrelated trade or business income. If the Borrower sells or otherwise transfers ownership of the Project (other than to a governmental unit or another qualifying 501(c)(3) organization), the new owner may be denied an interest deduction (including the interest component of rent or other user charges) incurred in connection with the acquisition of the Project. The Borrower also acknowledges that a change of use of the Project could cause the interest on the Notes to become includable in the gross income of the bondholders for federal income tax purposes.

Section 2.4 Service Contracts. The Borrower acknowledges that in determining whether all or a portion of the Proceeds of the Notes allocable to the Project are used, directly or indirectly, in the trade or business of a Private Person for purposes of the "private business use test" under Section 141(b)(1) of the Code, use by a Private Person pursuant to a management or other service contract must be examined. The Project is leased to Allegheny General Hospital ("AGH") pursuant to one or more an operating leases (the "Lease"). AGH is not a Private Person under the Code and, therefore, the Lease does not need to comply with the requirements of Rev. Proc. 97-13, as modified by Rev. Proc. 2001-28. However, any contract with a Private Person to manage the Project, or a portion of the Project, must be examined. Pursuant to Rev. Proc. 97-13, as modified by Rev. Proc. 2001-28, a management or other service contract between the Borrower and a Private Person will not result in the Proceeds of the Notes being used in the trade or business of a Private Person if the following guidelines are satisfied:

(a) The contract must provide for reasonable compensation for services rendered with no compensation based, in whole or in part, on a share of net profits from the operation of the Project. Reimbursement of the Service Provider for actual and direct expenses paid by the Service Provider to unrelated parties is not by itself to be treated as compensation. Permitted compensation arrangements include:

(i) an arrangement where at least 95% of the compensation for services for each annual period during the term of the contract is based on a Periodic Fixed Fee;

(A) The term of the contract, including all renewal options, must not exceed the lesser of 80% of the reasonably expected useful life of the financed property and fifteen (15) years.

(B) A fee does not fail to qualify as a Periodic Fixed Fee as a result of a one-time incentive award during the term of the contract under which compensation automatically increases when a gross revenue or expense target (but not both) is reached if that award is equal to a single, stated dollar amount.

(ii) an arrangement where at least 80% of the compensation for services for each annual period during the term of the contract is based on a Periodic Fixed Fee;

(A) The term of the contract, including all renewal options, must not exceed the lesser of 80% of the reasonably expected useful life of the financed property and ten (10) years.

(B) A fee does not fail to qualify as a Periodic Fixed Fee as a result of a one-time incentive award during the term of the contract under which compensation automatically increases when a gross revenue or expense target (but not both) is reached if that award is equal to a single, stated dollar amount.

(iii) an arrangement where either at least 50% of the compensation for services for each annual period during the term of the contract is based on a Periodic Fixed Fee or all of the compensation for services is based on a Capitation Fee or a combination of a Capitation Fee and a Periodic Fixed Fee;

(A) The term of the contract, including all renewal options, must not exceed five (5) years.

(B) The contract must be terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the third year of the contract term.

(iv) an arrangement where all of the compensation for services is based on a Per-Unit Fee or a combination of a Per-Unit Fee and a Periodic Fixed Fee;

(A) The term of the contract, including all renewal options, must not exceed three (3) years.

(B) The contract must be terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the second year of the contract term.

(v) an arrangement where all of the compensation for services is based on a percentage of fees charged (during a start-up period, compensation may be based on a percentage of either gross revenues, adjusted gross revenues, or expenses of a facility) or a combination of a per-unit fee and a percentage of revenue or expense fee.

(A) The term of the contract, including renewal options, must not exceed two (2) years.

(B) The contract must be terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the first year of the contract term.

(C) This permissible arrangement only applies to

(1) contracts under which the Service Provider primarily provides services to third parties, e.g., radiology services to patients; and

(2) management contracts involving a facility during an initial start-up period for which there have been insufficient operations to establish a reasonable estimate of the amount of the annual gross revenues and expenses, e.g. a contract for general management services for the first year of operations.

(b) The Service Provider must not have any role or relationship with the Borrower that, in effect, substantially limits the Borrower's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. This requirement is satisfied: (A) if not more than 20% of the voting power of the governing body of the Borrower in the aggregate is vested in the Service Provider and its directors, officers, shareholders, and employees; (B) overlapping board members do not include the chief executive officers of the Service Provider or its governing body or the Borrower or its governing body; and (C) the Borrower and the Service Provider under the contract are not related parties as defined in Section 1.150-l(b) of the Regulations.

Section 2.5 Ownership. The Borrower represents that it owns the Project.

The Borrower represents that it owns the Project. The Project is leased pursuant to the Lease to AGH, a 501(c)(3) organization, for use at the Lessee's hospital. The Borrower represents that any future management contract for the Project shall be a qualifying service contract, (except for the management of certain facilities the costs of which will not exceed the 3% amounts referred to in Section 2.1(a)(i) or (ii) herein) at all times during the term of the Notes. The Borrower knows of no reason why the Project will not be so owned and operated in the absence of (i) supervening circumstances not anticipated by the Borrower or the Issuer at Date of Issue, (ii) adverse circumstances beyond its control or (iii) such insubstantial parts or portions thereof as may occur as a result of normal use thereof. The Borrower will not change ownership or operation of the Project unless, in the written opinion of Note Counsel, such change will not result in the inclusion of interest on the Notes in the gross income of the recipient for federal income taxation.

Section 2.6 120 Percent Maturity Limitation. Borrower represents that the weighted average reasonably expected remaining economic life of the assets comprising the Facilities is at least 10 years. The reasonably expected economic life of any asset for purposes of this paragraph has been determined as of the later of the date on which the Notes were, issued, or the date on which the asset is placed in service (or expected to be placed in service). Borrower represents that the weighted average maturity of the Notes is 7.046 years, which does not exceed 120% of the weighted average reasonably expected remaining economic life of the Facilities.

Section 2.7 TEFRA. A public hearing with respect to the issuance of the Notes was held by the Issuer (for itself, for Westmorland County, Pennsylvania and for White Township, Indiana County,

Pennsylvania) on October 12, 2006 which was preceded by public notice published in the Pittsburgh Tribune-Review on September 26, 2006 and in the Indiana Gazette on September 29, 2006. On November 29, 2006, subsequent to the hearing held by the Issuer, the Chief Executive of the County of Allegheny, Pennsylvania approved that portion of the Project that relates to Allegheny County and the issuance of the Notes. On November 16, 2006, subsequent to the hearing held by the Issuer on behalf of Westmoreland County, the County Commissioners of Westmoreland County approved that portion of the Project that relates to Westmoreland County, Pennsylvania. On October 25, 2006, subsequent to the hearing held by the Issuer on behalf of White Township, Indiana County, the Township Supervisors of White Township, Indiana County approved that portion of the Project that relates to White Township;

Section 2.8 Federal Guarantee. The Borrower represents that the Notes are not and shall not become directly or indirectly "federally guaranteed." Unless otherwise excepted under Section 149(b) of the Code, the Notes will be considered "federally guaranteed" if (i) the payment of principal and interest with respect to the Notes is guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), (ii) 5% or more of the Proceeds of the Notes is (A) to be used in making loans, the payment of principal or interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof) or (B) to be invested (directly or indirectly) in federally insured deposits or accounts or (iii) the payment of principal or interest on the Notes is otherwise indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). For purposes of determining whether the Notes are federally guaranteed, a guarantee by the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Insurance Borrower, or the Government National Mortgage Association shall not be considered a "federal guarantee."

Section 2.9 Representations by the Issuer for Purposes of IRS Form 8038. Section 149(e) of the Code requires as a condition to qualification for exclusion of interest on the Notes for federal income tax purposes that the Issuer provide to the Secretary of the Treasury certain information with respect to the Notes and the application of the Proceeds derived therefrom. Attached as Exhibit A is a copy of the Form 8038 filed with the IRS. The Issuer, based solely on information provided to it from the Borrower and other parties to the transaction, and the Borrower have no reason to believe that any of the information contained in the attached Form 8038 is not accurate.

ARTICLE III SOURCE AND USE OF NOTES PROCEEDS

Section 3.1 Non-Arbitrage Purposes. Borrower represents that, and to the knowledge of the Issuer, no portion of the Notes is issued solely for the purpose of investing the Proceeds from such portion at a materially higher yield than the yield on the Notes.

Section 3.2 Sources. The cost of the Project will be financed by the Proceeds received from the issuance and sale of the Notes. These sources can be broken down as shown on the chart attached hereto as Exhibit B.

Section 3.3 Uses. The total available Proceeds of the Notes received from the sale of the Notes are expected to be needed and fully expended as shown on the chart attached hereto as Exhibit B.

Section 3.4 Costs of Issuance. Costs of Issuance for the Notes shall be paid solely from the proceeds from the Notes as shown on the chart attached hereto as Exhibit B, which Costs of Issuance do not exceed two percent (2%) of the Proceeds of the Notes. All Proceeds of the Notes to be used to pay Costs of Issuance are expected to be expended for that purpose within one hundred eight (180) days after the date of issuance of the Notes.

Section 3.5 Escrow Fund. The Lender and Borrower have established an Escrow Fund pursuant to an Escrow Agreement dated the date hereof. The Note Proceeds less Costs of Issuance paid therefrom are deposited into the Escrow Fund and shall be dispersed therefrom for costs of the Project.

Section 3.6 [RESERVED]

Section 3.7 Rebate Fund. The Lender, Borrower or Issuer may establish a Rebate Fund. Moneys in the Rebate Fund are to be used solely for the purpose of making Rebate payments as required in Section 148 of the Code. Moneys in the Rebate Fund are not reasonably expected to be used to pay debt service on the Notes and there is no assurance that monies in the Rebate fund will be available for that purpose should Borrower encounter financial difficulty.

Section 3.8 Investment Earnings. The Issuer, based solely on information provided to it by the Borrower, and the Borrower represent that no income is expected to be realized from the temporary investment of Note Proceeds. It is anticipated that all Proceeds will be applied to pay the cost of acquiring the Facilities and Cost of Issuance on the date of issuance of the Notes, and it is reasonably expected that no moneys will remain therein after payment of such costs and expenses.

Section 3.9 No Overissuance. The Issuer, based solely on information provided to it by the Borrower, and the Borrower represent that the estimated cost of the Project (excluding all Cost of Issuance) anticipated to be incurred is at least \$24,000,000. Costs of the Project which exceed the amount of available Proceeds of the Notes, and earnings, if any, thereon, will be paid with other funds of the Borrower or from Proceeds of bonds hereafter issued. Any contingency included in the estimated cost of acquisition and construction for inflation or escalation is reasonable, and is expected to be fully expended and utilized to complete the Project.

Section 3.10 Expenditure of Proceeds. The Issuer, based solely on information provided to it by the Borrower, and the Borrower represent that except as provided in this paragraph, all of the proceeds of the Notes shall be applied to expenditures paid after the issue date of the Notes.

Unless otherwise expressly provided, moneys will be accounted in each fund or account described herein on a "first-in, first-out" basis.

ARTICLE IV ARBITRAGE

Section 4.1 Arbitrage Information and Representations.

(a) The Borrower represents that the proceeds from the sale of the Notes shall be applied as indicated in Article III hereto.

(b) The Borrower represents that no portion of the Proceeds of the Notes will be used directly or indirectly to replace funds of the Borrower used directly or indirectly to acquire securities or obligations which may reasonably be expected, on the date hereof, to produce a Yield materially higher than the Yield on the Notes.

(c) The Borrower represents, that an "abusive device" has not been employed with respect to the Notes. An "abusive device" is any action that has the effect of (i) enabling the Issuer or the Borrower to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage and (ii) overburdening the tax-exempt bond market.

(d) No other obligations are being sold by the Issuer or any related entity at substantially the same time (i.e., within fifteen (15) days) of the sale date of the Notes pursuant to a common plan of financing and which will be paid out of substantially the same source of funds as the Notes or which will be paid directly or indirectly from Proceeds of the sale of the Notes.

(e) The Issuer certifies that it has not been notified of the listing or proposed listing of the Issuer by the Internal Revenue Service as an issuer that may not certify its bonds.

(f) The Borrower represents the issuance of the Notes will not involve the use of a "device" within the meaning of Section 149(d)(4) of the Code.

(g) The Issuer has received a fee of \$18,600.00 (excluding the first year's annual administration fee of \$6,000.00, and the legal fee of \$5,000, each paid at closing) with respect to the issuance of the Notes.

Section 4.2 Yield on the Notes.

(a) For purposes of the Notes, Yield shall be calculated as set forth in Section 1.148-4 of the Regulations and Section 148(b) of the Code. The Lender has certified that the Issue Price of the Notes is \$24,000,000.00.

(b) The Yield means the discount rate that, as of the date of issue of the Notes, produces a present value of all the unconditionally payable payments of principal and interest on the Notes and fees for qualified guarantees which is equal to the issue price of the Notes. The issue price of the Notes is determined in the manner provided by Sections 1273 and 1274 of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 1.148-1(b) of the Regulations. The yield on the Notes is determined without taking into account costs of issuance and Lender's discount.

(c) Based on the foregoing, the Yield on the Notes includes payments of principal and interest on the Notes.

Section 4.3 Replacement Proceeds.

(a) Section 1.148-1(c) of the Regulations provides that amounts are replacement proceeds of an issue if the amounts have a sufficiently direct nexus to the issue or to the governmental purpose of the issue to conclude that the amounts would have been used for that governmental purpose if the proceeds of the issue were not used or to be used for that governmental purpose. For this purpose, governmental purposes include the expected use of amounts for the payment of debt service on a particular date.

(b) To the extent the Borrower receives contributions that are restricted to pay Costs of the Project ("restricted contributions"), Section 1.148-1(c) of the Regulations would treat such contributions as replacement proceeds without regard to whether such contributions are pledged directly or indirectly to pay debt service on the Notes. However, to the extent that such contributions can be allocated to the "equity" portion of the facilities, such contributions are not Replacement Proceeds. For example, if a particular facility is expected to cost \$100, the Borrower used \$80 of Proceeds of the Notes to finance the facility and over the next several years the Borrower received \$25 in contributions that were restricted by the contributor for such facility, the last \$5 received as a contribution would constitute Replacement Proceeds.

(c) To the extent that the Borrower receives "restricted" contributions described in Section 4.3(b) above that exceed the equity portion of such facility determined in 4.3(b) above and such moneys are considered as though held in a Bona Fide Debt Service Fund (i.e., such moneys and other moneys in such fund other than a reasonable carry over amount) will be used to pay debt service on the Notes at least once each Bond Year such amounts may be invested without regard to Yield restrictions.

(d) To the extent that the Borrower receives "restricted" contributions described in Section 4.3(b) above that exceed the equity portion of the facility determined in Section 4.3(b) above and such moneys are not considered as though held in a Bona Fide Debt Service Fund, such moneys may be invested without regard to Yield restrictions for 30 days after the receipt at which time they may not be invested at a Yield that exceeds the Yield on the Notes.

Section 4.4 Governmental Program and Yield on the Agreement.

(a) The Agreement represents a loan that is part of a program established by the Issuer to make loans to, among other purposes, 501(c)(3) organizations.

(b) At least 95% of the receipts from the Agreement are used to pay principal, interest or redemption prices on the Notes or to redeem and retire governmental obligations at the next earliest date of redemption.

(c) The Borrower (or any other obligor on the Agreement) or any related party will not purchase the Notes in an amount related to the Agreement.

Section 4.5 Arbitrage Compliance.

The Issuer and the Borrower acknowledge that the continued exclusion of interest on the Notes from gross income of the recipients thereof for purposes of federal income taxation depends, in part, upon compliance with the arbitrage limitations imposed by Section 148 of the Code, including the rebate requirement. The Borrower hereby agrees and covenants that it will not permit at any time or times any of the Gross Proceeds of the Notes nor other funds of the Issuer or the Borrower to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Notes to be "arbitrage bonds" for purposes of Section 148 of the Code. The Borrower further agrees and covenants that it shall do and perform all acts and things necessary in order to ensure that the requirements of Section 148 of the Code are met.

ARTICLE V TERM OF TAX REGULATORY AGREEMENT

This Tax Regulatory Agreement shall be effective from the Date of Issue through the date that the Notes are Discharged and, with respect to arbitrage rebate, the date that is six (6) years after the last Notes are Discharged pursuant to the terms of the Indenture.

ARTICLE VI AMENDMENTS

Notwithstanding any other provision hereof, any provision of this Tax Regulatory Agreement may be deleted or modified at any time at the option of the Borrower if the Borrower has provided an unqualified opinion of Note Counsel that such deletion or modification will not adversely affect the

exclusion of interest on the Notes from the gross income of the recipients thereof for purposes of federal income taxation.

ARTICLE VII
EVENTS OF DEFAULT, REMEDIES

Section 7.1 Events of Default. If the Issuer or the Borrower fails to perform any of its required duties or obligations under any provision hereof or if any representation or warranty of the Issuer or Borrower proves to be false or misleading when made, such event shall constitute an Event of Default under this Tax Regulatory Agreement.

Section 7.2 Remedies for an Event of Default. Upon an occurrence of an Event of Default under Section 7.1 hereof, the owner of the Notes may proceed to protect and enforce its rights by pursuing any available remedy under the Financing Agreement or by pursuing any other available remedy, including, but not limited to, a suit at law or in equity, provided, however, that the Issuer shall have only such liability as provided by the Notes.

[Signature pages follow]

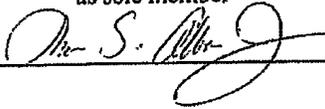
[SIGNATURE PAGE TO TAX CERTIFICATE]

ALLEGHENY COUNTY HOSPITAL
DEVELOPMENT AUTHORITY

By: _____
James M. Edwards
Chairman

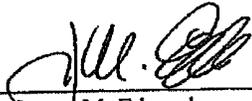
WEST PENN ALLEGHENY
FOUNDATION, LLC

By: West Penn Allegheny Health System, Inc.,
as sole member



[SIGNATURE PAGE TO TAX CERTIFICATE]

ALLEGHENY COUNTY HOSPITAL
DEVELOPMENT AUTHORITY

By: 
James M. Edwards
Chairman

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: West Penn Allegheny Health System, Inc.,
as sole member

1164894_1

EXHIBIT A
FORM 8038

[See Document No. 10 in closing binder]

EXHIBIT B
SOURCES AND USES

Sources

Face Amount of Notes	\$24,000,000
Original Issue Discount	\$0
Accrued Interest	<u>\$0</u>
Total	\$24,000,000

Uses

Project Costs	\$23,892,953.00
Costs of Issuance	<u>\$107,047.00</u>
Total	\$24,000,000

1164894_1

EXHIBIT C

DISBURSEMENTS OF PROCEEDS

Date	Withdrawal/Payment	Ending Balance
December 29, 2006	24,000,000 Into the Escrow Fund	\$0

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EXHIBIT D
CERTIFICATE OF LENDER

See attached.

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CERTIFICATE OF LENDER

The undersigned, a duly authorized officer of Banc of America Public Capital Corp (the "Lender"), represents and certifies the following as of this 29th day of December, 2006, relating to the issuance and delivery of the Allegheny County Hospital Development Authority Hospital Facilities Revenue Notes, Series B of 2006 (West Penn Allegheny Foundation, LLC Project) (the "Notes").

1. The Notes have been purchased by the Lender at a price of \$24,000,000, which represents a price of par (the "Issue Price").

2. The undersigned certifies that, the Yield (as defined in Section 1.1 of the Tax Regulatory and No Arbitrage Certificate dated the date hereof executed among the Allegheny County Hospital Development Authority and the West Penn Allegheny Foundation, LLC) on the Notes is 4.5921% and that the final Note maturity is on October 1, 2015.

[SIGNATURE PAGE FOLLOWS]

This Certificate of Lender has been duly executed and delivered as of the date first written above.

BANC OF AMERICA PUBLIC CAPITAL
CORP

By: 
Title: LaMesh Abram – Vice President

**CERTIFICATE OF
ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY**

Allegheny County Hospital Development Authority ("Issuer"), does hereby certify in connection with the Master Financing Agreement dated as of December 29, 2006 (the "Agreement"), among Issuer, Banc of America Public Capital Corp ("Lender") and West Penn Allegheny Foundation, LLC ("Obligor"), and the execution of the Note dated as of December 29, 2006 (the "Note" and together with the Agreement, the "Issuer Documents") that Issuer is a body politic and corporate and a public instrumentality duly organized and validly existing under the laws of the Commonwealth of Pennsylvania and does further certify as follows:

The words and terms used in this Certificate, unless the context requires otherwise, shall have the same meanings as set forth in the Agreement.

1. Members and Officers. The following persons were, since at least September 1, 2006, the duly qualified and acting members of the Issuer, and, since the date of the Issuer Documents (as hereinafter defined) to and including the date hereof, are the duly qualified and acting members and officers of the Issuer:

<u>Name</u>	<u>Title</u>
Chairman	James M. Edwards
Vice Chairman	John Brown, Jr.
Treasurer	Marilyn Liggett
Assistant Treasurer	Glenn Flickinger
Secretary	Jacques Moye
Assistant Secretary	Barney Guttman
Authorized Designee	Darnell Moses

Each member is a resident of the Commonwealth of Pennsylvania, and has been appointed in accordance with all applicable requirements of law.

2. Meetings. All meetings referred to in paragraph 3 below were open meetings in compliance with the Sunshine Act, 65 P.S. 261. et. seq., as amended (the "Sunshine Act"). Notices of the meetings of Issuer at which the Resolution (defined below) was adopted were given in accordance with the Sunshine Act of the Commonwealth of Pennsylvania.

3. Resolution. Attached hereto as **Attachment 1** is a true, complete and correct copy (other than any attachments or exhibits thereto) of the resolution (the "Resolution") authorizing and approving the execution and delivery of the Agreement, which were duly adopted by Issuer at the meeting of Issuer held on December 20, 2006. The Resolution is in full force and effect and the Resolution and Issuer Documents in the forms as originally adopted or executed, as the case may be, have not been altered, amended or repealed as of the date hereof.

4. Signatures. The signatures of James M. Edwards and Darnell Moses, the Chairman and the Authorized Designee of Issuer, respectively, affixed to the Issuer Documents are the true and correct signatures of such officers of Issuer.

5. Execution of Documents. James M. Edwards is the duly elected or appointed Chairman of Issuer, and Darnell Moses is an Authorized Designee of the Issuer. The foregoing were such officers of Issuer at the date of the Issuer Documents and continuously to the date of this Certificate. As such officers, the Chairman and Authorized Designee of Issuer have manually executed and attested, respectively, on behalf of Issuer, the Issuer Documents.

6. Representations and Warranties. To Issuer's knowledge, it has complied with all covenants and satisfied all conditions and terms of the Issuer Documents required on its part to be performed or satisfied at or prior to the date hereof.

7. No Event of Default. To Issuer's knowledge, at the date hereof, no event of default of Issuer specified in the Issuer Documents, and no event which with the giving of notice or the lapse of time or both would become such an event of default of Issuer under the Issuer Documents, has occurred.

8. All Necessary Action. Issuer has duly authorized, by all necessary action, the execution, delivery, receipt and due performance of the Issuer Documents and any and all such other agreements and documents as may be reasonably required to be executed, delivered and received by Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Issuer Documents and the Resolution. The Issuer Documents, as executed and delivered, constitute legal, valid and binding obligations of Issuer enforceable against it in accordance with their respective terms (except insofar as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws or equitable principles of general application affecting the rights and remedies of creditors and secured parties, and except as rights to indemnity under the Agreement may be limited by federal or state securities laws or by other principles of public policy).

9. Payments Pledged. The payments to be derived under the Agreement and assigned thereunder are not pledged or hypothecated by Issuer in any manner or to any extent except as otherwise expressly provided in the Agreement.

10. No Conflict. To Issuer's knowledge, no member of Issuer and no officer of Issuer has any pecuniary interest, directly or indirectly, in any contract, employment, purchase or sale made, or to be made, in connection with the proposed transaction contemplated by the Issuer Documents.

11. Taxability. Subject to the requirements of the Issuer Documents or any provision of law, or any applicable judgment, order, rule or regulation of any court or executive or agency having jurisdiction, Issuer will not engage in any activity which is likely to result in any loss of any exclusion of interest on the Loan from the gross income of the recipient thereof under the federal income tax laws.

12. Open Meetings. All meetings of Issuer at which Issuer considered any matters related to the Issuer Documents or the proposed transaction contemplated by the Issuer Documents, including the meetings at which the Resolution was adopted, were open to the public and held in accordance with the procedures adopted by Issuer and the Sunshine Act.

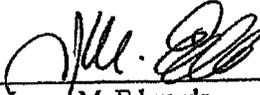
13. Approvals. To Issuer's knowledge, all approvals, consents, authorizations and orders required to be obtained by Issuer in connection with the execution and delivery of the Issuer Documents and the performance of the terms thereof by Issuer have been duly obtained.

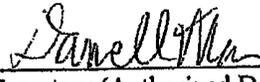
14. Seal. The seal, if any, affixed to this certificate and which has been affixed to the Agreement, is the legally adopted, proper and only official corporate seal of Issuer.

15. Public Hearing. In connection with the execution and delivery of the Agreement, Issuer was authorized to hold a hearing as required under Section 147 of the Internal Revenue Code of 1986, as amended, regarding the proposed execution and delivery of the Agreement. The September 26, 2006 published notice of the hearing advised the public that a public hearing would be held on October 12, 2006 to discuss the proposed execution and delivery of the Agreement and that interested parties would be afforded an opportunity to express their views at that hearing. At 9:00 A.M. on October 12, 2006 at the offices of Issuer, a public hearing was held concerning the execution and delivery of the Agreement as provided in the notice. The hearing was open to the public, and those present were invited to express their views relating to the execution and delivery of the Agreement and the proposed use of the proceeds thereof. No members of the public attended or expressed any views.

1164950_1

IN WITNESS WHEREOF, Issuer has caused this Certificate to be executed as of this ____ day of December, 2006.

By: 
James M. Edwards
Chairman

By: 
Secretary (Authorized Designate)

1164950_1

ATTACHMENT 1

ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY

RESOLUTION APPROVING THE FINANCING OF THE COSTS OF PROJECTS CONSISTING OF THE ACQUISITION OF FOUR MEDICAL EVACUATION HELICOPTERS AND CERTAIN CAPITAL EQUIPMENT, INCLUDING HOSPITAL BEDS FOR USE AT ALLEGHENY GENERAL HOSPITAL; MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH; DETERMINING THAT THE PROJECTS ARE FOR A PUBLIC PURPOSE AND THAT THE AUTHORITY SHALL ENTER INTO AGREEMENTS IN ORDER TO FINANCE SUCH PROJECTS; APPOINTING NOTE COUNSEL AND OTHER PARTIES; AND AUTHORIZING SUCH OTHER ACTIONS AS MAY BE NECESSARY OR DESIRABLE IN CONNECTION THEREWITH.

WHEREAS, the Allegheny County Hospital Development Authority ("Authority") is organized under the Municipality Authorities Act, the Act of June 19, 2001, P.L. 22, as amended (the "Act") for the purpose of acquiring, holding, constructing, financing, improving, maintaining and operating, owning and leasing, either in the capacity of lessor or lessee, buildings and facilities for hospital projects and health centers provided that such buildings and facilities shall have been declared by resolution adopted by the appropriate official or officials of the County of Allegheny ("County"), Pennsylvania, to be desirable for the health, safety and welfare of the people in the area served by such facilities to have them financed through the Authority and further provided that such declaration does not obligate the taxing power of the County in any way; and

WHEREAS, in order to finance projects consisting of the (i) acquisition of four medical evacuation helicopters for use at Allegheny General Hospital, Indiana Hospital and throughout Westmoreland County (the "Helicopter Project") and (ii) acquisition of certain capital equipment, including hospital beds for use at Allegheny General Hospital (the "Bed Project" and together with the Helicopter Project, the "Projects"), West Penn Allegheny Health System, ("WPAHS") as the sole member of a Pennsylvania limited liability company (the "Borrower") has requested that the Authority enter into one or more three party agreements (the "Financing and Security Agreements") among the Borrower, the Authority and a lender for the Helicopter Project and a lender for the Bed Project (together, the "Lenders") to be selected by the Borrower, among other things, (i) the Lenders shall agree to loan an amount not to exceed, in the aggregate, \$31,000,000 to the Authority to finance the Projects; and (ii) the Authority shall agree to use such proceeds for the Helicopter Project and the Bed Project as directed by WPAHS; and

WHEREAS, The Borrower shall lease the Equipment pursuant to one or more leases (the "Leases") to the Allegheny General Hospital ("AGH") which lease payments shall be assigned to the Lenders as security for the Notes; and

WHEREAS, the loans made pursuant to the Financing and Security Agreements will be in an aggregate principal amount not to exceed \$31,000,000 and will each bear interest and mature as provided in the respective Financing and Security Agreements and each Note issued pursuant to each Financing and Security Agreement, and will contain such other terms

and conditions as may be provided in the Financing and Security Agreements (the "Series 2006 Obligations"); and

WHEREAS, the obligation of the Authority under the Notes and the Financing and Security Agreements shall be a limited obligation of the Authority payable solely from the revenues from the Leases assigned to the Lenders and other sources and security as described in the Financing and Security Agreements; and

WHEREAS, pending application of the costs of the Projects, the proceeds from the loans may, unless disbursed at the settlement of the transaction contemplated hereby, be held in escrow pursuant to the terms and conditions of one or more escrows or similar agreements (the "Escrow Agreements") to be entered into by and among the Authority and a corporate trustee to be selected by Borrower;

WHEREAS, the Borrower shall indemnify the Authority and provide insurance with respect to the Projects as shall be set forth in the Financing and Security Agreements or elsewhere; and

WHEREAS, in connection with the foregoing, it will be necessary for the Authority to authorize the execution and delivery of the Notes and the Financing and Security Agreements and any other instruments and agreements executed and delivered in connection therewith; and authorize such other actions, including certain escrow arrangements, in connection with the foregoing as are necessary to complete the financing of the Projects (the "Transaction Documents").

NOW, THEREFORE, BE IT:

RESOLVED, that the Authority hereby approves the Projects as a project under the Act and finds and determines that the Projects are for a public purpose and are eligible for financing pursuant to the Act.

RESOLVED, that for the purpose of providing funds for the Projects, the Authority hereby approves and authorizes the financing of the Projects, and the issuance of its Notes pursuant to the Financing and Security Agreements in an aggregate principal amount not to exceed \$31,000,000. The Notes shall contain such terms and provisions as shall be set forth therein, but in no event shall the final maturity of the Authority's obligation extend beyond 2030, nor shall the interest exceed 10 % per annum.

RESOLVED, that the Authority's obligations under the Notes and the Financing and Security Agreements shall be payable solely from lease rentals paid by AGH under the Leases and assigned to the Lenders and other sources and security as described in the Financing and Security Agreements, shall bear interest at the rates and at the times (at least as frequently as semiannually) set forth in the Notes and the Financing and Security Agreements, mature as provided therein and be substantially in the form and have such other terms and provisions as shall be more fully set forth in the Notes and the Financing and Security Agreements.

RESOLVED, that the forms of the Notes, the Financing and Security Agreements, the Escrow Agreements and such other agreements and certificates as may be required and to which the Authority is a party, submitted or to be submitted to the Authority Solicitor be, and they hereby are, approved, and that the Chairman or any Vice Chairman of the Authority be, and he or she hereby is, authorized and directed to execute the Notes, the Financing and Security Agreements and the Escrow Agreements on behalf of the Authority, and the Secretary or any Assistant Secretary (or authorized designate of the Secretary) of the Authority be, and he or she hereby is, authorized and directed to affix the corporate seal (or facsimile thereof) of the Authority to the Notes, the Financing and Security Agreements and the Escrow Agreements, and to attest the same; and any officer of the Authority be, and he or she hereby is, authorized and directed to deliver the Notes, the Financing and Security Agreements and the Escrow Agreements, with such changes therein as the officer executing the same may approve, his or her approval to be conclusively evidenced by his or her execution thereof.

RESOLVED, that the Chairman or Vice Chairman of the Authority be, and he or she hereby is, authorized and directed to execute and deliver all other documents, certificates, agreements, financing statements, instruments and documents, with such changes therein as the Authority Solicitor or the officer executing the same may approve, his or her approval to be conclusively evidenced by his or her execution thereof, and to take any and all other action which may be required, necessary or desirable to carry out and consummate the transactions to be carried out and consummated by the Authority as contemplated by these Resolutions, the Notes, the Financing and Security Agreements and the Escrow Agreements for the completion of the Projects.

RESOLVED, that the proper officers of the Authority are hereby authorized and directed to pay all necessary, usual and proper costs of issuance of the Notes from the proceeds thereof, to execute and deliver such documents and to do all such other acts, upon direction or request of the Borrower, with the advice of the Authority's Solicitor, as are reasonably necessary to ensure a satisfactory settlement of the transactions contemplated by these Resolutions and the Financing and Security Agreements, and a proper application of the proceeds thereof.

RESOLVED, that the proper officers of the Authority be, and they hereby are, authorized and directed to execute, deliver and file any and all such certificates, forms, instruments and documents, to give such notice, to hold such public meetings and take any and all other actions as may be required by the Act or which they may deem appropriate or necessary, to carry out and consummate the transactions by the Authority contemplated by these Resolutions, the provisions of the Financing and Security Agreements and other related and appropriate documents.

RESOLVED, that no covenant, stipulation, obligation or agreement contained in these Resolutions, the Financing and Security Agreements, the Notes, the Escrow Agreements or other related and appropriate documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Authority in his or her individual capacity and neither the members of the Authority nor any officer executing the Notes, the Financing and Security Agreements or the Escrow Agreements shall be liable personally

therefore or be subject to any personal liability or accountability by reason of the issuance thereof.

RESOLVED, that the liability and undertaking of the Authority contemplated by the foregoing Resolutions shall be strictly limited as provided by the Act, and neither the general credit of the Authority nor the general credit or taxing power of the County of Allegheny, the Commonwealth, or any political subdivision or instrumentality thereof, shall be pledged for the payment of the Series 2006 Obligations.

RESOLVED, that if any provision, section, sentence, clause or part of these Resolutions are determined by a court of competent jurisdiction to be invalid and unenforceable, such determination shall not affect the validity or effect of the remaining provisions hereof.

RESOLVED, that Cohen & Grigsby, P.C. is hereby appointed Note Counsel in respect of the issuance of the Series 2006 Obligations and transactions related thereto.

RESOLVED, that each Lender shall be selected by the Borrower and that each such Lender is hereby approved by the Authority.

RESOLVED, that it is hereby found and determined that all formal actions of this Authority concerning and relating to the adoption of these Resolutions were adopted in an open meeting of this Authority in compliance with all legal requirements.

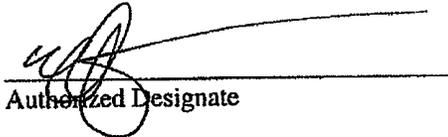
RESOLVED, that these Resolutions shall be in full force and take effect immediately upon adoption.

RESOLVED, that all prior resolutions of the Authority or parts of such resolutions not in accord with these Resolutions are hereby repealed insofar as they conflict herewith.

The foregoing Resolutions were adopted by at least a majority of the Board of the Authority this 19th day of December, 2006.

ALLEGHENY COUNTY HOSPITAL
DEVELOPMENT AUTHORITY

ATTEST:


Authorized Designate

By:


Chairman

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TRIB TOTAL MEDIA
LEGAL ADVERTISING

Proof of Publication of Notice in The Tribune-Review
Under Act No. 587, Approved May 16, 1929

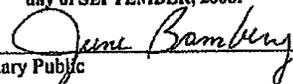
Commonwealth of Pennsylvania
County of Westmoreland } SS:

LORI SCANLON, Classified Advertising Manager of the Tribune-Review Publishing Company, a corporation of the Commonwealth of Pennsylvania with places of business in Greensburg, Westmoreland County, Pennsylvania and Pittsburgh, Allegheny County, Pennsylvania, being duly sworn, deposes and says that the Tribune-Review is a daily newspaper circulated in Southwestern Pennsylvania. Said corporation was established in the year 1924. A copy of the printed notice of publication is attached hereto exactly as the same was printed and published in the regular editions of the said daily newspaper on the following dates, viz: LEGAL# 3320264, RE: HEARING NOTICE-ALLEGHENY CO. HOSPITAL AUTH.; 26TH DAY OF SEPTEMBER, 2006.

Affiant further deposes that s/he is an officer duly Authorized by the Tribune-Review Publishing Company, publisher of The Tribune-Review, to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice of publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.


Classified Advertising Manager,
Tribune Review Publishing Company

Sworn to and subscribed before me this
26TH day of SEPTEMBER, 2006.


Notary Public

Statement of Advertising Costs

COHEN & GRIGSBY, P.C.
LYNNE M. RADDER
11 STANWIX ST. 15TH FL
PITTSBURGH, PA 15222

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
June Bamberg, Notary Public
City Of Greensburg, Westmoreland County
My Commission Expires June 14, 2009
Member, Pennsylvania Association of Notaries

NOTICE OF HEARING
ALLEGHENY COUNTY HOSPITAL
DEVELOPMENT AUTHORITY
Allegheny County Hospital Development Authority

To Tribune-Review Publishing Company, Dr.
For Publishing the notice or advertisement attached
hereto on the above stated dates \$600.96
Probating Same \$ 0
Total \$ 600.96

Publisher's Receipt for Advt
The Tribune-Review Publishing Company, publisher of the Tribune-Review, hereby acknowledges a receipt of the aforesaid advertisements. The same have been fully paid.

ily
ies

Tribune-Review Publishing Company, Publisher
of The Tribune-Review, a Daily Newspaper.
By _____

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Proof of Publication

State of Pennsylvania
County of Indiana

JS

On this 29th day of September 2006, A D

before me, the subscriber, a Notary Public in and for said County and State, personally appeared:

Lucinda Troup

who being duly sworn according to laws, deposes and says, that (s)he is the Solicitor of the Indiana Gazette, that the said Indiana Gazette is a daily newspaper of general circulation, published in the borough of Indiana, in the County of Indiana, State of Pennsylvania, by the Indiana Printing & Publishing Company, and was established in said Borough on the second day of July 1890, since which date, said daily newspaper has been regularly issued in said Borough and County, that annexed hereto is a true copy of a notice in the above matter exactly as the same was printed in the regular editions and issues of the said daily newspaper on the following dates, viz:

09/29/06

Affiant further deposes and says that (s)he is an employee of the publisher of the said daily newspaper and has been authorized to verify the foregoing statement and the (s)he is not interested in the subject matter of the aforesaid notice or publication and that all allegations in the foregoing statement as to time, place, and character of publication are true.

Indiana Printing & Publishing Company

By: *Lucinda Troup*

Sworn to and subscribed before me the day and year aforesaid.

Barbara J. Sullivan

For publishing notice attached hereto on above stated dates	\$185 42
Proof of Publication	\$ 5 00
Proof of Intent	
Total	\$190 42

Indiana Printing & Publishing Company, publishers of the Indiana Gazette, a daily newspaper, hereby acknowledges receipt of the aforesaid publication costs, and certifies the same have been fully paid

Indiana Printing and Publishing Co.
P.O. Box 10, 899 Water Street, Indiana, PA 15701

By _____

NOTICE
NOTICE OF HEARING
ALLEGHENY COUNTY
HOSPITAL DEVELOPMENT
AUTHORITY
Allegheny County Hospital Development Authority (the "Authority") will conduct a public hearing on behalf of the County of Allegheny, on behalf of the County of Westmoreland and on behalf of White Township, Indiana County, on Thursday, October 12, 2006, at 9:00 a.m., at the office of Allegheny County Hospital Development Authority, 425 Sixth Avenue, 8th Floor, Pittsburgh, Pennsylvania 15210 to review the Project described in this notice.

ISSUE: Allegheny County Hospital Development Authority, 425 Sixth Avenue, 8th Floor, Pittsburgh, Pennsylvania 15210.

OWNER/BORROWER: West Penn Allegheny Foundation, LLC (the "Borrower"), 18th Floor, Allegheny General Hospital, 320 E. North Avenue, Pittsburgh, Pennsylvania 15212, a Pennsylvania not-for-profit Pennsylvania limited liability company which is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

PROJECT NAME: West Penn Allegheny Foundation, LLC Project (the "Project").

PROJECT DESCRIPTION: The Authority will issue its Allegheny County Hospital Development Authority Revenue Debt Obligations, Series of 2006 (West Penn Allegheny Foundation, LLC Project) (the "2006 Debt Obligations"), which along with other available funds, will provide funds to finance all or a portion of the costs of: (a) the acquisition and related capital costs of four (4) helicopters which shall replace four existing helicopters (the "Helicopters"); (b) financing capitalized interest, if any, on the 2006 Debt Obligations; (c) funding of any necessary reserves for the 2006 Debt Obligations; and (d) payment of costs of issuance of the 2006 Debt Obligations.

PROJECT LOCATION: The Helicopters owned or to be owned by the Borrower which are part of the Project are located in Allegheny County, Westmoreland County and White Township, Indiana County.

(a) Allegheny County: The Helicopter that is a part of the Project that is in Allegheny County is located at the following address: Allegheny General Hospital 18th Floor, 320 E. North Avenue, Pittsburgh, Pennsylvania 15212 and the Helicopter will serve hospitals throughout Allegheny County.

(b) Westmoreland County: The Helicopters that are part of the Project that are in Westmoreland County are located

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TRANSCRIPT OF PUBLIC HEARING
ALLEGHENY COUNTY
HOSPITAL DEVELOPMENT AUTHORITY

**TAX-EXEMPT REVENUE DEBT OBLIGATIONS, SERIES OF 2006 (WEST PENN
ALLEGHENY FOUNDATION, LLC PROJECT) \$25,000,000**

Let the record show that this is a public hearing called by the Allegheny County Hospital Development Authority (the "Issuer") on October 12, 2006 at 9:00 A.M. in the offices of the Authority—425 Sixth Avenue, Suite 800, County of Allegheny, Pittsburgh, Pennsylvania—to take public comment on the issuance of Tax-Exempt Revenue Debt Obligations, Series of 2006 (the "Obligations") in an aggregate amount not to exceed \$25,000,000, on behalf of West Penn Allegheny Foundation, LLC (the "Borrower"), a non-profit organization.

The proceeds of the Obligations, along with other available funds, will provide funds to finance all or a portion of the costs of: (a) the acquisition and related capital costs of four (4) helicopters which shall replace four existing helicopters (the "Helicopters"); (b) financing capitalized interest, if any; (c) funding of any necessary reserves; and (d) payment of costs of issuance (collectively, the "Project").

The Owner and Operator of the Project, which is also the Borrower, will be the West Penn Allegheny Foundation, LLC. The Helicopters will be located in Allegheny County, Westmoreland County and White Township, Indiana County. Their addresses are as follows:

ALLEGHENY COUNTY: Allegheny General Hospital 16th Floor, 320 E. North Avenue, Pittsburgh, Pennsylvania 15212 serving hospitals throughout Allegheny County.

WESTMORELAND COUNTY: (i) Rostraver Airport, 5 Airport Road, Belle Vernon, Pennsylvania 15012; and (ii) Greensburg-Jeannette Regional Airport, Airport Road, Jeannette, PA 15644; both serving hospitals throughout Westmoreland County.

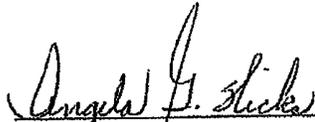
WHITE TOWNSHIP, INDIANA COUNTY: Indiana Hospital, 835 Hospital Road, Indiana, Pennsylvania 15701 serving hospitals throughout Indiana County.

This hearing is being held to comply with Section 147(f) of the Internal Revenue Code of 1986, as amended, pursuant to public notice published in the Pittsburgh Tribune Review, being legal newspaper having a general circulation within the County of Allegheny, on September 26, 2006 in the form attached to this transcript.

The Public Hearing opened at 9:00 A.M. The hearing was attended by Thomas S. Albanesi, Jr., West Penn Allegheny Health System; Charles R. Brodbeck, Cohen & Grigsby; John Lacny, Service Employees International Union; and the following staff personnel: Samuel Bozzolla, Project Manager; Adrienne Frazier, Administrative Asst.; and Angie Hicks, Project Manager. There were no

public comments for or against the proposed project and the financing thereof through the issuance of Bonds. In addition, no written statements were received by the Authority. The Public Hearing was adjourned at 9:07 A.M.

The undersigned hereby certifies that (s)he is authorized to conduct a public hearing, that as such designee (s)he attended and conducted the public hearing described in the foregoing transcript, and that said transcript truly and accurately reflects the testimony of said hearing.



Angie Hicks
Project Manager

Document Divider



REQUEST FOR EXECUTIVE ACTION

NUMBER

1309-06

11/21/2006

AGH

DEPARTMENT: Economic Development	EST. COST: N/A
ADDRESS: 425 Sixth Avenue, Suite 800 Pittsburgh, PA 15219-1819	EST. REVENUE: N/A
CONTACT: Arlie Hicks EXT.: 1021	FUTURE IMPACT: N/A
SIGNATURE:  11/21/06 DIVISION MANAGER DATE	CHECK APPROPRIATE BOX: <input type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Grant INDEX CODE: N/A SUBOBJ: N/A PROJECT NO: N/A INCLUDED IN BUDGET: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
SIGNATURE:  11/21/06 DIRECTOR DATE	
DATE SUBMITTED TO COUNTY MANAGER:	

SUMMARY:

The Allegheny County Hospital Development Authority (the "Authority") requests Highest Elected Official Approval from the Chief Executive in connection with the issuance of Tax-Exempt Debt Obligations, Series 2006, in an amount not to exceed \$31,000,000.

EXPLANATION:

West Penn Allegheny Foundation (the "Borrower") has requested the Authority to issue its Tax-Exempt Obligations, Series 2006, in an aggregate principal amount not to exceed \$31,000,000. The proceeds of the Obligations, along with other available funds, will provide funds to finance all or a portion of the costs of: (a) the acquisition and related capital costs of four (4) helicopters which shall replace four existing helicopters (the "Helicopters"); (b) the acquisition of capital assets, including hospital beds; (c) financing capitalized interest, if any, on the 2006 Debt Obligations; (d) funding of any necessary reserves for the 2006 Debt Obligations; and (e) payment of costs of issuance of the 2006 Debt Obligations. The Borrower is a Pennsylvania not-for-profit corporation located in Allegheny County.

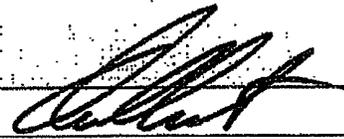
-NO COUNTY FUNDS INVOLVED-

ACHDA Approval: November 14, 2006. TEFRA Hearing: October 23, 2006 and November 14, 2006

NO COMMENTS FOR OR AGAINST THIS PROJECT WERE RECEIVED

cc: Controller
Law Department
Budget & Finance

Certified:



Chief Executive

Date:

11/29/06

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WESTMORELAND COUNTY

RESOLUTION #R-42-2006

APPROVING, IN ACCORDANCE WITH SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, A PLAN OF FINANCING BY THE ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY AND DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE OF WESTMORELAND COUNTY FOR THE ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY TO UNDERTAKE A PROJECT FOR THE BENEFIT OF A PENNSYLVANIA LIMITED LIABILITY COMPANY WITH WEST PENN ALLEGHENY HEALTH SYSTEM AS ITS SOLE MEMBER.

WHEREAS, the Allegheny County Hospital Development Authority (the "Authority") was duly incorporated by the Commissioners of Allegheny County under the provisions of the Municipality Authorities Act, as amended (the "Municipality Authorities Act"); and

WHEREAS, a Pennsylvania limited liability company with West Penn Allegheny Health System as the sole member of as the borrower (the "Borrower") has requested the Authority to issue, pursuant to the Municipality Authority Act, its Revenue Debt Obligations, Series of 2006 (West Penn Allegheny Foundation Project) (the "Debt Obligations") in one or more series in an aggregate principal amount not to exceed \$25,000,000 and to lend the proceeds thereof to the Borrower to be used to finance various projects (collectively, the "Project") consisting of the financing of all or a portion of the costs of (i) the acquisition and related capital costs of four (4) medical evacuation helicopters which shall replace four existing helicopters (the "Helicopters"), two (2) of which Helicopters shall be located at (i) Rostraver Airport, 5 Airport Road, Belle Vernon, Pennsylvania 15012 and (ii) Greensburg-Jeannette Regional Airport, Airport Road, Jeannette, PA 15644, and both Helicopters will serve the hospitals throughout Westmoreland County (the "Westmoreland Helicopters"); (b) financing capitalized interest, if any, on the Debt Obligations; (c) funding of any necessary reserves for the Debt Obligations; and (d) payment of costs of issuance of the Debt Obligations;

WHEREAS, the Municipality Authorities Act limits the powers of the Authority by providing that none of the powers granted by law to the Authority may be exercised in the construction, financing,

improvement or operation of any project which in whole or in part duplicates or competes with existing enterprises serving substantially the same purposes unless the projects are school building projects or facilities to be leased to, or financed with loans to, private, nonprofit, nonsectarian colleges or universities or to state-related universities and community colleges and the municipality which organizes the Authority declares by resolution that it is desirable for the health, safety and welfare of the people in the area served by such project to have such project provided by, or financed through, the Authority; and

WHEREAS, the locations at which the Westmoreland Helicopters portion of the Project will be carried out are located within Westmoreland County and serves the people of Westmoreland County and the Westmoreland Helicopters portion of the Project is located within Westmoreland County; and

WHEREAS, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), a public hearing was held by the Authority on behalf of the Board of Commissioners of Westmoreland County on October 12, 2006, at Authority's offices at 425 Sixth Avenue, 8th Floor, Pittsburgh, Pennsylvania 15219, in connection with a plan of financing by the Authority involving the issuance of the Debt Obligations; and

WHEREAS, Section 147(f) of the Code requires that the applicable elected representative of the governmental unit on behalf of which Debt Obligations are being issued and of each governmental unit having jurisdiction over the area in which any facility, with respect to which financing is to be provided from the net proceeds of such Debt Obligations, is located, approve Debt Obligations after a public hearing in order for a private activity bond to be a qualified bond under the Code; and

WHEREAS, the Board of Commissioners of the County of Westmoreland is the applicable elected representative of the governmental unit having jurisdiction over the area in which the Westmoreland Helicopters portion of the Project will be located.

NOW, THEREFORE, the Board of Commissioners of the County of Westmoreland hereby resolves that:

Section 1: It is hereby declared desirable for the health, safety and welfare of the people in Westmoreland County, Pennsylvania to have Allegheny County Hospital

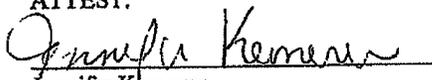
Development Authority issue the Debt Obligations for the purpose of financing the Westmoreland Helicopters portion of the Project; and the Westmoreland Helicopters portion of the Project and the financing thereof by the Authority is hereby approved, provided that the Debt Obligations shall not constitute a debt or obligation of the County of Westmoreland and do not obligate the taxing power of the County of Westmoreland in any way.

Section 2: The plan of financing involving the issuance of the Debt Obligations, in one or more series scheduled to be an aggregate principal amount not in excess of \$25,000,000 for the purpose of financing the Project, is hereby approved.

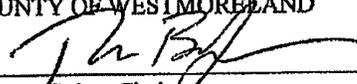
Section 3: All prior resolutions or portions thereof which are inconsistent herewith are hereby repealed. This resolution shall take effect immediately.

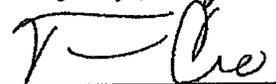
Duly adopted this 16th day of November, 2006.

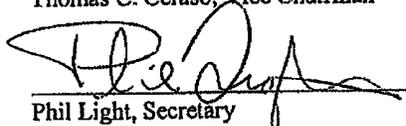
ATTEST:


Jennifer Kemmerer
Chief Clerk

COUNTY OF WESTMORELAND


Thomas Balya, Chairperson

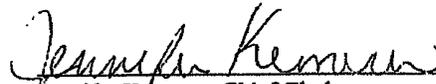

Thomas C. Ceraso, Vice Chairman


Phil Light, Secretary

CERTIFICATION

I, Jennifer Kemerer, Chief Clerk of Westmoreland County, Pennsylvania, do hereby certify that the foregoing is a true and correct copy of Resolution #R-42-2006, duly adopted at a regular meeting of the Board of Commissioners of Westmoreland County held on November 16, 2006.

Date: November 16, 2006


Jennifer Kemerer, Chief Clerk

Document Divider

WHITE TOWNSHIP, INDIANA COUNTY

Resolution No. R-10-06

APPROVING, IN ACCORDANCE WITH SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, A PLAN OF FINANCING BY THE ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY AND DECLARING THAT IT IS DESIRABLE FOR THE HEALTH, SAFETY AND WELFARE OF THE PEOPLE OF WHITE TOWNSHIP, INDIANA COUNTY FOR THE ALLEGHENY COUNTY HOSPITAL DEVELOPMENT AUTHORITY TO UNDERTAKE A PROJECT FOR THE BENEFIT OF A PENNSYLVANIA LIMITED LIABILITY COMPANY WITH WEST PENN ALLEGHENY HEALTH SYSTEM AS ITS SOLE MEMBER.

WHEREAS, the Allegheny County Hospital Development Authority (the "Authority") was duly incorporated by the Commissioners of Allegheny County under the provisions of the Municipality Authorities Act, as amended (the "Municipality Authorities Act"); and

WHEREAS, a Pennsylvania limited liability company with West Penn Allegheny Health System as its sole member as the borrower (the "Borrower") has requested the Authority to issue, pursuant to the Municipality Authority Act, its Revenue Debt Obligations, Series of 2006 (West Penn Allegheny Foundation Project) (the "Debt Obligations") in one or more series in an aggregate principal amount not to exceed \$25,000,000 and to lend the proceeds thereof to the Borrower to be used to finance various projects (collectively, the "Project") consisting of the financing of all or a portion of the costs of (i) the acquisition and related capital costs of four (4) medical evacuation helicopters which shall replace four existing helicopters (the "Helicopters"), one (1) of which Helicopter shall be located at Indiana Hospital, 835 Hospital Road, Indiana, Pennsylvania 15701 (the "White Township Helicopter"); (b) financing capitalized interest, if any, on the Debt Obligations; (c) funding of any necessary reserves for the Debt Obligations; and (d) payment of costs of issuance of the Debt Obligations;

WHEREAS, the Municipality Authorities Act limits the powers of the Authority by providing that none of the powers granted by law to the Authority may be exercised in the construction, financing, improvement or operation of any project which in whole or in part duplicates or competes with existing enterprises serving substantially the same purposes unless the projects are school building projects or facilities to be leased to, or financed with loans to, private, nonprofit, nonsectarian colleges or universities or to state-related universities and community colleges and the municipality which organizes the Authority declares by resolution that it is desirable for the health, safety and welfare of the people in the area served by such project to have such project provided by, or financed through, the Authority; and

WHEREAS, the location at which the White Township Helicopter portion of the Project will be carried out are located within White Township, Indiana County and serves the people of White Township and the White Township Helicopter portion of the Project is located within White Township, Indiana County; and

WHEREAS, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), a public hearing was held by the Authority on behalf of the Board of Supervisors of White Township on October 12, 2006, at Authority's offices at 425 Sixth Avenue, 8th Floor, Pittsburgh, Pennsylvania 15219, in connection with a plan of financing by the Authority involving the issuance of the Debt Obligations; and

WHEREAS, Section 147(f) of the Code requires that the applicable elected representative of the governmental unit on behalf of which Debt Obligations are being issued and of each governmental unit

having jurisdiction over the area in which any facility, with respect to which financing is to be provided from the net proceeds of such Debt Obligations, is located, approve Debt Obligations after a public hearing in order for a private activity bond to be a qualified bond under the Code; and

WHEREAS, the Board of Supervisors of the White Township is the applicable elected representative of the governmental unit having jurisdiction over the area in which the White Township Helicopter portion of the Project will be located.

NOW, THEREFORE, the Board of Supervisors of White Township, Indiana County hereby resolves that:

- Section 1: It is hereby declared desirable for the health, safety and welfare of the people in White Township, Indiana County, Pennsylvania to have Allegheny County Hospital Development Authority issue the Debt Obligations for the purpose of financing the White Township Helicopter portion of the Project; and the White Township Helicopter portion of the Project and the financing thereof by the Authority is hereby approved, provided that the Debt Obligations shall not constitute a debt or obligation of the White Township and do not obligate the taxing power of the White Township in any way.
- Section 2: The plan of financing involving the issuance of the Debt Obligations, in one or more series scheduled to be an aggregate principal amount not in excess of \$25,000,000 for the purpose of financing the Project, is hereby approved.
- Section 3: All prior resolutions or portions thereof which are inconsistent herewith are hereby repealed. This resolution shall take effect immediately.

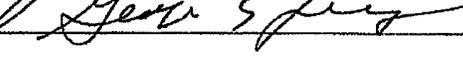
Duly adopted this 25th day of October, 2006.

WHITE TOWNSHIP BOARD OF
SUPERVISORS, INDIANA COUNTY,
PENNSYLVANIA









ATTEST:



Township Secretary

CERTIFICATION

CYNTHIA GARRITANO
I, _____, Secretary of White Township do hereby certify that the foregoing is a true and correct
copy of Resolution 2006-^{R-10006}___ duly adopted at a regular meeting of the Board of Supervisors of White
Township held on October 25, 2006.

Date: October 25, 2006

Cynthia L. Garritano Secretary

Document Divider

Bill No. 2839-06

No. 45-06-RE

A RESOLUTION

Approving a Project for the benefit of West Penn Allegheny Foundation, LLC, to be financed by the Allegheny County Hospital Development Authority by the issuance of one or more series of the Authority's Hospital Revenue Notes (West Penn Allegheny Foundation Project), Series 2006 (or similar designation) (the "2006 Notes") to be issued in aggregate principal amount not in excess of \$31,000,000, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the 2006 Notes, and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania, and constituting the elected official approval required by Section 147 of the Internal Revenue Code of 1986, as amended.

Whereas, West Penn Allegheny Foundation, LLC ("WPAF") has requested that the Allegheny County Hospital Development Authority ("Authority") finance the "Project" hereafter described by the issuance of the Authority's 2006 Notes in an aggregate principal amount not in excess of \$31,000,000; and

Whereas, the Project (defined below) shall consist of all or any portions (as determined by the WPAF) of the following:

(a) capital projects including the acquisition of (i) four (4) medical evacuation helicopters for expected use at Allegheny General Hospital, Indiana Hospital, and at medical facilities in Westmoreland County (the "Helicopter Project") and (ii) certain capital equipment, including hospital beds for use at Allegheny General Hospital (the "Beds Project" and, together with the Helicopter Project, the "Project"); and

(b) payment of issuance, credit and liquidity support, if any, and other costs related to the issuance of the 2006 Notes described above; and

Whereas, the location of the facilities included in the Project is Allegheny General Hospital, Indiana Hospital, Rostraver Airport and Greensburg-Jcannette Regional Airport, Westmoreland County; and

Whereas, Section 147 of the Internal Revenue Code of 1986, as amended ("Code") requires that elected officials of a governmental unit having jurisdiction of the area in which any facility of the Project is located approve the same for the purposes of that Section; and

Whereas, the County Council is an applicable elected representative, within the meaning of Section 147 of the Code, the Authority has conducted a hearing on October 12, 2006 for the Helicopter Project and will conduct a hearing on November 14, 2006 for the Beds Project, with respect to the 2006 Notes and the Project after reasonable public notice, and the Authority has

approved the Helicopter Project and the 2006 Notes for the Helicopter Project at its public meeting on October 24, 2006 and is expected to approve the Bed Project and the 2006 Notes for the Bed Project at its public meeting on November 15, 2006, each duly called with notice thereof published as required by law; and

Whereas, the following resolutions are also adopted to give effect to the provisions of the Municipality Authorities Act, Act No 22 of 2001, as amended by Act No. 110 of 2001, 53 Pa C S. Section 5601 et seq , including without limitation Section 5607(a)(14) thereof; and

Whereas, neither the 2006 Notes nor the approval granted hereby shall obligate taxing power of the County of Allegheny in any way, and shall be limited obligations of the Authority, payable solely from the revenues pledged by the Authority for such payment.

The Council of the County of Allegheny hereby enacts as follows:

Section 1. Terms Defined

Terms used in the Recitals to these Resolutions are herein used as therein defined.

Section 2. Approval of Project and 2006 Notes

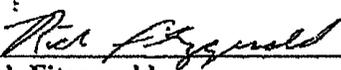
For the purposes set forth in the Recitals, and subject to the limitations set forth in the last Recital stated above, the County of Allegheny, Pennsylvania, acting by and through its County Council, hereby approves the Project and the 2006 Notes

Section 3. Severability. If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.

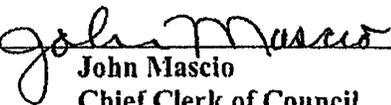
Section 4. Repealer. Any resolution or ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.

Enacted in Council, this 21st day of November, 2006,

Council Agenda No. 2139-06

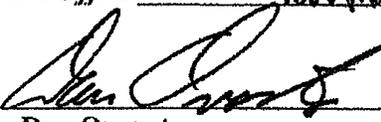


Rich Fitzgerald
President of Council

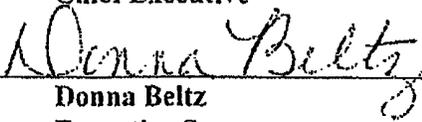
Attest: 

John Mascio
Chief Clerk of Council

Chief Executive Office November 29, 2006.

Approved: 

Dan Onorato
Chief Executive

Attest: 

Donna Beltz
Executive Secretary

SUMMARY PAGE
WEST PENN ALLEGHENY FOUNDATION
SUBMITTED FOR COUNCIL MEETING 11/08/06

On behalf of the West Penn Allegheny Foundation (the "Foundation"), a non-profit corporation, the Allegheny County Hospital Development Authority (the "Authority") intends to issue \$31,000,000 of Tax-Exempt Revenue Notes (the "Notes"). The Notes will finance the costs of the following:

- (a) capital projects including the acquisition of: (i) four (4) medical evacuation helicopters for use at Allegheny General Hospital, Indiana Hospital, and at medical facilities in Westmoreland County; and
- (b) certain capital equipment, including hospital beds

Additionally, the proceeds of the Notes will fund any necessary reserves and pay all or a portion of the costs of issuance, including the costs of providing credit enhancement for the Notes.

As is typical with these transactions issued through the Hospital Development Authority, the Notes are limited obligations, of the Authority, payable solely from the project or from the Foundation.

11-08-06

UPE-0009833

MEMORANDUM
OFFICE OF THE COUNTY MANAGER

TO: John Mascio
Chief Clerk

FROM: James M. Flynn, Jr. 
County Manager

DATE: November 2, 2006

RE: Proposed Resolution

ALLEGHENY COUNTY COUNCIL

'06 NOV 2 AM 9:23

Attached is a Resolution Approving a Project for the benefit of West Penn Allegheny Foundation, LLC, to be financed by the Allegheny County Hospital Development Authority by the issuance of one or more series of the Authority's Hospital Revenue Notes (West Penn Allegheny Foundation Project), Series 2006 (or similar designation) (the "2006 Notes") to be issued in aggregate principal amount not in excess of \$31,000,000, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the 2006 Notes, and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania, and constituting the elected official approval required by Section 147 of the Internal Revenue Code of 1986, as amended.

The Allegheny County Law Department has reviewed this legislation prior to submitting it to Council

Please place this on the next agenda for County Council approval.

Thank you

Document Divider

Closing Certificate of Obligor

We, the undersigned, hereby certify that we are duly elected, qualified and acting officers of West Penn Allegheny Foundation, LLC ("Obligor"), and as such we are familiar with the affairs, books and records of Obligor. In connection with the execution and delivery of (a) the Master Financing Agreement dated as of December 29, 2006 and the Notes and Equipment Schedules attached thereto (collectively, the "Agreement"), both among Obligor, Banc of America Public Capital Corp ("Lender") and Allegheny County Hospital Development Authority ("Issuer") evidencing a loan in the aggregate principal amount of \$24,000,000 from the Issuer to the Obligor (the "Loan"), and (b) the Master Lease Agreement and attached sub-leases (collectively, the "Lease Agreement") dated as of December 29, 2006, among, the Obligor, as lessor ("Lessor"), Allegheny General Hospital, and West Penn Allegheny Health Systems, Inc., as co-lessees (the "Lessee") (the said Agreement and Lease Agreement being herein collectively referred to as the "Transaction Documents"), we hereby further certify as follows:

1. CORPORATE ORGANIZATION AND AUTHORITY

1.1. Due Organization. Obligor is a non-profit limited liability company, duly organized and in good standing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") and is duly authorized and qualified and licensed to conduct its operations in the Commonwealth and in all other jurisdictions where failure to be so qualified, authorized and licensed would have a material adverse effect on the conduct of its operations or the ownership of its properties.

1.2. Incumbency of Officers. The persons signing the Transaction Documents were on the date or dates of the execution of the Transaction Documents, and are on this date, the duly appointed or elected, qualified and acting officers of Obligor, holding the respective offices set forth below their signatures on the execution pages of the Transaction Documents, and the signatures on the execution pages of the Transaction Documents are their true and genuine signatures.

2. TRANSCRIPTS AND LEGAL DOCUMENTS

2.1. Resolutions. Attached hereto as **Attachment 1** are true, correct and complete copies of the resolutions presented to the Board of Directors of Obligor's sole member on November 16, 2006, to the Board of Managers of Obligor at a meeting thereof duly called, convened and held on November 15, 2006, and to the Board of Directors of the Lessee at a meeting thereof duly called, convened and held on November 30, 2006, at which meetings a quorum was present and voted throughout; said resolutions were duly adopted at said meetings by said Boards of Directors and Board of Managers; said resolutions do not, and did not, in any manner contravene the Articles of Incorporation or Bylaws of Obligor as such Articles of Incorporation and Bylaws now exist and as they existed as of the date of adoption of said resolutions; and said resolutions have not been amended, modified or rescinded in any manner and are on the date hereof still in full force and effect.

2.2. Execution of Transaction Documents. The Transaction Documents have been executed and delivered in the name and on behalf of Obligor by its duly authorized officers and

employees, pursuant to and in full compliance with the resolutions of the Board of Managers of Obligor referred to in Paragraph 2.2 hereof; the copies of said documents contained in the Transcript are true, complete and correct copies or counterparts of said documents as executed and delivered by Obligor, and are in substantially the same form and text as the copies of such documents which were before the Board of Managers of Obligor and approved by said resolutions; and said documents have not been amended, modified or rescinded in any manner and are in full force and effect on the date hereof.

2.3. Representations in Transaction Documents. The representations, statements and warranties of Obligor set forth in the Transaction Documents were and are true and correct in all material respects and not misleading as of the date made and on and as of the date hereof with the same effect as if made on the date hereof, and it has complied with all covenants and satisfied all conditions and terms of the Transaction Documents required on its part to be performed or satisfied at or prior to the date hereof.

2.4. Compliance with Transaction Documents. Obligor has performed and complied with all the agreements and satisfied all the conditions of the Transaction Documents and otherwise required to be performed, complied with and satisfied by Obligor prior to or concurrently with the date hereof. Obligor represents that it has not and covenants that it will not perform any act or enter into any agreement or use or permit the use of the Equipment (defined herein) or any portion thereof in a manner that shall have the effect of terminating such exclusion from gross income for federal income tax purposes of the interest component of the Payments received by Lender pursuant to the Agreement and Schedule Nos. 1, 2, 3, and 4 thereto, including, without limitation, leasing or transferring all or any portion of the Equipment or contracting with a third party for the use or operation of all or any portion of the Equipment if entering into such lease, transfer or contract would have such effect.

2.5. No Default. As of the date hereof, no event of default under any of the Transaction Documents has occurred and is continuing and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a breach of or an event of default under any of the Transaction Documents.

2.6. Useful Life and Maturity. Obligor represents that the weighted average maturity [defined in accordance with the Section 147 of the Internal Revenue Code of 1986, as amended (the "Code")] of the Agreement will not exceed one hundred twenty percent (120%) of the weighted average reasonably expected economic life in the hands of Obligor of the Equipment financed or refinanced by Loan proceeds derived from the Agreement.

3. USE OF LOAN PROCEEDS

3.1. Use of Loan Proceeds. The Loan is being made to provide funds to finance or refinance the costs of acquiring certain equipment to be owned and operated by Obligor described in the Transaction Documents and **Attachment 2** hereto (the "Equipment").

3.2. Representations With Respect to the Equipment. Obligor represents, with respect to the Equipment, that all of the net proceeds of the Loan will be used to finance, reimburse or refinance the cost of the Equipment.

4. MISCELLANEOUS

4.1. Determination Letter. Attached hereto as **Attachment 3** is a determination letter of the Internal Revenue Service with respect to the status of West Penn Allegheny Health System's ("WPAHS"), the sole member of the Obligor, as an organization described in Section 501(c)(3) of the Code, which is currently in effect, has not been revoked, and is not being challenged. Neither WPAHS nor Obligor is, or shall with respect to the Equipment, engage in a trade or business which constitutes an unrelated trade or business as defined in Section 513 of the Code.

4.2. Representations to Lender. Obligor hereby agrees that all representations and warranties contained in this Certificate shall also inure to the benefit of Lender and its successor and assigns.

4.3. Legal Counsel. We have been counseled by Obligor's general counsel as to the purpose of the foregoing certifications and the meanings of the matters set forth in the foregoing certifications. Obligor understands that such certifications will be relied upon by Issuer in the execution and delivery of the Agreement and by the law firm of Cohen & Grigsby, P.C. in rendering its opinions as to the validity of the Transaction Documents and as to the exclusion from federal gross income of the interest on the Loan evidenced by the Agreement. We consent to such firm serving as note counsel to the Issuer for purposes of rendering its opinion with respect to the tax-exempt nature of interest on the Loan in connection with the Agreement.

Witness the execution and delivery hereof on December 29, 2006.

[SEAL]

WEST PENN ALLEGHENY
FOUNDATION, LLC

By: *Thomas S. Aubrey Jr.*

Name: THOMAS S. AUBREY JR.

Title: ASSISTANT TREASURER

By: *Jerry J. Fedele*

Name: JERRY J. FEDELE

Title: CEO WEST PENN ALLEGHENY
HEALTH SYSTEM

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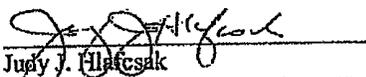
ATTACHMENT 1

Officer's Certificate

I am the duly appointed and authorized Secretary of West Penn Allegheny Health System, Inc. (WPAHS) and Allegheny General Hospital (AGH) and am the duly appointed and authorized Assistant Secretary of West Penn Allegheny Foundation, LLC (WPAF) and I hereby certify as follows:

1. Attached hereto as Exhibit 1 are true and correct resolutions adopted by the Board of Directors of WPAHS at a duly constituted meeting of the board held on November 16, 2006. These resolutions remain in full force and effect and have not been modified in any manner.
2. Attached hereto as Exhibit 2 are true and correct resolutions adopted by the Board of Directors of AGH at a duly constituted meeting of the board held on November 30, 2006. These resolutions remain in full force and effect and have not been modified in any manner.
3. Attached hereto as Exhibit 3 are true and correct resolutions adopted by unanimous written consent of the Board of Managers of WPAF as of November 15, 2006. These resolutions remain in full force and effect and have not been modified in any manner.
4. Attached hereto as Exhibit 4 are true and correct resolutions adopted by the written consent of the sole member of WPAF. These resolutions remain in full force and effect and have not been modified in any manner.

IN WITNESS WHEREOF, I have hereunto set my hand as of the ___ day of December, 2006.



Judy J. Filacsak

Secretary, West Penn Allegheny Health System, Inc.
Secretary, Allegheny General Hospital
Assistant Secretary, West Penn Allegheny Foundation, LLC

Document Divider

Exhibit 1

**Resolutions of the Board of Directors of
of
West Penn Allegheny Health System, Inc.
November 16, 2006**

WHEREAS, West Penn Allegheny Foundation, LLC ("WPAF"), has approved certain transactions related to the financing (the "Obligations") of certain capital equipment, including four medical evacuation helicopters and hospital beds (collectively, the "Equipment") through the Allegheny County Hospital Development Authority, as more fully set forth in the Resolution of Board Managers ("WPAF Resolution"), attached hereto as Annex A, and made a part hereof; and

WHEREAS, Allegheny General Hospital (the "Hospital"), intends to act to approve entering into certain operating leases with WPAF in connection with the Equipment, which lease payments would secure the Obligations, as more fully set forth in the Resolution of the Board of Directors ("AGH Resolution") attached hereto as Annex B and made a part hereof; and,

WHEREAS, Board of Directors of the West Penn Allegheny Health System ("WPAHS") desires to approve the actions set forth in the WPAF Resolution and the AGH Resolution.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The terms and actions set forth in the WPAF Resolution are hereby authorized, ratified and approved.

Section 2. The terms and actions set forth in the AGH Resolution are hereby authorized, ratified and approved.

Section 3. All actions previously taken by the Authorized Officers as set forth in the WPAF Resolution and the AGH Resolution, respectively, in connection with the matters described in the WPAF Resolution and the AGH Resolution are ratified and approved.

Section 4. The foregoing authorizations, ratifications, consents, approvals and resolutions shall take effect immediately, subject, however, to the approval of the AGH Resolution or a resolution with materially consistent provisions, by the Hospital Board of Directors. Any resolutions previously adopted that conflict with the foregoing are hereby revoked and of no further force or effect.

Annex A

Written Consent of the Board of Managers
of
West Penn Allegheny Foundation, LLC

November 15, 2006

WHEREAS, the Company, whose sole member is West Penn Allegheny Health System ("WPAHS"), has submitted an application to Allegheny County Hospital Development Authority (the "Issuer") for assistance in connection with the financing of the acquisition of certain medical evacuation helicopters (the "Helicopters") and certain capital equipment including hospital beds (the "Bed" and, together with the Helicopters, the "Equipment"), such financing to be evidenced by one or more financing and security agreements and related schedules (the "Financing Agreements"), to be entered into among the Issuer, the Company and one or more lenders to be selected by the Company (the "Lender"); and

WHEREAS, the Issuer proposes to enter into the Financing Agreements to finance the Equipment with the intent that the interest on the loan for the Helicopters and the loan for the Beds (the "Helicopter Loan" and the "Bed Loan", respectively, and together, the "Loans") shall be excluded from gross income for federal income tax purposes and the Company has agreed to make payments sufficient to pay the principal of and interest on the Loans to the Issuer, plus any other amounts due under the Financing Agreements with respect to the Equipment; and

WHEREAS, the Equipment financed by the Loans to the Issuer will be leased to Allegheny General Hospital, a charitable controlled affiliate of WPAHS, pursuant to leases which are intended by the Company to constitute operating leases for accounting purposes (the "Leases"); and

WHEREAS, the Lenders shall be selected by the Company pursuant to a "request for proposal" selection process (the "Selection Process"), whereby the Company, in its sole discretion, shall select the lenders that provide the Company the best financing terms for the Equipment meeting the terms of the Selection Process; and

WHEREAS, the Selection Process has been reviewed by officers of the Company; and

WHEREAS, it is anticipated that the Company will incur certain costs of the Equipment prior to the issuance of the notes evidencing the debt obligations of the Loans in order for the acquisition of the Equipment to proceed in a timely manner ("Prior Costs") and to pay for the same out of its general funds; and

WHEREAS, the Company wishes to comply with the requirements of Treasury Regulation Section 1.150-2 because it ultimately wishes to reimburse itself out of the proceeds of the Loans for any expenditures for any Prior Costs which it incurs.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Any one or more of the Authorized Officers of the Company listed in Section 5 below be and each of them hereby is, authorized to select the Lenders pursuant to the Selection Process, and is authorized to execute, acknowledge and deliver in the name and on behalf of the Company to and with the Lenders any commitment letter, note purchase proposal or similar agreement evidencing the terms of the Loans.

Section 2. The Company is authorized to enter into the Helicopter Loan and the Bed Loan in order to enable the Company to purchase the Equipment in an amount of up to \$25,000,000 and \$6,000,000, respectively, pursuant to Financing Agreements to have terms substantially consistent with the parameters set forth in the Selection Process, with such changes as the signing Authorized Officer(s) shall determine to be advisable, such approval to be conclusively evidenced by their execution and delivery of the Financing Agreement.

Section 3. The Company declares that it reasonably expects to reimburse itself for Prior Costs in connection with the Equipment with the proceeds of the Loans to be issued by the Issuer. This declaration shall constitute an expression of official intent under Treasury Regulation Section 1.150-2. The maximum principal amount of the Loans to be issued for the Equipment in the near future is expected to be approximately \$31,000,000, exclusive of any costs of issuance, any capitalized interest or any debt service reserve fund, which may be required.

Section 4. Any one or more of the Authorized Officers of the Company listed in Section 5 below be, and each of them hereby is, authorized to execute, acknowledge and deliver in the name and on behalf of the Company to and with the Issuer and/or Lender the Financing Agreements, including all attachments, financing statements and schedules and supplements thereto, such Financing Agreements to have terms substantially consistent with the parameters set forth in the Selection Process, with such changes as the signing Authorized Officer(s) shall determine to be advisable; further, said Authorized Officers are authorized to execute, acknowledge and deliver in the name and on behalf of the Company any other agreement, instrument, certificate, representation and document, and to take any other action as may be advisable, convenient or necessary to enter into such Financing Agreements; the execution thereof by any such Authorized Officer shall be conclusive as to such determination.

Section 5. For the purpose of these resolutions, the following persons are "Authorized Officers" duly authorized to enter into the transactions contemplated by those resolutions in the name and on behalf of the Company:

<i>Name of Position</i>	<i>Name</i>
President	Jerry J. Fedele
Secretary	James L. Rosenberg
Treasurer	David A. Samuel
Assistant Secretary	Judy J. Hlafcsak
Assistant Treasurer	Thomas Albanesi

Section 6. There is hereby authorized the execution and delivery by the Authorized Officers or any one of them in the name of and on behalf of the Company of the Leases and such other instruments or documents advisable, convenient or necessary to carry out the transactions contemplated by the Leases.

Section 7. All actions previously taken by the Authorized Officers in connection with the matters described in the foregoing resolutions are ratified and approved.

Section 8. Any resolutions previously adopted that conflict with the foregoing are hereby revoked and of no further force or effect.

Section 9. The foregoing resolutions shall take effect immediately, subject, however, to the approval of the transactions contemplated by the Financing Agreements and the Leases by West Penn Allegheny Health System, Inc., as sole member of the Company.

Annex B

**Resolutions of the Board of Directors
of
Allegheny General Hospital**

WHEREAS, Allegheny General Hospital ("Hospital") desires to undertake the leasing of certain capital equipment, including medical evacuation helicopters and hospital beds (together the "Equipment") to be acquired by West Penn Allegheny Foundation ("WPAF") pursuant to one or more financing and security agreements and related schedules, to be entered into among the Allegheny County Hospital Development Authority, WPAF and one or more lenders to be selected by the WPAF; and

WHEREAS, the Equipment will be leased to the Hospital pursuant to leases intended by WPAF to constitute operating leases for accounting purposes; and

WHEREAS, the transactions described herein have been authorized by the Board of Directors of West Penn Allegheny Health System, Inc, subject, however, to the approval of the Hospital.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Any one or more of the Authorized Officers of the Hospital listed in Section 3 below be and each of them hereby is, authorized to execute, acknowledge and deliver in the name and on behalf of the Hospital one or more leases with WPAF, including all attachments, financing statements and schedules and supplements thereto, (the "Leases") in regards to the Equipment, subject to such modifications as the officers executing and delivering the Leases shall approve, such approval to be conclusively evidenced by their execution and delivery of the Leases. Further, any one or more of the Authorized Officers are authorized to execute, acknowledge and deliver in the name and on behalf of the Hospital any other agreement, instrument, certificate, representation and document, and to take any other action as may be advisable, convenient or necessary to enter into the Leases; the execution thereof by any such Authorized Officer shall be conclusive as to such determination.

Section 2. The terms of the Leases shall (i) in the aggregate not exceed \$31,000,000 original principal amount, (ii) not exceed 25 year in terms and (iii) not exceed a per annum interest rate of 10%.

Section 3. For the purpose of these resolutions, the following persons are "Authorized Officers" duly authorized to enter into the transactions contemplated by those resolutions in the name and on behalf of the Hospital:

<i>Name of Position</i>	<i>Name</i>
President and Chief Executive Officer	Connie Cibrone

Vice President, Finance
Treasurer
Secretary
Assistant Secretary
Assistant Treasurer

Dawn Javersack
David A. Samuel
Judy J. Hlafcsak
Sharon M. Loftus
Thomas A. Albanesi, Jr.

Section 4. All actions previously taken by the Authorized Officers in connection with the matters described in the foregoing resolutions are ratified and approved.

Section 5. The foregoing resolutions shall take effect immediately. Any resolutions previously adopted that conflict with the foregoing are hereby revoked and of no further force or effect.

Exhibit 2

Resolutions of the Board of Directors
of
Allegheny General Hospital

WHEREAS, Allegheny General Hospital ("Hospital") desires to undertake the leasing of certain capital equipment, including medical evacuation helicopters and hospital beds (together the "Equipment") to be acquired by West Penn Allegheny Foundation ("WPAF") pursuant to one or more financing and security agreements and related schedules, to be entered into among the Allegheny County Hospital Development Authority, WPAF and one or more lenders to be selected by the WPAF; and

WHEREAS, the Equipment will be leased to the Hospital pursuant to leases intended by WPAF to constitute operating leases for accounting purposes; and

WHEREAS, the transactions described herein have been authorized by the Board of Directors of West Penn Allegheny Health System, Inc, subject, however, to the approval of the Hospital.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Any one or more of the Authorized Officers of the Hospital listed in Section 3 below be and each of them hereby is, authorized to execute, acknowledge and deliver in the name and on behalf of the Hospital one or more leases with WPAF, including all attachments, financing statements and schedules and supplements thereto, (the "Leases") in regards to the Equipment, subject to such modifications as the officers executing and delivering the Leases shall approve, such approval to be conclusively evidenced by their execution and delivery of the Leases. Further, any one or more of the Authorized Officers are authorized to execute, acknowledge and deliver in the name and on behalf of the Hospital any other agreement, instrument, certificate, representation and document, and to take any other action as may be advisable, convenient or necessary to enter into the Leases; the execution thereof by any such Authorized Officer shall be conclusive as to such determination.

Section 2. The terms of the Leases shall (i) in the aggregate not exceed \$31,000,000 original principal amount, (ii) not exceed 25 year in terms and (iii) not exceed a per annum interest rate of 10%.

Section 3. For the purpose of these resolutions, the following persons are "Authorized Officers" duly authorized to enter into the transactions contemplated by those resolutions in the name and on behalf of the Hospital:

<i>Name of Position</i>	<i>Name</i>
President and Chief Executive Officer	Connie Cibrone

Vice President, Finance
Treasurer
Secretary
Assistant Secretary
Assistant Treasurer

Dawn Javersack
David A. Samuel
Judy J. Hlafcsak
Sharon M. Loftus
Thomas A. Albanesi, Jr.

Section 4. All actions previously taken by the Authorized Officers in connection with the matters described in the foregoing resolutions are ratified and approved.

Section 5. The foregoing resolutions shall take effect immediately. Any resolutions previously adopted that conflict with the foregoing are hereby revoked and of no further force or effect.

Exhibit 3

**Written Consent of the Board of Managers
of
West Penn Allegheny Foundation, LLC**

November 15, 2006

The undersigned, being all of the Managers of West Penn Allegheny Foundation, LLC, a Pennsylvania limited liability company (the "Company"), do hereby consent to and adopt the following resolutions and take the following action with the same force and effect as if such resolutions had been duly adopted and such action duly taken at a meeting of the Managers of the LLC duly called and legally held in conformity with the Operating Agreement of the Company as of the 15th day of November, 2006.

WHEREAS, the Company, whose sole member is West Penn Allegheny Health System ("WPAHS"), has submitted an application to Allegheny County Hospital Development Authority (the "Issuer") for assistance in connection with the financing of the acquisition of certain medical evacuation helicopters (the "Helicopters") and certain capital equipment including hospital beds (the "Bed" and, together with the Helicopters, the "Equipment"), such financing to be evidenced by one or more financing and security agreements and related schedules (the "Financing Agreements"), to be entered into among the Issuer, the Company and one or more lenders to be selected by the Company (the "Lender"); and

WHEREAS, the Issuer proposes to enter into the Financing Agreements to finance the Equipment with the intent that the interest on the loan for the Helicopters and the loan for the Beds (the "Helicopter Loan" and the "Bed Loan", respectively, and together, the "Loans") shall be excluded from gross income for federal income tax purposes and the Company has agreed to make payments sufficient to pay the principal of and interest on the Loans to the Issuer, plus any other amounts due under the Financing Agreements with respect to the Equipment; and

WHEREAS, the Equipment financed by the Loans to the Issuer will be leased to Allegheny General Hospital, a charitable controlled affiliate of WPAHS, pursuant to leases which are intended by the Company to constitute operating leases for accounting purposes (the "Leases"); and

WHEREAS, the Lenders shall be selected by the Company pursuant to a "request for proposal" selection process (the "Selection Process"), whereby the Company, in its sole discretion, shall select the lenders that provide the Company the best financing terms for the Equipment meeting the terms of the Selection Process; and

WHEREAS, the Selection Process has been reviewed by officers of the Company; and

WHEREAS, it is anticipated that the Company will incur certain costs of the Equipment prior to the issuance of the notes evidencing the debt obligations of the Loans in order for the acquisition of the Equipment to proceed in a timely manner ("Prior Costs") and to pay for the same out of its general funds; and

WHEREAS, the Company wishes to comply with the requirements of Treasury

Regulation Section 1.150-2 because it ultimately wishes to reimburse itself out of the proceeds of the Loans for any expenditures for any Prior Costs which it incurs.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Any one or more of the Authorized Officers of the Company listed in Section 5 below be and each of them hereby is, authorized to select the Lenders pursuant to the Selection Process, and is authorized to execute, acknowledge and deliver in the name and on behalf of the Company to and with the Lenders any commitment letter, note purchase proposal or similar agreement evidencing the terms of the Loans.

Section 2. The Company is authorized to enter into the Helicopter Loan and the Bed Loan in order to enable the Company to purchase the Equipment in an amount of up to \$25,000,000 and \$6,000,000, respectively, pursuant to Financing Agreements to have terms substantially consistent with the parameters set forth in the Selection Process, with such changes as the signing Authorized Officer(s) shall determine to be advisable, such approval to be conclusively evidenced by their execution and delivery of the Financing Agreement.

Section 3. The Company declares that it reasonably expects to reimburse itself for Prior Costs in connection with the Equipment with the proceeds of the Loans to be issued by the Issuer. This declaration shall constitute an expression of official intent under Treasury Regulation Section 1.150-2. The maximum principal amount of the Loans to be issued for the Equipment in the near future is expected to be approximately \$31,000,000, exclusive of any costs of issuance, any capitalized interest or any debt service reserve fund, which may be required.

Section 4. Any one or more of the Authorized Officers of the Company listed in Section 5 below be, and each of them hereby is, authorized to execute, acknowledge and deliver in the name and on behalf of the Company to and with the Issuer and/or Lender the Financing Agreements, including all attachments, financing statements and schedules and supplements thereto, such Financing Agreements to have terms substantially consistent with the parameters set forth in the Selection Process, with such changes as the signing Authorized Officer(s) shall determine to be advisable; further, said Authorized Officers are authorized to execute, acknowledge and deliver in the name and on behalf of the Company any other agreement, instrument, certificate, representation and document, and to take any other action as may be advisable, convenient or necessary to enter into such Financing Agreements; the execution thereof by any such Authorized Officer shall be conclusive as to such determination.

Section 5. For the purpose of these resolutions, the following persons are "Authorized Officers" duly authorized to enter into the transactions contemplated by those resolutions in the name and on behalf of the Company:

<i>Name of Position</i>	<i>Name</i>
President	Jerry J. Fedele
Secretary	James L. Rosenberg
Treasurer	David A. Samuel
Assistant Secretary	Judy J. Hlafcsak
Assistant Treasurer	Thomas Albanesi

Section 6. There is hereby authorized the execution and delivery by the Authorized Officers or any one of them in the name of and on behalf of the Company of the Leases and such other instruments or documents advisable, convenient or necessary to carry out the transactions contemplated by the Leases.

Section 7. All actions previously taken by the Authorized Officers in connection with the matters described in the foregoing resolutions are ratified and approved.

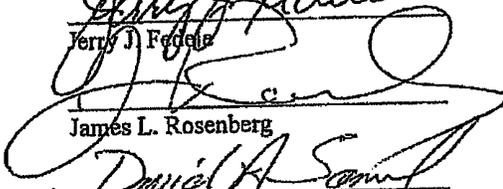
Section 8. Any resolutions previously adopted that conflict with the foregoing are hereby revoked and of no further force or effect.

Section 9. The foregoing resolutions shall take effect immediately, subject, however, to the approval of the transactions contemplated by the Financing Agreements and the Leases by West Penn Allegheny Health System, Inc., as sole member of the Company.

WITNESS the due execution hereof.

BOARD OF MANAGERS


Jerry J. Fedele


James L. Rosenberg

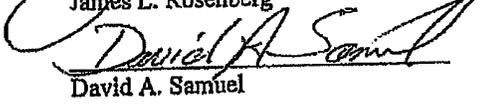

David A. Samuel

Exhibit 4

**Consent of Member
of
West Penn Allegheny Foundation, LLC**

WHEREAS, West Penn Allegheny Foundation, LLC ("Company"), whose sole member is West Penn Allegheny Health System ("WPAHS"), has adopted the Resolution of the Board of Managers (the "Resolution"), attached hereto, and made a part hereof. The member of the Company desire to approve the actions set forth in the Resolution;

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. WPAHS, as sole member of the Company, hereby approves and authorizes the actions and resolutions set forth in the attached Resolution.

Section 2. All actions previously taken by the authorized officers in connection with the matters described in the foregoing resolutions are ratified and approved.

Section 3. The foregoing consents and resolutions shall take effect immediately.

WEST PENN ALLEGHENY HEALTH SYSTEM,
sole member of West Penn Allegheny Foundation, LLC

By: _____

Title: _____

Henry J. Vidu
President + CEO

1165111_1

ATTACHMENT 2

1165111_1

ATTACHMENT 3

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DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Date: JAN 18 2000

West Penn Allegheny Health System, Inc.
c/o Jerry D. Fedele
10146 Woodbury Drive
Wexford, PA 15090

Employer Identification Number:
25-1848306
Issuing Specialist:
Steve Jankowitz-ID No. 50-03610
Toll Free Customer Service Number:
877-829-5500
Accounting Period Ending:
June 30
Foundation Status Classification:
509(a)(3)
Form 990 Required:
Yes

Dear Applicant:

Based on the information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in the section(s) indicated above.

Please notify the Ohio Tax Exempt and Government Entities (TE/GE) Customer Service office if there is any change in your name, address, sources of support, purposes, or method of operation. If you amend your organizational document or bylaws, please send a copy of the amendment to the Ohio TE/GE Customer Service office. The mailing address for that office is: Internal Revenue Service, TE/GE Customer Service, P.O. Box 2508, Cincinnati, OH 45201.

You are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act.

If you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958 of the Code. In this letter we are not determining whether any of your present or proposed arrangements would be considered an excess benefit transaction resulting in tax under section 4958. Additionally, you are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Donors (including private foundations) may rely on this ruling unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your 509(a) status as indicated above, donors (other than private foundations) may not rely on the classification indicated above if they were in part responsible for, or were aware of, the act that resulted in your loss of such status, or they acquired knowledge that the Internal Revenue Service had given notice that you

West Penn Allegheny Health System, Inc.

would be removed from that classification. Private foundations may rely on the classification as long as you were not directly or indirectly controlled by them or by disqualified persons with respect to them. However, private foundations may not rely on the classification indicated above if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fund-raising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fund-raising events such as benefit dinners, shows, membership drives, etc., where something of value is received in return for payments, you are required to provide a written disclosure statement informing the donor of the fair market value of the specific items or services being provided. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that the donor can determine how much is deductible and how much is not. Your disclosure statement should be made, at the latest, at the time payment is received. Subject to certain exceptions, your disclosure responsibility applies to any fund-raising circumstance where each complete payment, including the contribution portion, exceeds \$75. In addition, donors must have written substantiation from the charity for any charitable contribution of \$250 or more. For further details regarding these substantiation and disclosure requirements, see the enclosed copy of Publication 1771. For additional guidance in this area, see Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund-Raising Events, which is available at many IRS offices or by calling 1-800-TAX-FORM (1-800-829-3676).

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If "Yes" is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. If your gross receipts each year are not normally more than \$25,000, we ask that you establish that you are not required to file Form 990 by completing Part I of that Form for your first year. Thereafter, you will not be required to file a return until your gross receipts exceed the \$25,000 minimum. For guidance in determining if your gross receipts are "normally" not more than the \$25,000 limit, see the instructions for the Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. The maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it. Form 990 should be filed with the Ogden Service Center, Ogden, UT 84201-0027.

The law requires you to make your annual return available for public inspection without charge and to provide copies upon request for three years after the due date of the return. You are also required to make available for public inspection and to provide copies of your exemption application, any supporting documents, and this exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are made widely available, such as by posting them on the

West Penn Allegheny Health System, Inc.

Internet (World Wide Web). You may be liable for a penalty of \$20 for each day you do not make these documents available for public inspection or provide requested copies (up to a maximum of \$10,000 in the case of an annual return).

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Please use the employer identification number indicated in the heading of this letter on all returns you file and in all correspondence with the Internal Revenue Service. Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records. If you have any questions about this letter, or about filing requirements, excise, employment, or other federal taxes, please contact the Ohio TE/GE Customer Service office at 877-829-5600 (a toll free number) or correspond with that office using the address indicated above.

Sincerely,
Marvin Friedlander

Marvin Friedlander
Manager, Exempt Organizations
Technical Group 1

Enclosure:
Pub. 1771

Document Divider

WPAHS
Corporate
Book

cut to my home
Judy Feltner

Internal Revenue Service
Director, Exempt Organizations

Department of the Treasury
P.O. Box 2508
Cincinnati, Ohio 45201

Date:

JUN 04 2001

West Penn Allegheny Health System, Inc.
& Tax Department
320 East North Avenue
Pittsburgh, PA 15212

Person to Contact - ID#:
Lynn Brinkley - 31-07323
Contact Telephone Numbers:
877-829-5500 Phone
513-263-3756 FAX
Federal Identification Number:
25-1848306

Dear Sir or Madam:

Thank you for the information recently submitted regarding your change in activities. We have made it part of your file. (Backup in WPAHS perm file)

You have indicated that each of the following eight organization has modified its bylaws in order to identify West Penn Allegheny Health System, Inc. as the sole member of each.

<u>Entity:</u>	<u>EIN:</u>
Allegheny General Hospital	25-1322626
Allegheny University Medical Centers	25-1798379
Allegheny Singer Research Institute	25-1320493
Allegheny Medical Practice Network	25-1838457
Allegheny Specialty Practice Network	25-1838458
The Western Pennsylvania Hospital	25-0969492
Suburban General Hospital	25-0965574
The Western Pennsylvania Hospital Foundation	25-1470766

You have also indicated that West Penn Allegheny Health System, Inc. is a supporting organization for all of the above named organizations with the exception of The Western Pennsylvania Hospital Foundation.

The changes indicated do not adversely affect your exempt status and the exemption letter issued to you continues in effect.

Please let us know about any future changes in the character, purposes, method of operation, name or address of your organization. This is a requirement for retaining your exempt status.

Thank you for your cooperation.

Sincerely,

Steven J Miller

Director, Exempt Organizations

WPAHS
Corporate
Book

~~cc: [unclear]~~
~~[unclear]~~

Internal Revenue Service
Director, Exempt Organizations

Department of the Treasury
P.O. Box 2508
Cincinnati, Ohio 45201

Date:

JUN 04 2001

West Penn Allegheny Health System, Inc.
& Tax Department
320 East North Avenue
Pittsburgh, PA 15212

Person to Contact - ID#:
Lynn Brinkley - 31-07323
Contact Telephone Numbers:
877-829-5500 Phone
513-263-3756 FAX
Federal Identification Number:
25-1848306

Dear Sir or Madam:

Thank you for the information recently submitted regarding your change in activities. We have made it part of your file. (Backup in WPAHS perm file)

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The Western Pennsylvania Hospital	25-0969492
Suburban General Hospital	25-0965574
The Western Pennsylvania Hospital Foundation	25-1470766

You have also indicated that West Penn Allegheny Health System, Inc. is a supporting organization for all of the above named organizations with the exception of The Western Pennsylvania Hospital Foundation.

The changes indicated do not adversely affect your exempt status and the exemption letter issued to you continues in effect.

Please let us know about any future changes in the character, purposes, method of operation, name or address of your organization. This is a requirement for retaining your exempt status.

Thank you for your cooperation.

Sincerely,

Steven Miller

Director, Exempt Organizations

Document Divider

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Date: JAN 18 2000

West Penn Allegheny Health System, Inc.
c/o Jerry D. Fedele
10145 Woodbury Drive
Wexford, PA 15090

Employer Identification Number:
25-1848306
Issuing Specialist:
Steve Jankowitz-ID No. 50-03610
Toll Free Customer Service Number:
877-829-5500
Accounting Period Ending:
June 30
Foundation Status Classification:
509(a)(3)
Form 990 Required:
Yes

Dear Applicant:

Based on the information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in the section(s) indicated above.

Please notify the Ohio Tax Exempt and Government Entities (TE/GE) Customer Service office if there is any change in your name, address, sources of support, purposes, or method of operation. If you amend your organizational document or bylaws, please send a copy of the amendment to the Ohio TE/GE Customer Service office. The mailing address for that office is: Internal Revenue Service, TE/GE Customer Service, P.O. Box 2508, Cincinnati, OH 45201.

You are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act.

If you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958 of the Code. In this letter we are not determining whether any of your present or proposed arrangements would be considered an excess benefit transaction resulting in tax under section 4958. Additionally, you are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Donors (including private foundations) may rely on this ruling unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your 509(a) status as indicated above, donors (other than private foundations) may not rely on the classification indicated above if they were in part responsible for, or were aware of, the act that resulted in your loss of such status, or they acquired knowledge that the Internal Revenue Service had given notice that you

West Penn Allegheny Health System, Inc.

would be removed from that classification. Private foundations may rely on the classification as long as you were not directly or indirectly controlled by them or by disqualified persons with respect to them. However, private foundations may not rely on the classification indicated above if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fund-raising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fund-raising events such as benefit dinners, shows, membership drives, etc., where something of value is received in return for payments, you are required to provide a written disclosure statement informing the donor of the fair market value of the specific items or services being provided. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that the donor can determine how much is deductible and how much is not. Your disclosure statement should be made, at the latest, at the time payment is received. Subject to certain exceptions, your disclosure responsibility applies to any fund-raising circumstance where each complete payment, including the contribution portion, exceeds \$75. In addition, donors must have written substantiation from the charity for any charitable contribution of \$250 or more. For further details regarding these substantiation and disclosure requirements, see the enclosed copy of Publication 1771. For additional guidance in this area, see Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund-Raising Events, which is available at many IRS offices or by calling 1-800-TAX-FORM (1-800-829-3676).

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If "Yes" is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. If your gross receipts each year are not normally more than \$25,000, we ask that you establish that you are not required to file Form 990 by completing Part I of that Form for your first year. Thereafter, you will not be required to file a return until your gross receipts exceed the \$25,000 minimum. For guidance in determining if your gross receipts are "normally" not more than the \$25,000 limit, see the instructions for the Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. The maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it. Form 990 should be filed with the Ogden Service Center, Ogden, UT 84201-0027.

The law requires you to make your annual return available for public inspection without charge and to provide copies upon request for three years after the due date of the return. You are also required to make available for public inspection and to provide copies of your exemption application, any supporting documents, and this exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are made widely available, such as by posting them on the

West Penn Allegheny Health System, Inc.

Internet (World Wide Web). You may be liable for a penalty of \$20 for each day you do not make these documents available for public inspection or provide requested copies (up to a maximum of \$10,000 in the case of an annual return).

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Please use the employer identification number indicated in the heading of this letter on all returns you file and in all correspondence with the Internal Revenue Service. Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records. If you have any questions about this letter, or about filing requirements, excise, employment, or other federal taxes, please contact the Ohio TE/GE Customer Service office at 877-829-5500 (a toll free number) or correspond with that office using the address indicated above.

Sincerely,

Marvin Friedlander

Marvin Friedlander
Manager, Exempt Organizations
Technical Group 1

Enclosure:
Pub. 1771

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in the Department of
of the Commonwealth
Peter C. Cantor

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EXHIBIT C

CERTIFICATE OF ORGANIZATION

OF

WEST PENN ALLEGHENY FOUNDATION, LLC

In compliance with the requirements of 15 Pa. C.S. §8913 (relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

1. The name of the limited liability company (the "Company") is West Penn Allegheny Foundation, LLC.

2. The address of the registered office of the Company in Pennsylvania is:

c/o West Penn Allegheny Health System
16th Floor
Allegheny General Hospital
320 East North Avenue
Pittsburgh, PA 15212
Allegheny County

3. The Company shall have perpetual existence.

4. The purpose of the Company is: (i) to engage in the business of purchasing, financing or leasing equipment for resale or release to West Penn Allegheny Health System (the "System") or, on behalf of the System, to controlled charitable affiliates of the System, and to engage in such other lawful activities as may be in furtherance of or incidental to such purpose; and (ii) limited as hereafter described, to engage in all lawful business for which limited liability companies may be organized under 15 Pa.C.S. Ch. 89.

The Company is organized for the purposes set forth in Section 501(c)(3) of the Internal Revenue Code (the "Code") and to support the System, its initial member, which is a Section 501(c)(3) organization qualifying as an organization described in Section 509(a)(1) of the Code, or any tax-exempt successor to its interest identified in the Company's operating agreement. More particularly, the Company is organized to support

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the System in furthering its duties and obligations as described in Section 501(c)(3) of the Code. The Company will operate at all times in a manner consistent with the charitable, scientific, educational or other tax-exempt purposes of the initial member or any tax-exempt successor to its interest identified in the Company's operating agreement. All members of the Company shall at all times qualify for tax-exemption under Section 501(c)(3) of the Code.

5. This certificate of organization and the operating agreement of the Company may be amended in the manner prescribed at the time by statute, and all rights conferred upon members in this certificate of organization or the operating agreement of the Company are granted subject to this reservation.

6. The name and address of the organizer are:

Peter Beaman, Esq.
Schnader Harrison Segal & Lewis LLP
Suite 2700, 120 Fifth Avenue
Pittsburgh, PA 15222

~~7. The interest of a member in the Company may but shall not be required to be~~
evidenced by a certificate of membership interest. The procedures for assignment or transfer of a membership interest shall be as set forth in the operating agreement of the Company. The rights and obligations of the holders of membership interests represented by certificates and the rights and obligations of holders of uncertificated membership interests of the same type, or class and series, shall be identical.

8. Management of the Company shall be vested in a manager or managers as provided for in the operating agreement. The number of managers and the manner in which they are selected shall also be as prescribed in or by the operating agreement. Except as otherwise provided by resolution adopted by the managers or in the operating agreement, the managers may act only collectively as a board and by resolution duly adopted.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, has executed this certificate of organization on May 3, 2004.

ORGANIZER:


Peter Beaman, Esq.

EXHIBIT D

OPERATING AGREEMENT

of

WEST PENN ALLEGHENY FOUNDATION, LLC

A Pennsylvania Limited Liability Company

THE INTERESTS REPRESENTED BY THIS AGREEMENT
HAVE NOT BEEN REGISTERED UNDER THE
SECURITIES ACT OF 1933, AS AMENDED (THE "ACT")
OR ANY STATE SECURITIES LAW, AND MAY NOT BE
OFFERED FOR SALE, SOLD, OR OTHERWISE
TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE
REGISTRATION STATEMENT UNDER THE ACT OR
APPLICABLE STATE SECURITIES LAWS OR AN
EXEMPTION FROM REGISTRATION THEREUNDER.

Effective as of May 15, 2004

UPE-0009865

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OPERATING AGREEMENT

of

WEST PENN ALLEGHENY FOUNDATION, LLC

THIS OPERATING AGREEMENT (this "Agreement") is entered into and is effective as of the 15th of May, 2004 (the "Effective Date"), by West Penn Allegheny Health System, a Pennsylvania non-profit corporation, as the initial member (the "Initial Member"), and any other Persons becoming new or substitute Members of the Company as provided for herein.

WITNESSETH:

~~WHEREAS, the Initial Member has organized West Penn Allegheny Foundation, LLC (the "Company" or the "LLC") as a Pennsylvania limited liability company to engage in any and all lawful acts or activities that support the West Penn Allegheny Health System and its controlled charitable Affiliates; and~~

WHEREAS, the Initial Member wishes to set forth in this Agreement the provisions for the purposes, management and operation of the Company.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, and intending to be legally bound hereby, the parties hereto agree as follows.

ARTICLE 1

DEFINITIONS

In addition to terms defined elsewhere in this Agreement, the following terms (whether or not capitalized) shall have the meanings specified below unless the context clearly requires otherwise.

1.1 Act. "Act" means the Pennsylvania Limited Liability Company Law of 1994, as amended from time to time, or any successor act.

1.2 Affiliate. "Affiliate" means, with reference to any Person, any partner, officer, director, shareholder, trustee, employee or agent of such Person or any Person directly or indirectly controlling, controlled by or under common control with such Person, or any Person who is a member of the family of any such partner, officer, director, shareholder, trustee, employee or agent, or a trustee or beneficiary of any trust for the benefit of any such Person or any such partner, officer, director, shareholder, employee or agent or any such family member.

1.3 Assign and Assignment. "Assign" means, with respect to any interest in the Company, to offer, sell, assign, transfer, give, pledge, encumber or otherwise dispose of, whether voluntarily or involuntarily or by operation of law. "Assignment" means any of the foregoing transactions involving a Member's interest in the Company.

1.4 Authorized Representative. "Authorized Representative", solely for purposes of Article 8 hereof, shall have the meaning ascribed to such term in Section 8.9(g).

1.5 Bankruptcy. "Bankruptcy" means, with respect to any Member, when (a) such Member shall (i) admit in writing its inability to pay its debts generally as they become due, (ii) commence a voluntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, ~~(iii) make a general assignment for the benefit of its creditors,~~ (iv) consent to the appointment of a receiver for itself or any substantial part of its property, (v) consent to the relief sought in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or (vi) take any action in furtherance of any of the aforesaid purposes; or (b) a court of competent jurisdiction shall enter an order, decree or order for relief (i) in respect of such Member in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, (ii) appointing without the consent of such Member a receiver for such Member or for a substantial part of its property, or (iii) approving commencement of an involuntary proceeding filed against such Member under any applicable law now or hereafter in effect seeking the winding up or liquidation of its affairs, which order, decree or order for relief shall not have been vacated or set aside or stayed within sixty (60) days from the date of entry thereof.

1.6 Board. "Board" means the Board of Managers established in accordance with Section 8.2 hereof.

1.7 Capital Account. "Capital Account" means the individual account maintained by the Company with respect to each Member as provided in Section 6.2 hereof.

1.8 Capital Contribution. "Capital Contribution" means the amount of money and/or the fair market value of other property contributed to the Company by a Member pursuant to Article 5 hereof. The fair market value of contributed property shall be the value as agreed to by the contributing Member and the Board, net of liabilities assumed

by the Company or to which the property is subject, determined consistently with Code Section 752(c).

1.9 Certificate. "Certificate" means the Certificate of Organization filed pursuant to the Act; as such Certificate of Organization may be corrected, amended, modified or restated from time to time, as provided for herein.

1.10 Code. "Code" means the Internal Revenue Code of 1986, as amended from time to time. References to sections of the Code or to Treasury Regulations promulgated hereunder shall include the applicable provisions of any succeeding law or regulation.

1.11 Exempt Duty. "Exempt Duty" means the duties and obligations of a Member as an organization described in Section 501(c) (3) of the Code. With respect to the Initial Member, "Exempt Duty" means the obligation of the System to operate exclusively for charitable, scientific and educational purposes by supporting and managing a regional health care system, supporting educational, research, and scientific activities relating to the health of the residents in western Pennsylvania, and supporting the System hospitals by providing central management and operational services and access to capital.

1.12 Majority or other Percentage in Interest. "Majority in Interest" or other specified percentage in interest, when used with reference to the Members, means, at any given time, those Members who hold Units that in the aggregate exceed fifty percent (50%), or equal or exceed another specified percentage, of the Units held by all the Members.

1.13 Manager. "Manager" means any member of the Board of Managers.

1.14 Member. "Member" means (i) West Penn Allegheny Health System and (ii) any other Person admitted to the Company as a new or substituted Member in accordance with the provisions of this Agreement, but does not include any Person who has ceased to be a Member. Each Member must meet the requirements of all applicable laws, be admitted in accordance with the terms of this Agreement and be an organization that qualifies for exemption under Section 501(c)(3) of the Code.

1.15 Member Duty. "Member Duty" means the duties and obligations of any Member under this Agreement or applicable law.

1.16 Percentage Interest. "Percentage Interest" means as to any Member, a fraction (expressed as a percentage), the numerator of which is the number of Units held by such Member and the denominator of which is the number of Units held by all Members.

1.17 Person. "Person" means a natural person, a partnership, a corporation, a limited liability company, a trust, an estate, an unincorporated association, or any other entity.

1.18 System. "System" means the West Penn Allegheny Health System and, as required by the content, its controlled Affiliates.

1.19 Unit. "Unit" is the measure of an economic interest in the Company.

ARTICLE 2

FORMATION; NAME; PRINCIPAL PLACE OF BUSINESS

2.1 Formation. The Company has been formed as a limited liability company pursuant to the provisions of the Act.

2.2 Name. The name of the Company is "West Penn Allegheny Foundation, LLC".

2.3 Principal Place of Business and Registered Office. The registered office and principal place of business of the Company shall be located at 320 East North Avenue, Pittsburgh, PA 15212, or such other place as the Board may from time to time determine.

: ARTICLE 3 :

PURPOSES; POWERS

The Company has been formed as a limited liability company pursuant to the provisions of the Act. The initial purpose and business of the Company is to purchase, finance or lease equipment for resale or release to the System or, on behalf of the System, to controlled charitable Affiliates thereof, and to engage in such other lawful activities as may be in furtherance of or incidental to such purpose. Unless all the Members agree otherwise, the Company shall not engage in any other business.

Notwithstanding anything contained herein to the contrary, the Company is organized for the purposes set forth in Section 501(c)(3) of the Code and to support the System, its Initial Member, which is a Section 501(c)(3) organization qualifying as an organization described in Section 509(a)(1) of the Code, or any tax-exempt successor to its interest hereunder. More particularly, the Company is organized to support the System in furthering its Exempt Duty. The Company will operate at all times in a manner consistent with the charitable, scientific, educational or other tax-exempt purpose of the Initial Member or any tax-exempt successor to its interest hereunder. All Members of the Company shall at all times qualify for exemption under Section 501(c)(3) of the Code. Upon the admission of any additional Members pursuant to the terms of this Agreement, then the Board and the Members shall amend the Certificate and this Agreement to provide for the support of such additional Members.

ARTICLE 4

TERM OF THE COMPANY

The term of the Company commenced on the filing of the Certificate on May 3, 2004 and will continue unless and until terminated pursuant to Article 11 hereof.

ARTICLE 5

CAPITAL CONTRIBUTIONS

5.1 Capital Contributions. The Members shall make the Capital Contributions to the Company in return for a proportional number of Units. As of the Effective Date, the amount and characterization of Capital Contribution and the issued and outstanding Units held by the Initial Member are set forth on Exhibit A attached hereto and incorporated herein by reference, which may be amended from time to time.

5.2 Additional Capital Contributions and Additional Members.

(a) The Board, with the prior approval of the Members owning at least two-thirds all of the issued and outstanding Units, is authorized to issue additional Units to any Member, and to Persons who are not existing Members, in such amounts and for such Capital Contribution as the Board, with the approval of the Members owning at least two-thirds all of the issued and outstanding Units, may determine, and to admit them to the Company as a Member.

(b) No Member shall be required to make any additional contributions to the capital of the Company or, without the consent of the Board and the Members, permitted to make any such contributions.

5.3 Loans. The Members or their Affiliates may advance money to the Company in such amounts and proportions, and upon such repayment terms, as the Board may approve. Amounts so advanced shall be considered as loans to the Company and shall bear interest at such fair market rate, and be repaid upon such terms and conditions, as may be agreed upon by the Board and the lender.

5.4 No Interest on Capital Contributions. No Member shall be paid interest on any Capital Contribution, provided that loans to the Company pursuant to the System's Capital Contribution commitment and made as described in Section 5.3 shall (a) bear interest at fair market rates as shall be acceptable to the System and the Company and (b) be subject to and comply in all respects with the provisions of Section 3.18(d) of the Amended and Restated Master Indenture of Trust dated as of July 1, 2000, between the System, *et al.*, and Chase Manhattan Trust Company, National Association.

5.5 No Withdrawal or Demand for Return of Contribution. No Member shall be entitled to dissociate (i.e. withdraw) from the Company or withdraw any part of such Member's Capital Contribution or receive any distributions from the Company except as provided by this Agreement. No Member or Manager shall be liable to any other Member for the return of any Member's Capital Contribution. No Member shall have the right to demand and receive any distribution from the Company in any form other than cash.

5.6 Title to Property. Legal title to all property owned by the Company shall be held in the name of the Company. Each Member waives any claim of title to such property or any right to partition Company property. Such waiver shall not affect the treatment of property of the Company as that of the Members for tax purposes to the extent permitted and contemplated by Section 7.5 hereof and the Code.

5.7 Obligations Limited. The trades or businesses of the Company shall, subject to the limitations contained in Article 3 and elsewhere in this Agreement with respect to their purposes, be conducted independently of those of the System or its Affiliates. The obligations of the Company which may now or hereafter incurred pursuant to this Agreement or otherwise, including without limitation obligations for borrowed funds, leases, asset acquisitions or other contracts (for purposes of this Section "Company Obligations") shall be solely obligations of the Company, and no Member or other Person except the Company shall have any duty, obligation or liability in respect of any Company Obligation, notwithstanding that property owned, leased or operated by the Company may be used or useful in such Member or other Person's trade or business. Recourse on such Company Obligations shall be limited to assets owned by the Company and shall exclude recourse against the assets of any Member or other Person.

ARTICLE 6

DISTRIBUTIONS AND ALLOCATIONS

6.1 Distributions.

(a) The Board shall have the sole discretion as to the amounts and timing of distributions to Members, subject to the retention of, or payment to, third parties of such funds as they shall deem necessary with respect to the reasonable business needs of the Company, which shall include (but not by way of limitation) the payment or the making of provision for the payment when due of Company obligations. No Member shall have any right to demand or to receive any distributions from the Company in any form.

(b) Distributions, including liquidating distributions, shall be made to the Members in proportion to their respective Percentage Interests.

6.2 Capital Accounts; Allocations of Profits or Losses. The Company shall be treated as a disregarded entity for Federal and Pennsylvania tax purposes, and the Company covenants that it shall execute and file all instruments, documents and agreements and such information as the Internal Revenue Service and the Pennsylvania Department of Revenue shall require in order that such status be recognized by such agencies and shall remain in effect throughout the term of this Agreement.

If the Company is not treated as a disregarded entity for Federal tax purposes, a separate Capital Account shall be maintained for each Member in accordance with the Regulations promulgated under Section 704(b) of the Code. Except as otherwise required under the Code, the Company's profits and losses for each fiscal year shall be allocated to the Members in proportion to their Percentage Interests.

ARTICLE 7

FISCAL MATTERS; RECORDS AND REPORTS; COMPANY FUNDS

~~7.1 Fiscal Year. The Company's fiscal year shall end on June 30th.~~

7.2 Books and Records. The Company shall keep, or cause to be kept, complete and accurate books and accounts of all operations of the Company in accordance with generally accepted accounting principles consistently applied. The books and records shall be kept at the principal office of the Company or at such other location as may be designated by the Board. All Members shall have reasonable access to the accounting and other records of the Company during regular business hours, by appointment, and may review, audit and copy the records, and may make reasonable inquiries as to the Company's affairs.

7.3 Tax Matters Partner. If the Company is not treated as a disregarded entity for Federal tax purposes, the Board will designate a tax matters member (the "Tax Matters Member"). The Tax Matters Member shall have the responsibility of a tax matters partner specified under the Code. The Company shall reimburse the Tax Matters Member for all expenses reasonably incurred in connection with its duties hereunder.

7.4 Company Funds. The funds of the Company shall be deposited in such banks or other institutions as the Board shall determine, and all debts and obligations of the Company shall be paid by check, except petty expense items. Checks shall be drawn on a Company account for Company purposes only, and shall require such signatures as the Board may from time to time determine.

7.5 Tax Elections. The Company shall be treated as a disregarded entity for Federal tax purposes. If the Company is not treated as a disregarded entity, either as a result of an election adopted through a resolution of the Members or otherwise, then all

tax elections available to the Company for Federal, state or local tax purposes shall be made by the Tax Matters Member.

ARTICLE 8

MANAGEMENT

8.1 Management by Board. The business and affairs of the Company shall be managed by or under the direction of the Board and the Board shall have the exclusive authority to make all decisions regarding the Company and its business, to exercise all powers of the Company and to do all such lawful acts and things as are not by law or this Agreement directed or required to be exercised or done by the Members. Each of the Managers shall have those duties as are customarily possessed by directors of a Pennsylvania nonprofit corporation, including, without limitation:

- (a) provide overall direction and supervision of the business and affairs of the Company;
- ~~(b) to elect and remove the officers of the Company;~~
- (c) to enter into, make, and perform contracts, agreements, and other undertakings binding the Company that may be necessary, appropriate, or advisable in furtherance of the purposes of the Company and to make all decisions and waivers thereunder;
- (d) to open and maintain bank and investment accounts and arrangements, draw checks and other orders for the payment of money, and designate individuals with authority to sign or give instructions with respect to those accounts and arrangements;
- (e) to maintain the assets of the Company in good order;
- (f) to collect sums due the Company;
- (g) to the extent that funds of the Company are available therefore, pay debts and obligations of the Company;
- (h) to acquire, utilize for Company purposes, and dispose of any asset of the Company;
- (i) to borrow money or otherwise commit the credit of the Company for Company activities and voluntary prepayments or extensions of debt;
- (j) to select, remove, and change the authority and responsibility of lawyers, accountants, and other advisers and consultants;

- (k) to obtain insurance for the Company;
- (l) to determine distributions of Company cash and other property; and
- (m) to establish a seal for the Company.

8.2. Board of Managers.

(a) The full Board shall consist of three (3) persons, with any increase or decrease to be determined from time to time by a resolution of the Members. At each annual meeting of the Members, the Managers shall be elected to serve until the annual meeting of the Members or until his or her successor is duly elected and qualified, or until his or her death, resignation or removal.

(b) The Board may hold regularly scheduled, periodic meetings without notice at such times and places as the Board shall decide. Special meetings (a) may be called by the President and (b) shall be called by the President or Secretary on the written request of a majority of the Board. Notice of each special meeting shall be given, either personally or as hereinafter provided, to each Director at least 24 hours before the meeting.

(c) The President shall act as the presiding officer at the Board meetings (or such other person as designated by the Board) and shall designate a person to take the minutes of the meeting. One or more of the Managers may participate in a meeting of the Board by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

(d) Each Manager shall be entitled to cast one vote on all matters. At all meetings of the Board of Managers, the presence of at least two (2) Managers shall be necessary and sufficient to constitute a quorum for the transaction of business. If a quorum is not present at any meeting, the meeting may be adjourned from time to time by a majority of the Managers present, until a quorum is present; but notice of the time and place to which such meeting is adjourned shall be given to any Manager not present on at least the day prior to the date of reconvening. Resolutions of the Board shall be adopted, and any action of the Board at a meeting upon any matter shall be taken and be valid, only with the affirmative vote of a majority of the Board of Managers.

(e) Any Manager may resign by submitting his or her resignation to the other Managers, which (unless otherwise specified therein) need not be accepted to make it effective and shall be effective immediately upon its receipt by any other Manager. A Manager who becomes ineligible to serve as such shall be deemed to have resigned at that time.

(f) The entire Board or any individual Manager may be removed from office at any time without assigning any cause, only by the vote of the Members. In case the Board or any one or more Managers are so removed, new Managers may be elected at the same meeting in accordance with this Section 8.2.

(g) Vacancies in the Board shall be filled by the Members and each person so elected shall be a Manager until his or her successor is elected by the Members; such election may be made at the next annual meeting of the Members or at any special meeting duly called for the purpose and held prior thereto.

(h) Managers, as such, shall not receive any stated salary for their services, but by resolution of the Board a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided, that, nothing herein contained shall be construed to preclude any Manager from serving the Company in any proper capacity and receiving compensation therefore.

(i) Any action required or permitted to be taken at a meeting of the Managers may be taken without a meeting, if, prior or subsequent to the action, a consent or consents in writing setting forth the action so taken is signed by all of the Managers.

(j) Persons who are not Managers but who are eligible to serve as Managers may attend meetings of the Board, without vote, subject to the right of the Board to place reasonable limits and restrictions on the number of such persons in attendance and the extent of their participation.

8.3 Limitations on the Authority of the Board.

(a) The Board may not cause the Company to do any of the following without the approval of the Members owning at least two-thirds (2/3) of the issued and outstanding Units:

- (i) sell, transfer, assign or otherwise dispose of all or substantially all the business or assets of the Company;
- (ii) merge, consolidate or affiliate with any other entity;
- (iii) materially change the scope or type of services provided by the Company;
- (iv) approve the annual operating budgets for the Company;
- (v) except as may relate to the operating budget for the Company and except for loans made as part of a Member's Capital Contributions, create or incur indebtedness (A) which does not exclude recourse against the Members in the event of a default; (B) which exceeds \$200,000, or such other amount as established by Members owning at least two-thirds (2/3) of the issued and outstanding Units, from time to time, or (C) if such individual indebtedness is less than said amount, such indebtedness which, when added to the aggregate unpaid balance of all of the Company's

outstanding indebtedness (excluding indebtedness related to the Company's start up) causes the Company's aggregate indebtedness to exceed \$250,000, or such other amount as established by Members owning at least two-thirds (2/3) of the issued and outstanding Units, from time to time;

- (vi) except as may relate to the operating budget of the Company or as may be involved thereafter in ordinary repairs, maintenance and replacement, make any capital expenditures or any capital additions or improvements requiring the payment of more than \$200,000 for any one capital item, or such other amount as established by Members owning at least two-thirds (2/3) of the issued and outstanding Units, from time to time; or
- (vii) amend, restate or terminate this Agreement or the Certificate.

(b) The Board may not engage or take any other action or task which requires the consent of the Members by virtue of any other provision of this Agreement or by resolutions enacted by the Board or the Members from time to time.

8.4 Time Devoted to Company; Other Permissible Activities. The Managers shall devote such time to the Company's business as they deem necessary for the effective conduct of the Company's business. Nothing in this Agreement shall preclude the employment, at the expense of the Company, of any agent or third party to manage or provide other services with respect to the Company's business, subject to the control of the Board. The Managers, Members and their respective Affiliates may engage in or possess any interest in other business ventures of any kind, nature or description, independently or with others, whether such ventures shall be competitive with the Company or otherwise. The Company shall not have any rights or obligations by virtue of this Agreement or the relationship created hereby in or to such independent ventures or the income or profits or losses derived therefrom, and the pursuit of such ventures, even if competitive with the business of the Company, shall not be deemed wrongful or improper. No Member, Manager or officer or any Affiliate of any of the foregoing, shall be obligated to present any particular business opportunity to the Company, even if such business opportunity shall be of a character which, if presented to the Company, could be taken by the Company, and each Member, Manager and officer and any of their Affiliates shall have the right to take for his or its own account (individually or as a trustee, partner or fiduciary) or to recommend to others any such particular opportunity.

8.5 Limitation on Liability. No Manager shall be personally liable, as such, for any action taken unless: (a) such Manager breached or failed to perform the duties of his or her office and (b) the breach or failure to perform constituted self-dealing, gross negligence, willful misconduct or recklessness. The foregoing shall not apply to any

responsibility or liability under a criminal statute or liability for the payment of taxes under Federal, state or local law.

8.6 Day-to-Day Management. The Members hereby authorize the Board to employ the services of such employees or contract personnel as the Board determines appropriate to manage the day-to-day operations of the Company. All such persons shall serve at the pleasure of the Board and in accordance with the terms of this Agreement.

8.7 Election of Officers. The Board shall designate a President, Treasurer and Secretary, and such other officers and assistant officers as the Board determines appropriate, to whom it shall delegate authority appropriate with respect to such positions. Each such officer shall report to the Board. Each office shall be held for a term of one (1) year, which term shall be automatically extended for subsequent one (1) year terms until a successor has been duly elected and qualified by the Board. An officer may be removed by the Board with or without cause. Any officer may resign at any time with prior, written notice to the Board. Any vacancy may be filled by the Board. The President may, however, fill vacancies in any office designated by the Board for the period ending upon the date when such vacancy is filled by the Board.

~~8.8 General Powers and Limitations of the Officers. Subject to the limitations of this Agreement with respect to actions required to be taken by the Members or the Board, the officers shall have those duties as are customarily possessed by such officers of a Pennsylvania nonprofit corporation, including, without limitation, those duties set forth below, except as such duties may be limited or expanded by action of the Board. Officers under this Agreement shall be deemed "Managers" for purposes of 15 Pa. C.S.A. § 8945 regarding limited liability, but shall not, by virtue of this sentence, have any of the authority of the "Managers" under or within the meaning of the Act.~~

(a) President -- The President shall be responsible for overseeing the affairs of the Company and shall preside at all meetings of the Board.

(b) Secretary -- The Secretary shall make or cause to be made minutes of all meetings of the Board. The Secretary shall be responsible for the timely mailing or delivery of all notices of meetings of the Board, shall affix the corporate seal at the direction of the President and, generally, will perform all duties incident to the office of secretary and such other duties as may be required by law, by the Certificate or by this Agreement, or which may be assigned from time to time by the Board.

(c) Treasurer -- The Treasurer shall supervise the financial activities of the Company. Specifically, the Treasurer shall see that (a) full and accurate accounts of receipts and disbursements are kept, (b) a system is in place such that all monies and other valuable effects are deposited in the name and to the credit of the Company, (c) the Managers at the regular meetings of the Board or whenever they may require it, receive an account of the financial condition of the Company and (d) an annual audit of the Company's books and records is performed by an auditor selected by the Board. In

performing these functions, the Treasurer may rely on employees of the Company or any Affiliate corporation who possess special financial training and skills and whose employment responsibilities include management of the Company's financial affairs.

8.9 Indemnification.

(a) The Company shall indemnify and hold harmless, to the fullest extent now or hereafter permitted by law, each Member, Manager and officer acting on behalf of or at the direction of the Company from and against any and all damages, losses, costs and expenses (including reasonable attorney's fees) resulting from or relating in any way to any action taken or omitted to be taken, in good faith, by such Member, Manager or officer in connection with the business or affairs of the Company, except that they shall not be indemnified in respect of any damage, loss, cost or expense incurred by reason of self-dealing, gross negligence, recklessness, or willful misconduct, liability under a criminal statute or liability for the payment of taxes under Federal, state or local law.

(b) The Company may, as determined by the Board from time to time, indemnify and hold harmless, to the fullest extent now or hereafter permitted by law, any other Authorized Representative (as defined in Section 8.9(g)) acting on behalf of or at the direction of the Company from and against any and all damages, losses, costs and expenses (including reasonable attorney's fees) resulting from or relating in any way to any action taken or omitted to be taken, in good faith, by such Person in connection with the business or affairs of the Company, except that they shall not be indemnified in respect of any damage, loss, cost or expense incurred by reason of self-dealing, gross negligence, recklessness, or willful misconduct, liability under a criminal statute or liability for the payment of taxes under Federal, state or local law.

(c) Costs and expenses incurred in defending or responding to any legal action may be advanced by the Company to the Authorized Representative who is the subject thereof in advance of the final disposition of such action, upon receipt of an undertaking by the Authorized Representative seeking such advance to repay such amount if it shall ultimately be determined that such Authorized Representative is not entitled to be indemnified pursuant to this Section.

(d) For the purposes of this Section, the determination that any Authorized Representative has engaged in self-dealing, acted with gross negligence, recklessness or willful misconduct may be made by the court or other body before which the relevant action, proceeding or investigation is pending. In the absence of a determination by such court or other body, such determination shall be made by independent legal counsel in a written legal opinion to the Company.

(e) Notwithstanding anything contained herein to the contrary, indemnification under this Section shall not be made by the Company in any case where a court determines that the alleged act or failure to act giving rise to the claim for indemnification is expressly prohibited by the Act or any applicable law in effect at the time of such alleged action or failure to take action.

(f) Each Authorized Representative shall be deemed to act in such capacity in reliance upon such rights of indemnification and advancement of expenses as are provided in this Section. The rights of indemnification and advancement of expenses provided by this Section shall not be deemed exclusive of any other rights to which any Person seeking indemnification or advancement of expenses may be entitled under any agreement, statute or otherwise, both as to action in such Person's official capacity and as to action in another capacity while holding such office or position, and shall continue as to a Person who has ceased to be an Authorized Representative of the Company and shall inure to the benefit of the heirs and personal representatives of such person. Indemnification and advancement of expenses under this Section shall be provided whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Company. Any repeal or modification of this Section shall not adversely affect any right or protection existing at the time of such repeal or modification to which any person may be entitled under this Section.

(g) For purposes of this Section "Authorized Representative" shall mean a Member, Manager, officer or employee of the Company or of any Affiliate of the foregoing or the Company, or a trustee, custodian, administrator, committeeman or fiduciary of any employee benefit plan established and maintained by the Company or by any corporation controlled by the Company, or Person serving another corporation, partnership, joint venture, trust or other enterprise in any of the foregoing capacities at the request of the Company. The term "Authorized Representative" shall not include agents of the Company unless indemnification thereof is expressly approved by the Board. For purposes of this Section only, references to "Company" shall include all constituent limited liability companies, corporations or other entities absorbed in a consolidation, merger or division, as well as the surviving or new limited liability companies, corporations or other entities surviving or resulting therefrom, so that (i) any Person who is or was an Authorized Representative of a constituent, surviving or new limited liability company, corporation or other entity shall stand in the same position under the provisions of this Section with respect to the surviving or new limited liability company, corporation or other entity as such Person would if such Person had served the surviving or new corporation or other entity in the same capacity and (ii) any Person who is or was an Authorized Representative of the Company shall stand in the same position under the provisions of this Section with respect to the surviving or new corporation or other entity as such Person would with respect to the Company if its separate existence had continued.

(h) The provisions of this Section shall survive the termination or expiration of this Agreement for any reason.

ARTICLE 9

RIGHTS AND OBLIGATIONS OF THE MEMBERS

9.1 Liability of Members.

(a) No Member shall have any personal liability with respect to the debts, liabilities or obligations of the Company of any kind or for the acts of any Member, Manager, agent or employee of the Company, except (i) as otherwise required by the Act, or (ii) to the extent that such Member expressly and voluntarily assumes in writing any obligations of the Company; and

(b) No Member shall be personally liable or obligated, except as otherwise required by the Act, either (i) to pay to the Company, any other Member or any creditor of the Company any deficiency in the Member's Capital Account, or (ii) to return to the Company or to pay any creditor or any other Member the amount of any return of the Member's Capital Contribution or any other distribution made to the Member.

9.2 Voting Rights and Meetings of Members.

(a) Each Member owning Units shall be entitled to one vote for each Unit registered in such Member's name pursuant to this Agreement in all matters to which Members are entitled to vote hereunder or under the Act. No Member shall be entitled to vote as a class with respect to any matter. No Member and no class or group of Members shall be entitled to any express or implied appraisal or dissenters' rights of any kind whatsoever under any circumstances whatsoever.

(b) An annual meeting of the Members shall be held each year within four (4) months before or after the end of the fiscal year on such day and at such time as the Board may designate. Other meetings of the Members for any purpose may be called by the Board or any Member. Meetings shall be held at the principal office of the Company, or at such other place as may be designated by the Board or, if called by a Member, as designated by such Member.

(c) Unless a different notice is required by the Act, a notice of a meeting shall be given either personally or by mail, not less than one (1) day nor more than sixty (60) days before the date of the meeting, to each Member at its record address, or at such other address which it may have furnished in writing to the Company. Such notice shall be in writing, and shall state the place, date and hour of the meeting, and shall indicate that it is being issued by or at the direction of the Board or Members calling the meeting. The notice may state the purpose or purposes of the meeting. If a meeting is adjourned to another time or place, and if any announcement of the adjournment of time or place is made at the meeting, it shall not be necessary to give notice of the adjourned meeting.

(d) The presence in person of all of the Members shall constitute a quorum at all meetings of the Members; provided, however, that if there be no such quorum, holders of a Majority in Interest of such Members so present may adjourn the meeting from time to time without further notice, until a quorum shall have been obtained.

(e) No notice of the time, place or purpose of any meeting of Members need be given to any Member who attends in person (except when a Member attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business on the ground that the meeting is not lawfully called or convened), or to any Member entitled to such notice who, in writing, has executed and filed with the records of the meeting, either before or after the time thereof, waiver of such notice.

(f) Each Member shall be entitled to cast one vote for each Unit it owns at a meeting, in person or by a signed writing directing the manner in which it desires that its vote be cast, which writing must be received by a Manager designated by the Board for such purpose (or the Member calling the meeting) prior to such meeting.

~~(g) Any Member may attend by means of conference telephone or similar communication equipment by means of which all Persons participating in the meeting can hear each other.~~

(h) Resolutions shall be adopted by the affirmative vote of a Majority in Interest of the Members unless a greater percentage is required herein or by law.

9.3 Voting Rights of Members. The Members shall be entitled to vote only on those matters (a) specified (i) in this Agreement or (ii) under nonwaivable provisions of the Act as subject to the vote of such Members or (b) which the Board elects to submit to them.

9.4 Action by Written Consent. Any action permitted or required by the Act, the Certificate or this Agreement to be taken by the Members at a meeting may be taken without a meeting if a consent in writing setting forth the action to be taken is signed by all of the Members.

9.5 Actions by Initial Member. Where the act of the Initial Member is required under the Act or this Agreement, the Initial Member may act through its board of directors, any board committee of its board of directors, or any authorized officer of the Initial Member. The Initial Member shall, as appropriate, act by executing and delivering to the Board or the President of the Company a written instrument signed by an officer of the Initial Member setting forth the action taken by its board, board committee or authorized officer.

ARTICLE 10

ASSIGNMENT OF A MEMBER'S INTEREST

10.1 Restrictions on Assignment.

(a) No Member (or assignee of a Member) may Assign all or any part of its interest in the Company, including economic and non-economic rights, to any Person at any time without the prior, written approval of all the Members and compliance with the other terms, conditions and provisions of this Agreement. Any purported Assignment of an interest in the Company that violates this Article 10 shall not be recognized by the Company.

(b) Provided the requirements of Section 10.1(a) are met, when a Member's interest in the Company is transferred, the Member's successor shall immediately be vested with all of the Member's rights, authority and power as a Member of the Company.

(c) In the event that a Member's interest is taken or distributed by levy, ~~foreclosure, charging order, execution or other similar proceeding, the Company shall~~ not dissolve, but the assignee of said Member's interest shall be entitled to no more than to receive distributions if and when made as provided herein, and profits and losses attributable to the Member's interest in the Company, in accordance with this Agreement, and in no event shall said assignee have the right to interfere with the management or administration of the Company's business or affairs or to vote or to become a substituted Member except as may otherwise be provided herein.

10.2 Permitted Assignments. Notwithstanding anything contained herein to the contrary, the following Assignments are hereby permitted provided that any such Assignments comply with applicable law, the assignee qualifies for exemption under Section 501(c)(3) of the Code, and the assignment shall not adversely affect the Company's status as a disregarded entity under the Code.

(a) any Member may Assign all or a portion of its interest in the Company to the other Members on a pro rata basis based on the other Members' Percentage Interest in the Company; and

(b) the Initial Member may Assign all or a portion of its interest in the Company to an Affiliate.

10.3 Admitted Members; Rights of Assignee.

A Person that is permitted to become a Member hereunder shall agree in writing, in form satisfactory to the Board, to be bound by this Agreement as a Member. The number of Units offered to new members and the value of the Capital Contribution by such new members, if any, shall be determined conclusively by the Board at the time

immediately prior to such admission. An assignee who does not become a Member (for example, by way of a Bankruptcy) shall be entitled to receive distributions of cash or other property or allocations from the Company attributable to the interest Assigned and shall receive the tax information, but shall have no right to any other information or accounting or to inspect the Company's books and records and shall not be entitled to any other right of a Member under the Act or this Agreement.

ARTICLE 11

DISSOLUTION

11.1 Dissolution.

(a) The Company shall be dissolved, and shall terminate and wind-up its affairs, upon the first to occur of the following:

(i) the Board and the Members owning at least two-thirds (2/3) of the issued and outstanding Units vote to dissolve the Company; or

(ii) entry of a decree of judicial dissolution of the Company under Section 8972 of the Act.

(b) Neither the death, insanity, bankruptcy, retirement, resignation, expulsion or dissolution of a Member, or any other action or event affecting a Member, shall result in the dissolution of the Company.

11.2 Reconstitution of Company. In the event the Company shall be dissolved pursuant to Section 11.1(a)(ii) above, the Members who have not been the cause of such dissolution shall have the right, upon a vote of not less than all of such Members after notice of such dissolution, by a declaration in writing and delivered to the Members, to reconstitute the Company, creating a new Company, under all of the terms and conditions of this Agreement, with the interest of the affected Member reallocated among the remaining Members.

11.3 Liquidation and Distribution. On the dissolution of the Company, the Board shall act as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Act. The costs of liquidation shall be borne as a Company expense. Until final distribution, the liquidator shall continue to operate the Company properties with all of the power and authority of the Board.

11.4 Termination. Upon the completion of the liquidation of the Company and the distribution of all Company funds, the Company shall terminate. The establishment of any reserves as required by the Act or as determined by the liquidator shall not have the effect of extending the term of the Company.

11.5 Charitable Purpose. Notwithstanding anything contained herein to the contrary, in the event of the dissolution of the Company or in the winding up of its affairs, or other liquidation of its assets, the Company's property shall not be conveyed to any organization created or operated for profit or to any individual for less than the fair market value of such property; all assets remaining after all debts and expenses of the Company have been paid or provided for shall be conveyed or distributed by the Board to the Members in accordance with their Percentage Interests provided such Members then qualify as an organizations described in Section 501(c)(3) of the Code; provided further that in the event any such Member does not so qualify then to one or more organizations recognized as exempt under Section 501(c)(3) of the Code and having purposes similar to those of this Company as determined by the Board of this Company. Any such assets not so distributed shall be disposed of pursuant to an order by a court of competent jurisdiction, exclusively for such purposes or to such organization or organizations, as said court shall determine.

ARTICLE 12

AMENDMENTS

Except as otherwise required by law, this Agreement and the Certificate may be amended only by agreement of Members owning at least two-thirds (2/3) of the issued and outstanding Units and the Board as set forth in Section 8.3.

ARTICLE 13

MISCELLANEOUS PROVISIONS

13.1 Illegality. If in the reasonable opinion of counsel for any Member, applicable health care or other laws, or the interpretation thereof, prohibit the transactions contemplated by this Agreement, then the Members shall be required to act in good-faith to restructure the business arrangement between the Members to conform with the applicable laws or the requirements of any federal state and/or local governmental agency.

13.2 Tax-Exempt Status. Notwithstanding any other provision in this Agreement, a Member's Member Duty is hereby expressly subordinated to its Exempt Duty. Each Member hereby acknowledges that in the event of any conflict between a Member's Member Duty and Exempt Duty, the Member shall observe its Exempt Duty and such course or course of action shall not breach this Agreement or give rise to any liability for the Member for breach of its Member Duty. The Members intend that this Agreement shall not adversely affect any Member's status as an organization described in Section 501(c)(3) of the Code and they agree to interpret this Agreement in accordance with such intent. In the event the Internal Revenue Service shall inform a

Member or legal counsel for the Member that this Agreement threatens the status of the Member as an organization described in Section 501(c)(3) of the Code, then upon the written request of the Member, the Members shall be required to act in good faith to modify this Agreement in order to cure the threat.

13.3 Contracts and Negotiable Instruments. Except as otherwise provided by law or this Agreement, any contract or other instrument relative to the business of the Company may be executed and delivered in the name of the Company and on its behalf by the President; and the Board may authorize any other officer or agent of the Company to enter into any contract or execute and deliver any contract in the name and on behalf of the Company, and such authority may be general or confined to specific instances as the Board may by resolution determine. All bills, notes, checks or other instruments for the payment of money shall be signed or countersigned by such officer, officers, agent or agents and in such manner as are permitted by this Agreement and/or as, from time to time, may be prescribed by resolution (whether general or special) of the Board. Unless authorized so to do by this Agreement or by the Board, no officer, agent or employee shall have any power or authority to bind the Company by any contract or engagement, or to pledge its credit, or to render it liable pecuniarily for any purpose or to any amount.

~~**13.4 Notices.** All notices or other communications required or permitted to be~~
given or made hereunder shall be in writing and shall be deemed to be delivered when given either personally or by sending a copy by certified, registered or express mail, postage prepaid, or by telegram (with messenger service specified) or courier service, charges prepaid, or by confirmed telecopier transmission, to the party being given such notice at its last known address (or telecopier number) or, in the case of the Managers, supplied by them to the Company for the purpose of notice. If the notice is sent by mail, telegraph or courier service, it shall be deemed to have been given to the Person entitled thereto when deposited in the United States mail or with a telegraph office or courier service for delivery to that Person or, in the case of telecopy, when dispatched. The address shown on a Member's signature page shall be considered a Member's last known address unless the Member shall otherwise notify the other parties in the manner set forth in this Section. All notices to the Company shall be addressed to the Company's principal place of business unless the Members are otherwise notified.

13.5 Governing Law. This Agreement shall be construed in accordance with, and governed by, the laws of the Commonwealth of Pennsylvania.

13.6 Execution in Counterparts. This Agreement may be executed in one or more counterparts, and in such event each such counterpart shall constitute an original and all of such counterparts shall constitute one agreement.

13.7 Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns.

13.8 Entire Agreement. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of such parties in connection herewith.

13.9 Severability. Any provision of this Agreement which is invalid, illegal or unenforceable in any respect shall not affect the validity, legality or enforceability of the remaining provisions hereof.

13.10 Execution of Additional Documents. Upon the request of the Board or liquidator, each Member shall promptly execute all certificates and other documents necessary or desirable for the Board or liquidator to accomplish all such filings, recordings, publications and other acts as they determine may be appropriate to comply with the requirements of the formation, operation, amendment, or dissolution, as the case may be, of a limited liability company under the laws of Pennsylvania in accordance with this Agreement.

13.11 Headings. The headings in this Agreement are inserted for convenience and identification only and shall not control or affect the meaning of any provision hereof.

13.12 Specific Performance. The parties declare that it is impossible to measure in money the damages which will accrue to a party by reason of a failure to perform any of the obligations under this Agreement. Therefore, any party which institutes any action or proceeding to enforce the provisions hereof shall be entitled to a decree requiring specific performance of the provisions hereof, and any Person against whom such action or proceeding is brought hereby waives the claim or defense that such party has an adequate remedy at law, and such Person shall not urge in any such action or proceeding the claim or defense that such remedy at law exists.

13.13 Pronouns. Unless the context indicates otherwise, as used in this Agreement, words in the masculine shall include the feminine and neuter and vice versa. Words in the singular shall include the plural where the context so indicates.

13.14 Investment Representation. Each Person who holds an interest in the Company shall be deemed to have represented and warranted to the Company that it acquired such interest for investment and not for resale or distribution.

13.15 Dispute Resolution Procedures.

In the event of a dispute concerning the terms or conditions of this Agreement that cannot be resolved informally, any member may require that the parties shall submit the dispute to non-binding mediation, pursuant to the mediation procedures of a mediation agency selected by the parties. This mediation shall consist of two mediation sessions of at least four hours each, or until the mediator declares that the parties have reached an impasse, whichever occurs sooner. The parties are not required to exercise their right to mediation prior to providing a notice of termination and the mediation provisions set forth herein shall not act to extend the effective date of

termination as specified in this notice, unless the party providing the notice of termination specifically agrees to such an extension.

13.16 No Waiver. No failure on the part of any party hereto in exercising any right, power or privilege hereunder shall, except as otherwise expressly provided herein, operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein specified are cumulative and, except as otherwise herein provided, are not exclusive of any rights or remedies which any party hereto would otherwise have.

13.17 Survival. The obligations of the parties which expressly extend beyond the life of the Company and/or termination or expiration of this Agreement shall continue in full force and effect.

13.18 HIPAA. The Company agrees to undertake efforts to ensure that the Company maintains compliance with the Health Insurance Portability and Accountability Act of 1996, 65 Fed. Reg §§ 160.101 et seq. and 164.101 et seq. (December 28, 2000) ("HIPAA") and all amendments thereto. In addition, the Company shall require participation of any relevant parties in continued education on the requirements of HIPAA as necessary. ~~The Members agree to enter into a mutually acceptable amendment to this Agreement as necessary to comply with applicable federal laws and regulations governing the use and/or disclosure of individually identifiable health information, including HIPAA. The provisions of this Section shall continue to survive after termination or expiration of this Agreement for any reason.~~

[Signature Page To Follow]

WITNESS, the due execution hereof as of the date first above written.

ATTEST:

By: [Signature]
Name: ROBERT S. ROBERTS
Title: ASST. SECRETARY

INITIAL MEMBER:

WEST PENN ALLEGHENY HEALTH
SYSTEM

By: [Signature]
Name: David A. Samuel
Title: Sr. V.P. & Treasurer

(WPAF Operating Agreement.con)

EXHIBIT A
CAPITAL CONTRIBUTIONS; UNITS

<u>Initial Member</u>	<u>Capital Contributions</u>	<u>Units</u>
West Penn Allegheny Health System	Equity contribution of \$2,500,000.	1,000

Exhibit B
Articles of Incorporation

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU
ROOM 308 NORTH OFFICE BUILDING
P.O. BOX 8722
HARRISBURG, PA 17105-8722

445

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

THE CORPORATION BUREAU IS HAPPY TO SEND YOU YOUR FILED DOCUMENT.
PLEASE NOTE THE FILE DATE AND THE SIGNATURE OF THE SECRETARY OF THE
COMMONWEALTH. THE CORPORATION BUREAU IS HERE TO SERVE YOU AND WANTS
TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA. IF YOU HAVE ANY
QUESTIONS PERTAINING TO THE CORPORATION BUREAU, CALL (717) 787-1057.

ENTITIES THAT ARE CHARITIES AND SOLICIT FUNDS SHOULD CONTACT THE
BUREAU OF CHARITABLE ORGANIZATIONS FOR REGISTRATION REQUIREMENTS AT
DEPARTMENT OF STATE, BUREAU OF CHARITABLE ORGANIZATIONS, SUITE 300
124 PINE STREET, HARRISBURG, PENNSYLVANIA 17101 (717) 783-1720 OR
1-800-732-0999 WITHIN PENNSYLVANIA.

ENTITY NUMBER: 2907909

MICROFILM NUMBER: 09982

1140-1143

CSC NETWORKS
COUNTER

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NOV 12 1999

Filed in the Department of
State of

Gene D'Amico
Secretary of the Commonwealth

2907909

ARTICLES OF INCORPORATION

OF

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

In compliance with the requirements of 15 Pa.C.S. § 5306, the undersigned, being of full age and desiring to incorporate a nonprofit corporation, hereby certifies as follows:

FIRST: The name of the corporation is West Penn Allegheny Health System, Inc. (hereinafter the "Corporation").

SECOND: The address of the Corporation's initial registered office in this Commonwealth is c/o Jerry J. Fedele, 10145 Woodbury Drive, Wexford, PA 15090, located in the county of Allegheny.

THIRD: The Corporation is incorporated under the Pennsylvania Nonprofit Corporation Law of 1988.

FOURTH: The Corporation is formed and is to be operated exclusively for charitable, scientific and educational purposes in such a manner that the Corporation will be an organization described in sections 501(c)(3) and 509(a)(3) of the Internal Revenue Code of 1986, as amended (the "Code") by:

Supporting and managing a regional health care system (the "Health Care System"), comprised of corporations of which the Corporation is the sole member, each of which (i) operates, raises funds for, or conducts activities otherwise ancillary to the operation of, health care facilities in Western Pennsylvania without regard to age, sex, race, religion, national origin or sexual orientation, or (ii) carries on scientific research and/or educational activities related to the causes, diagnosis, treatment, prevention or control of physical or mental diseases and impairments of persons, and each of which is an organization described in sections 501(c)(3) and either 509(a)(1) or 509(a)(2) of the Code. All health care facilities operated by corporations of which the Corporation is the sole member are collectively referred to herein as the "Constituent Hospitals", and the corporations of which the Corporation is the sole member are referred to herein as the "Constituent Corporations";

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Supporting, sponsoring and carrying on educational and scientific activities and scientific research related to the care of the sick and injured that is a part of the Constituent Hospitals' and Constituent Corporations' charitable purposes;

Supporting and sponsoring activities designed and carried on to promote the general health of the western Pennsylvania community;

Supporting, managing, promoting, assisting, approving and directing the activities and programs of the Constituent Hospitals and Constituent Corporations by providing central management and operational services, access to capital, centralized planning and such other functions that support the charitable missions of the Constituent Hospitals and Constituent Corporations; and

Exercising such powers in furtherance of the foregoing purposes as are now or may be granted hereafter by the Nonprofit Corporation Law of the Commonwealth of Pennsylvania, as amended from time to time, or any successor legislation.

FIFTH: The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise.

SIXTH: The Corporation is organized upon a nonstock basis.

SEVENTH: The Corporation is to have no members.

EIGHTH: The name and address of the incorporator are:

Jerry J. Fedele 10145 Woodbury Drive
Wexford, PA 15090

NINTH: The names and addresses of the initial directors are:

Name	Address
Charles M. O'Brien, Jr.	107 Dogwood Lane Pittsburgh, PA 15238
David A. Samuel	4046 Dickey Road Gibsonia, PA 15044
Jerry J. Fedele	10145 Woodbury Drive Wexford, PA 15090

9982-1142

TENTH: Notwithstanding any other provision herein, the Corporation is organized and is to be operated exclusively for one or more of the purposes specified in section 501(c)(3) of the Code and shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity, that would invalidate (i) its status as a corporation which is exempt from Federal income taxation under section 501(a) of the Code, as an organization described in section 501(c)(3) of the Code, (ii) its status as a public charity under section 509(a)(3) of the Code, or (iii) its status as an organization, contributions to which are deductible under sections 170(c)(2), 2055(a)(2) and 2522(a)(2) of the Code.

ELEVENTH: No part of the net earnings of the Corporation shall inure to the benefit of any trustee, director or officer of the Corporation or any private individual, firm, corporation or association, except that reasonable compensation may be paid for services rendered and payments and distributions may be made in furtherance of the purposes set forth in Article FOURTH hereof, and no trustee, director or officer of the Corporation, nor any private individual, firm, corporation or association, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

TWELFTH: In the event of dissolution of the Corporation, its Board of Directors, after making provision for the payment of all of the liabilities of the Corporation, and subject to providing prior notice to the Attorney General, obtaining the approval of the Court of Common Pleas, Orphans' Court Division of the Commonwealth of Pennsylvania, and compliance with the laws of the Commonwealth of Pennsylvania, shall arrange for either the direct distribution of all of the assets of the Corporation for the purposes of the Corporation (as set forth in Article FOURTH hereof) or the distribution to one or more organizations (i) which qualify for exemption under the provisions of section 501(a) of the Code as an organization described in section 501(c)(3) of the Code and classified as a public charity pursuant to section 509(a) of the Code and the Treasury Regulations promulgated thereunder, and (ii) contributions to which then are deductible under sections 170(c)(2), 2055(a)(2) and 2522(a)(2) of the Code.

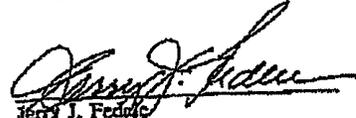
THIRTEENTH: No substantial part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, except as may otherwise be permitted by section 501(h) of the Code. No part of the activities of the Corporation shall be participating in, or intervening in, any political campaign on behalf of or in opposition to any candidate for public office (including the publishing or distributing of statements).

FOURTEENTH: The board of directors may alter or amend these Articles, subject to obtaining any additional approvals required by the By-laws of the Corporation, and provided that any such alteration or amendment shall be consistent with the Corporation's status as (i) a corporation which is exempt from Federal income taxation under section 501(a) of the Code, as an organization described in section 501(c)(3) of the Code, (ii) a public charity under section 509(a)(3) of the Code, and (iii) a corporation, contributions to which are deductible under sections 170(c)(2), 2055(a)(2) and 2522(a)(2) of the Code.

FIFTEENTH: References in these Articles to sections of the "Code" shall be deemed to include corresponding provisions of any future United States Internal Revenue law.

9982-1743

IN TESTIMONY WHEREOF, the incorporator has signed these Articles of
Incorporation this 12 day of November, 1999.


Jerry J. Fiedler
18145 Woodbury Drive
Wexford, PA 15090

No. _____ Term, 19 _____

Proof of Publication of Notice in Pittsburgh Post-Gazette

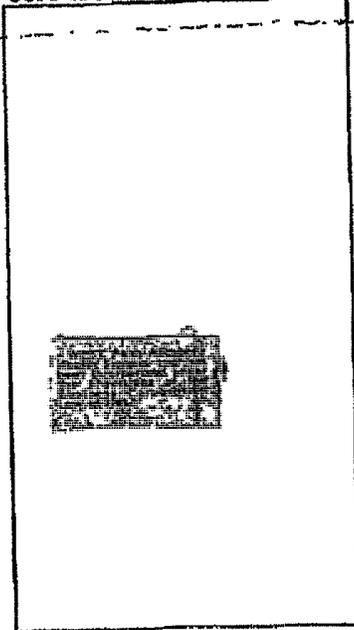
Under Act No. 587, Approved May 16, 1929, P.L. 1784, as last amended by Act No. 409 of September 29, 1951

Commonwealth of Pennsylvania, County of Allegheny, ss: A. Blanchard, being duly sworn, deposes and says that the Pittsburgh Post-Gazette, a newspaper of general circulation published in the City of Pittsburgh, County and Commonwealth aforesaid, was established in 1993 by the merging of the Pittsburgh Post-Gazette and Sun-Telegraph and The Pittsburgh Press and the Pittsburgh Post-Gazette and Sun-Telegraph was established in 1960 and the Pittsburgh Post-Gazette was established in 1927 by the merging of the Pittsburgh Gazette established in 1786 and the Pittsburgh Post, established in 1842, since which date the said Pittsburgh Post-Gazette has been regularly issued in said County and that a copy of said printed notice or publication is attached hereto exactly as the same was printed and published in the regular editions and issues of the said Pittsburgh Post-Gazette a newspaper of general circulation on the following dates, viz:

24, of January, 2000.

Affiant further deposes that he/she is an agent for the PG Publishing Company, a corporation and publisher of the Pittsburgh Post-Gazette; that, as such agent, affiant is duly authorized to verify the foregoing statement under oath; that affiant is not interested in the subject matter of the aforesaid notice or publication; and that all allegations in the foregoing statement as to time, place and character of publication are true.

COPY OF NOTICE OR PUBLICATION



A. Blanchard
PG Publishing Company
Sworn to and subscribed before me this day of:
January 28, 2000.

Mary E. Wazonogger

Notarial Seal
Mary E. Wazonogger, Notary Public
Pittsburgh, Allegheny County
My Commission Expires Feb. 18, 2000
Member, Pennsylvania Association of Notaries

STATEMENT OF ADVERTISING COSTS
CSC NETWORKS
319 MARKET STREET
HARRISBURG PA 17101

To PG Publishing Company

Total _____ \$ 36.60

Publisher's Receipt for Advertising Costs

PG PUBLISHING COMPANY, publisher of the Pittsburgh Post-Gazette, a newspaper of general circulation, hereby acknowledges receipt of the aforesaid advertising and publication costs and certifies that the same have been fully paid.

Office
34 Boulevard of the Allies
PITTSBURGH, PA 15222
Phone 412-263-1338

PG Publishing Company, a Corporation, Publisher of
Pittsburgh Post-Gazette, a Newspaper of General Circulation

By _____

I hereby certify that the foregoing is the original Proof of Publication and receipt for the Advertising costs in the subject matter of said notice.

Attorney for

IN RE: CHARTER NOTICE
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

Proof of Publication of Notice in Pittsburgh Legal Journal

UNDER ACT OF MAY 16, 1929, P.L. 1784, AS LAST AMENDED BY ACT 620, OF JULY 5, 1947

State of Pennsylvania }
County of Allegheny, } ss:

JULIE A. VODD, a designated agent of the Publisher of the PITTSBURGH LEGAL JOURNAL, being duly sworn, deposes and says that the PITTSBURGH LEGAL JOURNAL is a legal newspaper which is published by The Allegheny County Bar Association at the office at 400 Koppers Building, Pittsburgh, Allegheny County, Pennsylvania; and that the PITTSBURGH LEGAL JOURNAL was established as a weekly newspaper on April 23, 1853, and as a daily legal newspaper on January 4, 1926, since which date said daily newspaper has been regularly issued in said County, and that a copy of the printed notice or publication which is attached hereto is exactly the same as it was printed and published in the regular editions and issues of the said daily legal newspaper on the following dates, viz:
24th DAY OF JANUARY 2000

Affiant further deposes that she is an agent duly authorized by the publisher of said PITTSBURGH LEGAL JOURNAL, to verify the foregoing statement under oath and also declares that affiant is not interested in the subject matter of the aforesaid notice or publication, and that all allegations in the foregoing statement as to time, place and character of publication are true.

Julie A. Vodd
Julie A. Vodd, Agent for the Publisher of the PITTSBURGH LEGAL JOURNAL

Sworn to and subscribed before me this

24th day of JANUARY (year) 2000

Margaret Ann Lewis

NOTARIAL SEAL
MARGARET ANN LEWIS, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Nov 18, 2000

Statement of Advertising Costs

CSC UNITED STATES CORP.
319 MARKET STREET
HARRISBURG PA 17101

To PITTSBURGH LEGAL JOURNAL

For Publishing the notice or advertisement attached hereto on the above stated dates	54.00
Probating same	1.00
Total	55.00

01407-INV# 0000734 Publisher's Receipt for Advertising Costs
The PITTSBURGH LEGAL JOURNAL hereby acknowledges receipt of the aforesaid advertising and publication costs and certifies that the same have been fully paid.

Business Office—400 Koppers Building
Pittsburgh, PA. 15219
Established 1853—Phone 251-6256

PITTSBURGH LEGAL JOURNAL

By _____

FEB 2 4 2000

I hereby certify that the foregoing is the original Proof of Publication and Receipt for the Advertising costs in the subject matter of said notice.

Attorney for

Copy of Notice or Publication

Notice is hereby given that Articles of Incorporation were filed with the Department of State of the Commonwealth of Pennsylvania, for a business corporation which has been incorporated under the provisions of the Business Corporation Law of 1988. The name of the corporation is WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU
ROOM 308 NORTH OFFICE BUILDING
P.O. BOX 8722
HARRISBURG, PA 17105-8722

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WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

file
Corporate
Book
1 FEB 2006

THE CORPORATION BUREAU IS HAPPY TO SEND YOU YOUR FILED DOCUMENT. PLEASE NOTE THE FILE DATE AND THE SIGNATURE OF THE SECRETARY OF THE COMMONWEALTH. THE CORPORATION BUREAU IS HERE TO SERVE YOU AND WANTS TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA. IF YOU HAVE ANY QUESTIONS PERTAINING TO THE CORPORATION BUREAU, CALL (717) 787-1057.

ENTITIES THAT ARE CHARITIES AND SOLICIT FUNDS SHOULD CONTACT THE BUREAU OF CHARITABLE ORGANIZATIONS FOR REGISTRATION REQUIREMENTS AT DEPARTMENT OF STATE, BUREAU OF CHARITABLE ORGANIZATIONS, SUITE 300 124 PINE STREET, HARRISBURG, PENNSYLVANIA 17101 (717) 783-1720 OR 1-800-732-0999 WITHIN PENNSYLVANIA.

ENTITY NUMBER: 2907909

MICROFILM NUMBER: 2000027

0114-0115

JERRY J FEDELE
320 E NORTH AVE
PGH PA 15212

UPE-0009901

Microfilm Number 2000011 - 114

Filed with the Department of State on APR 03 2000

Entity Number 2907909

Kim Ringer
Secretary of the Commonwealth

STATEMENT OF CHANGE OF REGISTERED OFFICE
DSCB:15-1507/4144/5907/6144/8506 (Rev 90)

Indicate type of entity (check one):

- Domestic Business Corporation (15 Pa.C.S. § 1507)
- Foreign Business Corporation (15 Pa.C.S. § 4144)
- Domestic Nonprofit Corporation (15 Pa.C.S. § 5507)
- Foreign Nonprofit Corporation (15 Pa.C.S. § 6144)
- Domestic Limited Partnership (15 Pa.C.S. § 8506)

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) the undersigned corporation or limited partnership, desiring to effect a change of registered office, hereby states that:

1. The name of the corporation or limited partnership is: West Penn Allegheny Health System, Inc.

2. The (a) address of this corporation's or limited partnership's current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is: (the Department is hereby authorized to correct the following information to conform to the records of the Department):

(a)	<u>10145 Woodbury Drive</u>	<u>Wexford</u>	<u>PA</u>	<u>15090</u>	<u>Allegheny</u>
	Number and Street	City	State	Zip	County
(b) c/o:	<u>Jerry J. Fedele</u>				<u>Allegheny</u>
	Name of Commercial Registered Office Provider				County

For a corporation or a limited partnership represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation or limited partnership is located for venue and official publication purposes.

3. (Complete part (a) or (b)):

(a) The address to which the registered office of the corporation or limited partnership in this Commonwealth is to be changed is:

<u>4800 Friendship Avenue</u>	<u>Pittsburgh</u>	<u>PA</u>	<u>15224</u>	<u>Allegheny</u>
Number and Street	City	State	Zip	County

(b) The registered office of the corporation or limited partnership shall be provided by:

c/o:	<u>Jerry J. Fedele</u>	<u>Allegheny</u>
	Name of Commercial Registered Office Provider	County

For a corporation or a limited partnership represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation or limited partnership is located for venue and official publication purposes.

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4. (Strike out if a limited partnership): Such change was authorized by the Board of Directors of the corporation.

IN TESTIMONY WHEREOF, the undersigned corporation or limited partnership has caused this statement to be signed by a duly authorized officer thereof this 27th day of March, 2000

West Penn Allegheny Health System, Inc.

(Name of Corporation/Limited Partnership)

BY:

(Signature)

TITLE:

Exhibit C

Bylaws

BYLAWS

WEST PENN ALLEGHENY HEALTH SYSTEM
Pittsburgh, Pennsylvania 15224

Revised August 14, 2003

Previous Revisions:
December 12, 2002
February 9, 2001
August 9, 2000

BYLAWS
OF
WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

ARTICLE I

NAME AND LOCATION

Section 1. Name. The name of the Corporation is West Penn Allegheny Health System, Inc.

Section 2. Office. The initial registered office of the Corporation is located at 4800 Friendship Avenue, Pittsburgh, Pennsylvania 15224. The Board of Directors may from time to time change the address of the registered office of the Corporation and shall amend the Articles of Incorporation of the Corporation or file the appropriate statement with the Department of State.

ARTICLE II

PURPOSE

Section 1. The purposes of the Corporation are:

(a) To support and manage a regional health care system (the "Health Care System"), comprised of affiliated corporations of which the Corporation or one of its affiliates is the sole member, each of which (i) operates, raises funds for, or conducts activities otherwise ancillary to the operation of, health care facilities in Western Pennsylvania in order to extend health care to sick, injured and disabled persons in Western Pennsylvania, without regard to age, sex, race, religion, national origin or sexual orientation, or (ii) carries on educational and/or scientific research activities related to the causes, diagnosis, treatment, prevention or control of physical or mental diseases and impairments of persons, and each of which is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). All health care facilities operated by corporations of which the Corporation is the sole member or of which one of its affiliates is the sole member are collectively referred to herein as the "Constituent Hospitals", and the corporations of which the Corporation is the sole member or of which one of its affiliates is the sole member are referred to herein as the "Constituent Corporations". The term "Constituent Corporations" shall include all "Constituent Hospitals."

(b) To support, sponsor and carry on such educational and scientific activities as are a part of the Constituent Hospitals' and Constituent Corporations' charitable activities.

(c) To support and sponsor scientific research related to the care of the sick and injured that is a part of the Constituent Hospitals' and Constituent Corporations' charitable purposes.

(d) To support and sponsor activities designed and carried on to promote the general health of the Western Pennsylvania community.

(e) To maintain itself as a not-for-profit corporation organized exclusively for charitable, scientific and educational purposes, with activities conducted in such a manner that no part of its net earnings shall inure to the benefit of any member, Director, officer or other individual. Upon termination, dissolution or winding up, the assets remaining after payment of all liabilities shall be distributed to one or more organizations (i) which qualify for exemption under the provisions of Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code and is classified as a public charity pursuant to Section 509(a) of the Code and the Treasury Regulations promulgated thereunder, and (ii) contributions to which then are deductible under Sections 170(c)(2), 2055(a)(2) and 2522(a) of the Code, as selected by the Directors in their sole discretion, subject, however, to prior notice to the Attorney General of the Commonwealth of Pennsylvania (the "Attorney General"), approval by the Orphans' Court of the Commonwealth of Pennsylvania (the "Orphans' Court"), and compliance with all applicable law.

(f) To support, manage, promote, assist, approve and direct the activities and programs of the Constituent Hospitals and Constituent Corporations by providing central management and operational services, access to capital, centralized planning and such other functions that support the charitable missions of the Constituent Hospitals and Constituent Corporations.

(g) To exercise such powers in furtherance of the foregoing purposes as are now or may be granted hereafter by the Nonprofit Corporation law of the Commonwealth of Pennsylvania, as amended from time to time, or any successor legislation (the "PNCL").

ARTICLE III

MEMBERSHIP

Section 1. The Corporation shall have no members.

ARTICLE IV

THE BOARD OF DIRECTORS

Section 1. Powers. All corporate powers of the Corporation shall be vested in and exercised by and under the authority of the Board of Directors, which shall have full charge, control and management of the property, affairs and funds of the Corporation. The Board of Directors shall have full power to establish and direct the policies governing the business and

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affairs of the Corporation. The Board of Directors shall generally coordinate the activities of the Corporation and the Constituent Corporations. The Board of Directors shall, among other things:

- (a) approve the strategic plans of the Corporation and the Constituent Corporations;
- (b) direct the managed care activities of the Corporation and the Constituent Corporations;
- (c) adopt and/or approve the capital budgets, operating budgets, operating plans and financial plans of the Corporation and the Constituent Corporations; and
- (d) exercise the powers vested in the Corporation in its capacity as member of each of the Constituent Corporations or as member of a Constituent Corporation which in turn is the sole member of another Constituent Corporation (subject to delegation of such power to the Executive Committee or the President and Chief Executive Officer of the Corporation to the extent permitted in these Bylaws) which shall include the power to (either directly or in its capacity as member of a Constituent Corporation which in turn is the sole member of another Constituent Corporation):
 - (1) Adopt and/or approve and interpret the statement of mission and philosophy of each of the Constituent Corporations, and require them to operate in conformance with the Constituent Corporations' respective statements of mission and philosophy;
 - (2) Adopt and/or approve amendments or restatements of the bylaws and Articles of Incorporation of the Constituent Corporations to the extent provided in, and subject to the limitations set forth in, the bylaws of the applicable Constituent Corporation;
 - (3) Fix the number of, and elect, appoint, fill vacancies in and remove, with or without cause, the Directors; and elect and remove, with or without cause, the Chair and Vice Chair of the Board of Directors of each of the Constituent Corporations, and the Secretary and Treasurer of each of the Constituent Corporations, subject to the limitations set forth in the bylaws of the applicable Constituent Corporation;
 - (4) Designate the administrative structure of each of the Constituent Corporations and, after consultation with the Board of Directors of the applicable Constituent Corporation, elect and remove, with or without cause, the President and Chief Executive Officer and all other officers of such Constituent Corporation, subject to the limitations set forth in the bylaws of the applicable Constituent Corporation;
 - (5) Cause or approve any merger, consolidation, division, conversion, or dissolution of any of the Constituent Corporations, or the filing of a petition in bankruptcy or execution of a deed of assignment for the benefit of creditors by any of the Constituent Corporations;

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(6) Approve or cause any Constituent Corporation to engage in any acquisition or any sale, lease, exchange, mortgage, pledge or other alienation of any personal property of such Constituent Corporation having a value in excess of an amount to be fixed from time to time by the Board in its capacity as member or as member of a Constituent Corporation which is the sole member of another Constituent Corporation, or any real property of any Constituent Corporation;

(7) Adopt and/or approve any capital or operating budgets of the Constituent Corporations, and approve or direct any unbudgeted expenditure to be undertaken individually or collectively by the Constituent Corporations and any affiliated corporations controlled by the Constituent Corporations (other than unbudgeted expenditures which are required in order for the Constituent Corporations to be in compliance with applicable laws, rules and regulations, and state licensing and accreditation requirements), where the cumulative amount of such unbudgeted expenditures is in excess of an amount to be fixed from time to time by the Board in its capacity as member or as member of a Constituent Corporation which is the sole member of another Constituent Corporation;

(8) Adopt and/or approve any operating plan or financial plan with respect to each of the Constituent Corporations, and require each of the Constituent Corporations to comply with such operating or financial plan;

(9) Approve, and/or cause any of the Constituent Corporations to undertake or engage itself in respect of, any bond issuance or any other indebtedness for borrowed money of such Constituent Corporation, or any lending of funds by any Constituent Corporation to an unrelated person, corporation or other legal entity, including without limitation any capital leases (other than indebtedness to provide funds for expenditures necessary in order for the Constituent Corporation to be in compliance with applicable laws, rules and regulations, and state licensing and accreditation requirements, to the extent such funds are not otherwise reasonably available), representing obligations of any Constituent Corporation in excess of an amount per annum in the aggregate established from time to time by the Board in its capacity as member of such Constituent Corporation or as member of a Constituent Corporation which is the sole member of another Constituent Corporation;

(10) Establish and/or approve the criteria for, and conduct the evaluation of, the performance of the President and Chief Executive Officer and all vice presidents and officers of similar rank of each Constituent Corporation;

(11) Approve and/or cause the adoption by any of the Constituent Corporations of proposed settlements of litigation when such settlements exceed applicable insurance coverage or the amounts reserved in respect thereof of any applicable self-insurance fund;

(12) Approve and/or cause the adoption by any of the Constituent Corporations of any contracts between such Constituent Corporation and any

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managed care organization (including without limitation any health maintenance organization or independent practice association) or insurance company;

(13) Approve and/or cause any corporate reorganization of any Constituent Corporation or the establishment or dissolution of any subsidiary organizations, including corporations, partnerships or other entities, of any of the Constituent Corporations;

(14) Adopt and/or approve the respective strategic plans of the Constituent Corporations; and

(15) Approve or direct the taking of any other action outside of ordinary course of business and such matters as are required to be submitted to corporate members of a Pennsylvania nonprofit corporation.

Section 2. Qualifications. Each Director of the Corporation shall be a natural person between eighteen and seventy three years of age, of good moral character and who enjoys a good reputation in the community, and who, by his or her experience, community interest, or prior action, demonstrates a willingness to devote time and talent to the affairs of the Corporation and to exercise his or her judgment with undivided loyalty to the Corporation. From and after the time specified in Section 3 of this Article IV, at least four of the Directors shall be members of the Clinical Council described in Section 5 of Article VIII hereof, and from and after the Closing a majority of the Directors shall also serve as directors of Constituent Corporations and no more than ten percent of the Directors shall be full time employees of the Corporation or any Constituent Corporation. Each Director shall further satisfy the requirements set forth in Section 7 of this Article IV.

Section 3. Number, Election, and Term of Office. The initial Board of Directors shall be comprised of three members, who shall serve until the earlier of (1) the first anniversary of the date of the adoption of these Bylaws or (2) the Closing (as defined below), and in each case until his or her successor has been elected and qualified and subject to his or her earlier death, resignation or removal. From and after the date on which the bylaws or articles of incorporation of the operator of any health care facility is amended to provide that the Corporation shall be the sole voting member of such entity (the "Closing"), the Board of Directors shall be comprised of at least 10 but no more than 24 voting members, as determined by the Board of Directors from time to time, including (i) the President who shall be an ex officio voting member of the Board, (ii) each Chair of the Board of each Constituent Hospital, all of whom shall be ex officio voting members of the Board of the Corporation; and (iii) once a Clinical Council is appointed, at least four physicians who are also on the Clinical Council. Immediately upon the Closing, the Board of Directors of the Corporation shall be comprised of the members identified on Exhibit A hereto. In the event the Board of Directors elects to classify the Board of Directors into two or three classes in order to stagger their terms of office, then beginning at the annual meeting of the Board of Directors following the first anniversary of the Closing, (i) the Board of Directors shall at each annual meeting fix the number of Directors constituting the Board and elect the persons who shall replace the Directors whose terms of office are then expiring (except there shall be no such election in respect of any Director whose term is expiring but whose seat on the Board is being eliminated due to a reduction in the size of the Board), and (ii) each newly-elected Director

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(other than the *ex officio* Director) shall serve for a two year term if the Board has been classified into two classes, or a three year term if the Board has been classified into three classes, and until his or her successor shall have been elected and qualified, subject, however, to his or her earlier death, resignation, or removal. Each Director may be appointed for unlimited successive terms. Notwithstanding the foregoing, the provisions of these Bylaws constituting the President as an *ex officio* member of the Board shall only be operative from and after the first date on which the Board adopts a resolution pursuant to which such provisions are stated to become effective.

Section 4. Vacancies. Vacancies howsoever arising may be filled by vote of the Board of Directors, at any regular or special meeting of the Board of Directors. Directors elected pursuant to this Section shall serve for the unexpired portion of the term of the Director whose death, resignation or removal gave rise to the applicable vacancy, or, in case of vacancies attributable to an increase in the number of Directors in the first three years following the Closing, for a term determined by the Board of Directors at the time of appointment (such term to expire at the annual meeting of the Board of Directors following the first, second or third anniversary of the Closing (as applicable based on the term established for such Director at the time of his or her appointment)) and, in each case, until his or her successor shall have been elected and qualified, subject however, to such replacement Director's earlier death, resignation or removal.

Section 5. Resignation. (a) Any Director may resign at any time by giving written notice thereof to the Chair, the President or the Secretary of the Corporation. Any such resignation shall take effect on the date of receipt of such notice by one of the above-specified officers, or at such later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Subject to Article VI, Section 9, the Board of Directors may, in its discretion, remove and declare vacant the office of any Director who has failed, without good cause, to attend within a year at least 50% of the regular meetings of the Board or Standing Committees on which he or she serves; or who resigned or was removed as a Director of a Constituent Corporation; or who is deemed, in the sole judgment of the Board of Directors (x) to have violated the Director's fiduciary obligation to the Corporation, or (y) to have otherwise damaged the goodwill or reputation of the Corporation, or (z) to no longer satisfy the qualifications for a Director set forth and/or referred to in Section 2 of this Article IV.

Section 6. Compensation. No Director shall receive any compensation in his or her capacity as a Director. Directors who are also officers or employees of the Corporation may receive compensation in such capacity.

Section 7. Conflict of Interest. Directors shall exercise good faith in all transactions touching upon their duties as to the Corporation and its property. No Director shall use his or her position, or knowledge gained therefrom, in any way that might give rise to a conflict between the interest of the Corporation and that of the individual Director. The Board of Directors shall adopt a conflict of interest policy, and each Director and officer of the Corporation shall agree in writing to be bound thereby as a prerequisite to his or her qualification as a Director or officer, as the case may be.

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Section 8. Emeritus Directors. The Corporation may maintain an emeritus class of Directors to recognize the service of individuals previously serving on the Board and provide the Corporation with the benefit of continued access to the knowledge and expertise of such individuals. Emeritus directors shall be entitled to receive such information regarding the Corporation as deemed appropriate by the Board and as a courtesy may attend regularly scheduled Board meetings at the discretion of the Board. Emeritus directors may be appointed by the Board for indefinite terms, but may be removed at any time upon the majority vote of the members of the Board.

ARTICLE V

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Regular and Annual Meetings. The Board of Directors shall hold regular meetings at such time and place as determined by the Board or the Chair; provided that the Board shall meet not less than four times per year. The Annual Meeting shall be set by the Board or Chair. Notice of each meeting shall be mailed, personally delivered or faxed to each Director at least five days prior to the meeting to the Director's address (or fax number as applicable) on the books of the Corporation. Voting by proxy shall not be permitted at any meeting.

Section 2. Special Meetings. Special meetings may be held at any time upon call of the Chair, or upon call by the President and Chief Executive Officer after the President and Chief Executive Officer has received a written request for such a meeting signed by at least three Directors.

Section 3. Quorum and Vote. A majority of the Directors then in office shall constitute a quorum at any regular meeting; provided that a quorum shall not be present at any meeting unless a majority of those Directors present are not members of the medical staff of any Constituent Hospital. Once a quorum is established, subsequent withdrawal of individuals to less than a quorum shall not affect the validity of any subsequent action taken at the meeting. Except as otherwise required by the PNCL, approval of any matter before the Board of Directors by a majority of the Directors present at the applicable meeting shall constitute approval of the applicable matter by the Board.

Section 4. Action by Directors Without a Meeting. Any action which may be taken at a meeting of the Board or any committee thereof may be taken without a meeting if consent in writing setting forth such action is signed by all of the Directors or members of the committee. Such consent shall be filed in the minutes of the proceedings of the Board or of the applicable committee.

Section 5. Conduct of Meetings. Meetings of the Board of Directors and Committees of the Board of Directors shall be conducted in accordance with such rules as may be established by the Board of Directors.

Section 6. Meeting By Conference Telephone. One or more Directors or members of a Committee established hereby or pursuant hereto may participate in a meeting of the Board of Directors or such Committee by means of conference telephone or similar communications

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equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

Section 7. Waiver of Notice. Whenever any written notice is required to be given under the provisions of these bylaws or the PNCL, such notice need not be given to any Director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director.

ARTICLE VI

OFFICERS

Section 1. Officers. The officers shall be a Chair, a President and Chief Executive Officer, one or more Vice Chairs, a Secretary, and a Treasurer, and such other officers as the Board of Directors shall determine to appoint. The President shall have authority to appoint one or more Vice Presidents or such other subordinate officers as the President may determine in his or her sole discretion. No officer other than the Chair and the Vice Chairs need be members of the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. No full-time employee of the Corporation or the Constituent Corporations shall be eligible to serve as Chair or Vice Chair of the Corporation.

Section 2. Election and Term of Office; Vacancies. Subject to Section 3 of this Article VI, from and after the Closing, the Chair, President and Chief Executive Officer, Vice Chairs, Secretary, and Treasurer, and such other officers as the Board of Directors shall determine to appoint, shall be appointed by the Board of Directors at the first meeting of the Board of Directors following the Closing, and thereafter at each Annual Meeting of the Board of Directors each year, and the Vice Presidents and other subordinate officers, if any, shall be appointed by the President at such Annual Meeting. The initial officers shall be appointed by the initial Board of Directors. Each officer shall hold office for terms of one year (or such longer period as may be specified in these Bylaws) and until his or her successor is duly appointed, except to the extent provided to the contrary in any contract of employment between such officer and the Corporation which was approved by the Board of Directors, and subject to each such officer's earlier death, resignation, or removal. Vacancies howsoever arising in any office to be filled by the Board of Directors (including without limitation vacancies in newly established offices created by the Board of Directors) may be filled by vote of the Board of Directors, at any regular or special meeting of the Board of Directors, and vacancies howsoever arising in any officer to be filled by the President may be appointed by the President at any time. Officers appointed to fill vacancies or otherwise appointed mid-year shall serve until the next annual meeting of the Board of Directors and the appointment of their successor, subject to each such officer's earlier death, resignation or removal. Nothing contained herein shall be construed as prejudicing any officer's rights with respect to compensation under any employment agreement with the Corporation.

Section 3. Chair. The initial Chair shall serve as such for a term ending on the fifth anniversary of the Closing and until his or her successor is duly appointed, subject to such

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officer's earlier death, resignation or removal (in which case the applicable vacancy shall be filled in accordance with Section 2 of this Article VI). The Chair shall preside at all meetings of the Board of Directors, and, at the annual meeting each year, shall present the annual report of the Corporation to the Board of Directors. The Chair shall have such authority, and shall perform all duties, customarily incident to the office of Chairperson of a Board of Directors, and such other authority and duties appropriate to such office as may be assigned by the Board of Directors.

Section 4. President and Chief Executive Officer. The President and Chief Executive Officer (sometimes referred to herein as the "President") shall be the chief executive officer of the Corporation. The President shall be a voting, *ex officio*, member of the Board and each committee of the Board with the exception of the Compensation Committee. The President shall have all authority and responsibility necessary to operate the Corporation in all its activities, subject only to the policies and oversight of the Board of Directors. The President shall also serve as the liaison between the Board and boards of the Constituent Corporations and perform such other duties as are customarily incident to the office, and such other authority and duties appropriate to such office as may be assigned by the Board of Directors. Without limiting the generality of the foregoing, the President is hereby authorized to exercise, on behalf of the Corporation in its capacity as sole member of Constituent Corporations, the following powers reserved to the Corporation pursuant to Article IV, Section 1 hereof: (i) approval, and/or causing the adoption by one or more of the Constituent Corporations, of any contracts between the applicable Constituent Corporation and any managed care organization (including without limitation any health maintenance organization or independent practice association) or insurance company; (ii) designation of the administrative structure of the Constituent Hospitals and/or Constituent Corporations and, in consultation with the boards of the Constituent Corporations, appointment and removal, with or without cause, of officers of the Constituent Corporations, provided, however, that no officer shall be removed by the President on behalf of the Corporation without 10 days prior notice of such removal from the President to the Board of Directors of the applicable Constituent Corporation, and (iii) such other actions as the Board of Directors shall authorize in a resolution of the Board of Directors.

Section 5. Vice Chairs. The Vice Chairs, in the order of their standing, shall perform the duties of the Chair when for any reason the Chair is unable to perform the same.

Section 6. Secretary. The Secretary shall keep and properly record the minutes of the proceedings of the Board of Directors and the Executive Committee; notify officers of their election and committee members of their appointment; give notice of all meetings of the Board of Directors and the Executive Committee; have custody of the corporate seal and of all books and papers pertaining to the office and shall perform all duties customarily incident to the office, and shall have such other authority and perform such other duties appropriate to such office as may be assigned by the Board of Directors.

Section 7. Treasurer. The Treasurer shall receive and have custody of all funds, money and income of the Corporation and not otherwise specifically provided for by the Board of Directors, and shall deposit same in such depository or depositories as the Board shall designate. The Treasurer shall perform all duties, customarily incident to the office, and such

other authority and duties appropriate to such office as may be assigned by the Board of Directors.

Section 8. Resignation. Any officer may resign at any time by giving written notice thereof to the Chair, the President or the Secretary of the Corporation. Any such resignation shall take effect on the date of receipt of such notice by one of the above-specified officers, or at such later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9. Removal. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors whenever in the judgment of the Board of Directors the best interests of the Corporation will be served thereby. Any vice-president or other subordinate officer appointed by the President may also be removed with or without cause by the President in his or her discretion. Nothing contained herein shall be construed as prejudicing any officer's rights with respect to compensation under any employment agreement with the Corporation.

ARTICLE VII

EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

Section 1. Powers of the Executive Committee. The Board of Directors shall maintain an Executive Committee which shall have and may exercise the powers of the Board of Directors in the management of the business affairs of the Corporation (including exercise of the Corporation's powers in its capacity as member of Constituent Corporations), except that the Executive Committee shall not have authority with respect to any of the following matters:

- (a) Appointing, electing, or removing Directors of the Corporation; however, the Executive Committee shall act to nominate members to serve on the Boards of the Corporation and Constituent Corporations.
- (b) Adopting, amending or repealing the Articles of Incorporation or Bylaws of the Corporation;
- (c) Amending or repealing any resolution of the Board of Directors;
- (d) Approving any matters which pursuant to the Bylaws or resolution of the Board of Directors is reserved to another committee of the Board;
- (e) Adopting, approving, or interpreting the statement of mission and philosophy of any Constituent Corporation or any requirement that a Constituent Corporation operate in conformance with its statement of mission and philosophy;
- (f) Adopting or approving any amendments or restatement of the Bylaws or Articles of Incorporation of any Constituent Corporation;
- (g) Approving or causing any merger, consolidation, division, conversion, or dissolution of any Constituent Corporation, or the filing of a petition in bankruptcy or execution of a deed of assignment for the benefit of creditors of any Constituent

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Corporation, or the sale or other disposition of all or substantially all of the assets of any Constituent Corporation;

(h) Approving and/or causing any corporate reorganization of any of the Constituent Corporations or the establishment or dissolution of any subsidiary organizations, including corporations, partnerships or other entities, of the Constituent Corporations;

(i) Approving any bond issuance or incurrence of any other indebtedness for borrowed money of any of the Constituent Corporations, or any lending of funds by any of the Constituent Corporations to an unrelated person, corporation or other legal entity, including without limitation any capital leases; and

(j) Appointing, electing or removing any of the Directors of any Constituent Corporation, the Chair and Vice Chair of the Board of Directors of any Constituent Corporation, or the Secretary/Treasurer of any Constituent Corporation.

Section 2. Term. From and after its activation, the Executive Committee shall be comprised of the Chair, each Chair of the Board of each Constituent Hospital, and the President and Chief Executive Officer. Members of the Executive Committee shall serve until their respective successors have been appointed, subject to their earlier death, resignation or removal.

Section 3. Meetings. The Executive Committee may hold regular meetings as often as monthly, but shall not be required to do so. The Executive Committee shall meet at such an hour and place as may be agreed upon or be set by the Chair. The Chair may call special meetings of the Executive Committee at any time and place whenever the exigency of business shall require. A majority of the members of the Executive Committee then in office shall constitute a quorum at any meeting of the Executive Committee. Once a quorum has been established, subsequent withdrawal of Executive Committee members so as to reduce the number of members present to less than a quorum shall not affect the validity of any subsequent action taken at the meeting. The affirmative vote of a majority of all of the members of the Executive Committee then in office shall be required to constitute approval of any matter before the Executive Committee, regardless of whether such members are present at the applicable meeting.

Section 4. Rules and Regulations. The Executive Committee shall adopt such rules and regulations as may be deemed proper for its own guidance in the conduct of the affairs of the Corporation, subject to change at any time by the Board of Directors.

Section 5. Recordkeeping. Full and accurate minutes of all transactions of the Executive Committee shall be entered in a book kept for such purpose.

ARTICLE VIII

OTHER STANDING COMMITTEES OF THE BOARD OF DIRECTORS

Section 1. Designation of Standing Committees. From and after the Closing, or such later date as the Board of Directors shall determine, the Board of Directors shall maintain the

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following other standing committees: Finance and Compliance, Strategic Planning, Investment, Clinical Council, and Compensation. The Clinical Council and the Compensation Committee shall have the composition described in Sections 5 and 6 of this Article VIII respectively. Each other committee shall be comprised of three or more members of the Board of Directors (the precise number to be established by the Board of Directors) and may include such other interested individuals as may be determined appropriate by the Board of Directors, who shall be appointed by the Board of Directors, provided, that (i) from and after the appointment of the first Clinical Council, the Finance and Compliance, Strategic Planning, and Investment Committees shall include at least two individuals nominated by the Clinical Council and selected by the Board, and (ii) the Compensation Committee shall have no physician members, employees of the Corporation or any other person deemed to be an "insider" under guidelines promulgated or issued by the Internal Revenue Service who is compensated in his or her capacity as such. Members of standing committees shall serve for one year terms and until their respective successors have been appointed, subject to their earlier death, resignation or removal.

Section 2. Finance and Compliance Committee. For each of the Corporation and each of the Constituent Hospitals and/or Constituent Corporations, this Committee shall review and recommend to the Board of Directors the annual operating and capital budget, and establish and review periodic budgetary reports. This Committee shall also review and recommend the financial plan of the Corporation and each of the Constituent Corporations. This Committee shall meet at least quarterly to review the budget and financial performance of the Corporation and the Constituent Corporations, and to review and recommend approval or disapproval of any proposed unbudgeted expenditures by the Corporation or any Constituent Corporation in excess of such amount as may be determined by the Board from time to time. This Committee shall oversee the audit and compliance functions of the Corporation and Constituent Corporations. This Committee shall cause to be audited the accounts of the Treasurer and of the Corporation and the Constituent Corporations at the close of each year prior to the annual meeting of the Corporation, shall render a full report to the Corporation at its annual meeting, and shall have such other responsibilities and authority as designated by the Board.

Section 3. Strategic Planning Committee. This Committee shall prepare long range plans for the Corporation and each of the Constituent Hospitals and Constituent Corporations with the goal of constantly improving services, facilities and programs. These plans shall be periodically reviewed and revised by the Committee, and shall be subject to approval by the Board of Directors.

Section 4. Investment Committee. This Committee shall supervise the investment and safekeeping of all funds belonging to the Corporation and the Constituent Corporations or held by them in trust. Securities owned by this Corporation and the Constituent Corporations shall be purchased or sold and transferred when authorized either by the Board of Directors, by the Executive Committee, or by this Committee.

Section 5. Clinical Council. This Committee shall provide opportunities for physician participation in the governance affairs of the Corporation. This Committee shall be comprised of six physicians from Allegheny General Hospital, six physicians from The Western

Pennsylvania Hospital, and three physicians from each of Suburban General Hospital, Alle-Kiski Medical Center, Forbes Regional Hospital, and Canonsburg General Hospital, each of whom shall be elected by the Board of Directors, and each of whom shall serve for a term of one year and until his or her successor shall be elected and qualified, subject, however, to his or her earlier death, resignation, or removal. In the event of any vacancies on the Board of Directors or on any Committees in a slot previously filled by a Clinical Council member; the Clinical Council shall provide to the Board of Directors two nominations from among the members of the Clinical Council as candidates to fill the applicable vacancy. This Committee shall have such additional responsibility and authority as may be delegated to it by the Board of Directors.

Section 6. Compensation Committee. This Committee shall determine the compensation of officers, senior management, and physicians of the Corporation and Constituent Corporations, and shall provide information regarding the Committee's determination to any Director upon his or her request. This Committee shall be comprised of the Chair of the Board of Directors and each Chair of the Board of Directors of each Constituent Hospital. This Committee shall have no physician members, employees of the Corporation or any other person deemed to be an "insider" under guidelines promulgated or issued by the Internal Revenue Service who is compensated in his or her capacity as such.

Section 7. Quorum. Four members of a committee then in office shall constitute a quorum for the transaction of business. Once a quorum has been established, subsequent withdrawal of committee members so as to reduce the number of members present to less than a quorum shall not affect the validity of any subsequent action taken at the meeting.

Section 8. Other Standing or Special Committees. Other standing or special committees may be created by the Board of Directors as it may deem necessary, and shall be appointed by the Board of Directors.

Section 9. Meetings. The several standing committees shall function under the direction of the Board of Directors and the Executive Committee and except to the extent required to meet more frequently pursuant hereto shall meet as often as necessary to transact their business and shall make such reports as they may deem necessary or which may be specifically required of them. Except as otherwise provided with respect to the Executive Committee in Article VII, Section 3 hereof, the affirmative vote of a majority of the members of any Committee present shall be required to constitute approval of any matter before such Committee.

Section 10. Resignation. Any Committee member may resign at any time by giving written notice thereof to the Chair, the President or the Secretary of the Corporation. Any such resignation shall take effect on the date of receipt of such notice by one of the above-specified officers, or at such later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 11. Removal. Any Committee member may be removed, with or without cause, by the Board of Directors whenever in the judgment of the Board of Directors the best interests of the Corporation will be served thereby.

Section 12. Vacancies. Vacancies in any Committee howsoever arising may be filled by vote of the Board of Directors at any regular or special meeting of the full Board. Committee members appointed pursuant to this Section shall serve for the unexpired portion of the term of the Committee member whose death, resignation or removal gave rise to the applicable vacancy, and until his or her successor shall have been elected and qualified, subject however, to such replacement Committee member's earlier death, resignation or removal.

ARTICLE IX

FISCAL YEAR AND ANNUAL REPORT

Section 1. Fiscal Year. The Fiscal Year of the Corporation shall begin on the first day of July each year and end on the thirtieth day of June of the succeeding year.

Section 2. Annual Report. As soon as may be convenient following the close of the Fiscal Year, the Board of Directors may cause to be published for general distribution an Annual Report containing such information regarding the work and affairs of the Corporation and its affiliates for the preceding Fiscal Year as in their discretion may be deemed advisable.

ARTICLE X

AUXILIARY ORGANIZATIONS

Section 1. The Board may provide for the establishment of auxiliary organizations. The bylaws of these organizations shall be subject to approval by the Board of Directors.

ARTICLE XI

SEAL

Section 1. The Seal of the Corporation shall be selected by the Board and an impression of the same shall be made in the minute book immediately following the entry of this Article.

ARTICLE XII

LIABILITY OF DIRECTORS

Section 1. Standard of Care and Fiduciary Duty. Each Director shall stand in a fiduciary relation to this Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner the Director reasonably believes to be in the best interests of this Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, each Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

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(a) one or more officers or employees of this Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

(b) counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such persons; and

(c) a committee of the Board of this Corporation upon which the Director does not serve, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if the Director has knowledge concerning the matter in question that would cause his reliance to be unwarranted.

Section 2. Preservation of Rights. Any repeal or modification of this Article by the Board shall not adversely affect any right or protection existing at the time of such repeal or modification to which any Director or former Director may be entitled under this Article. The rights conferred by this Article shall continue as to any person who has ceased to be a Director of the Corporation and shall inure to the benefit of the heirs, executors, and administrators of such person.

ARTICLE XIII

INDEMNIFICATION

Section 1. Mandatory Indemnification of Directors and Officers. The Corporation shall indemnify, to the fullest extent now or hereafter permitted by law, each Director and officer (including each former Director or officer) of the Corporation who was or is or is threatened to be made a party to or a witness in any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that the Director or officer is or was an authorized representative of the Corporation, or is or was serving at the written request of the Corporation as a representative of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Director or officer in connection with such action, suit or proceeding if such Director or officer acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 2. Mandatory Advancement of Expenses to Directors and Officers. The Corporation shall pay expenses (including attorneys' fees) incurred by a Director or officer of the Corporation referred to in Section 1 of this Article XIII in defending or appearing as a witness in any civil or criminal action, suit or proceeding described in Section 1 of this Article XIII in advance of the final disposition of such action, suit or proceeding. The expenses incurred by such Director or officer shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding only upon receipt of an undertaking by or on behalf of such Director or officer to repay all amounts advanced if it shall ultimately be determined that the Director or

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officer is not entitled to be indemnified by the Corporation as provided in Section 4 of this Article XIII.

Section 3. Permissive Indemnification and Advancement of Expenses. The Corporation may, as determined by the Board of Directors from time to time, indemnify, in full or in part, to the fullest extent now or hereafter permitted by law, any person who was or is or is threatened to be made a party to or a witness in, or is otherwise involved in, any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was an authorized representative of the Corporation or is or was serving at the request of the Corporation as a representative of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise, both as to action in his official capacity and as to action in another capacity while holding such office or position, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in conjunction with such action, suit or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The Corporation may, as determined by the Board of Directors from time to time, pay expenses incurred by any such person by reason of such person's participation in an action, suit or proceeding referred to in this Section 3 in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as provided in Section 4 of this Article XIII.

Section 4. Scope of Indemnification. Indemnification under this article shall not be made by the Corporation in any case where a court determines that the alleged act or failure to act giving rise to the claim for indemnification is expressly prohibited by Chapter 57, Subchapter D of the PNCL or any successor statute as in effect at the time of such alleged action or failure to take action.

Section 5. Miscellaneous. Each Director and officer of the Corporation shall be deemed to act in such capacity in reliance upon such rights of indemnification and advancement of expenses as are provided in this Article. The rights of indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which any person seeking indemnification or advancement of expenses may be entitled under any agreement, vote of members (if any), disinterested Directors, statute or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office or position, and shall continue as to a person who has ceased to be an authorized representative of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person. Any repeal or modification of this Article by the members (if any) or the Board of Directors of the Corporation shall not adversely affect any right or protection existing at the time of such appeal or modification to which any person may be entitled under this Article.

Section 6. Definition of Authorized Representative. For the purposes of this Article, the term, "authorized representative" shall mean a director, officer (including a former director or officer), or employee of the Corporation or of any corporation controlled by the Corporation, or a

trustee, custodian, administrator, committeeman or fiduciary of any employee benefit plan established and maintained by the Corporation or by any corporation controlled by the Corporation, or person serving another corporation, partnership, joint venture, trust or other enterprise in any of the foregoing capacities at the written request of the Corporation. The term "authorized representative" shall not include money managers or investment advisors (or any employees thereof) hired by the Corporation, and shall not include (i) agents of the Corporation unless indemnification thereof is expressly approved by the Board of Directors, or (ii) any Medical Staff appointee serving in his or her teaching or clinical capacity.

Section 7. Funding to Meet Indemnification Obligations. The Board of Directors shall have the power to borrow money on behalf of the Corporation, including the power to pledge the assets of the Corporation, from time to time to discharge the Corporation's obligations with respect to indemnification, the advancement and reimbursement of expenses, and the purchase and maintenance of insurance for the benefit of the Corporation and any person indemnified pursuant hereto. The Corporation may, in lieu of or in addition to the purchase and maintenance of insurance, establish and maintain a fund of any nature or otherwise secure or insure in any manner its indemnification obligations, whether arising pursuant to this Article or otherwise.

ARTICLE XIV

REVIEW & AMENDMENTS

These Bylaws shall be reviewed at least annually. These Bylaws and the Articles of Incorporation may be amended or repealed and new Bylaws and new Articles of Incorporation adopted at any regular meeting of the Board of Directors of the Corporation or at any special meeting called for that purpose, provided that notice of any such proposed amendment, repeal or adoption of Bylaws or Articles of Incorporation shall have been given to the Board at least twenty days prior to such regular or special meeting and that a copy of the proposed amendment or new Bylaws or new Articles of Incorporation shall have been mailed to each member of the Board of Directors with the notice of the meeting, and provided, further, that prior notice of any proposed amendments with respect to the following provisions of these Bylaws or the Articles of Incorporation of the Corporation shall have been given to the Attorney General and the prior approval of the Orphans' Court shall have been obtained: (i) provisions setting forth the purposes of the Corporation; (ii) any provisions setting forth the powers vested exclusively in the Corporation in its capacity as member of the Constituent Corporations; (iii) provisions describing the manner in which the assets of the Corporation are to be distributed upon termination, dissolution or winding up; and (iv) provisions requiring notice to the Attorney General or approval of the Orphans' Court prior to the taking of certain action by the Corporation. Amendments for technical, grammatical or spelling errors may be changed at any meeting of the Board without the notice provisions required above and shall be effective immediately.

ARTICLE XV

SUBVENTIONS

The Corporation shall be authorized by resolution of the Board of Directors to accept subventions from nonmembers on terms and conditions not inconsistent with PNCL § 5542, and to issue certificates therefor. The resolution of the Board of Directors may provide that the holders of subvention certificates shall be entitled to a fixed or contingent periodic payment out of the corporate assets equal to a percentage of the original amount or value of the subvention. The rights of holders of subvention certificates shall at all times be subordinate to the rights of creditors of the Corporation.

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December 29, 2006

Banc of America Public Capital Corp
2059 Northlake Parkway, Suite 400
Tucker, Georgia 30064
Allegheny County Hospital Development Authority
425 Sixth Avenue, Suite 800
Pittsburgh, PA 15219

Cohen & Grigsby, P.C.
11 Stanwix Street, 15th Floor
Pittsburgh, PA 15222

Allegheny County Hospital Development Authority
425 Sixth Avenue
Suite 800
Pittsburgh, PA 15219

Re: The Allegheny County Hospital Development Authority \$24,000,000
Health Facilities Revenue Notes, Series B of 2006 (West Penn Allegheny
Foundation, LLC Project)

Ladies and Gentlemen:

As general counsel to West Penn Allegheny Foundation, LLC ("Obligor"), Allegheny General Hospital ("AGH") and West Penn Allegheny Health System, Inc. ("WPAHS") I have been requested to furnish you with an opinion in connection with the Master Financing Agreement dated as of December 29, 2006 (the "Master Agreement") among the Obligor, the Allegheny County Hospital Development Authority, as Issuer ("Issuer"), and Banc of America Public Capital Corp, as Lender ("Lender") and Schedule No. 1, Schedule No. 2, Schedule No. 3 and Schedule No. 4 thereto each dated as of December 29, 2006, representing a financing of the Equipment described therein in the principal amount of \$24,000,000 (collectively, the "Schedules"). The Master Agreement and the Schedules and the attachments and exhibits related thereto, are sometimes referred to herein collectively as the "Agreement." This opinion is furnished to you in connection with the execution and delivery of the Master Agreement by the Obligor. All capitalized terms used in this opinion shall, unless the context requires otherwise, have the meanings set forth in the Master Agreement.

I have examined an executed original of the Agreement, certified copies of the proceedings of the Board of Managers of Obligor authorizing the execution and delivery of the Agreement, and certain other documents, with respect to the Equipment to be financed with the proceeds of the Notes issued pursuant to the Agreement. In addition I have examined the Escrow Agreement dated as of December 29, 2006 (the "Escrow Agreement"), by and among the Obligor, the Lender and Deutsche Bank National Trust Company, as escrow agent, the Master Lease Agreement dated as of December 29, 2006 (the "Lease"), by and among the Obligor and AGH and WPAHS, as co-lessees, the Tax Regulatory Agreement and Arbitrage Certificate dated as of December 29, 2006 (the "Tax Regulatory Agreement"), by and between the Issuer and the Obligor and the Assignment of Leases and Rents dated as of December 29, 2006 (the "Assignment"), by and between the Obligor, AGH and WPAHS (the Agreement, the Escrow Agreement, the Lease, the Tax Regulatory Agreement and the Assignment, collectively, the "Transaction Documents").

In addition, I have examined such other documents and made such investigation and such examination of law as I have deemed necessary or appropriate for the purposes of the following opinion.

In my review, I have assumed the genuineness of all signatures (other than those on behalf of the Obligor, AGH or WPAHS) and the authenticity of all documents submitted as originals and the conformity with the original documents of all documents submitted as certified, photo static or conformed copies. I have assumed, with respect to all documents executed by parties other than Borrower, AGH or WPAHS, (a) that such other parties had the requisite power, authority and capacity to enter into and perform all obligations thereunder, and (b) the due authorization by all requisite action of the execution and delivery thereof. I have assumed the capacity of all individuals. I have assumed that the Lease constitutes an operating lease.

Based upon the foregoing, I am of the opinion that:

1. Obligor is a Pennsylvania limited liability company and AGH is a Pennsylvania nonprofit corporation, each duly organized or incorporated, as applicable, and validly existing under the laws of the Commonwealth, with full corporate power to perform the activities now being conducted by each and to carry out and perform their obligations under the Transaction Documents.
2. Obligor and AGH have taken all requisite organizational proceedings to authorize the execution, delivery and performance of the Transaction Documents in the form executed by its respective authorized officers and delivered by them to Issuer and/or the Lender, as applicable.
3. The Transaction Documents have been duly executed and delivered and, assuming the due and proper authorization, execution and delivery thereof by the other parties thereto, constitute valid and legally binding obligations of Obligor and AGH, as

applicable, and, subject to the qualifications stated in the last paragraph hereof, are enforceable against Obligor and AGH, as applicable, in accordance with their terms.

4. The execution and delivery of the Transaction Documents and the performance by Obligor and AGH, as applicable, of their obligations thereunder will not violate or constitute a default under the (i) Certificate of Organization or the Operating Agreement of the Obligor, or (ii) articles of incorporation or bylaws of AGH, or existing law or regulations or any court order known to me or any material agreement, note or other obligation or instrument known to me to which Obligor or AGH are a party or by which any of their respective properties are bound.

5. The authorization, execution and delivery of the Transaction Documents by Obligor and AGH, as applicable, do not require submission to, approval of, or other action by any governmental authority or agency which action has not been taken and is final and non-appealable.

6. No action, suit, proceeding, inquiry or investigation at law or in equity before or by any judicial or administrative court or agency, is pending or, to the best of our knowledge, threatened, against or affecting Obligor or AGH or their properties wherein any unfavorable decision, ruling or finding would materially and adversely affect the validity or enforceability of the Transaction Documents or materially and adversely affect the financial condition, business, or properties of Obligor or AGH.

7. Obligor has taken all steps legally required as a condition precedent to the execution and delivery of the Transaction Documents.

8. The Obligor, whose sole member is a 501(c)(3), is characterized as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (or a predecessor provision) and is not a "private foundation" as that term is defined in Section 509(a) of the Code. The use of the Equipment as described in the Agreement will not constitute a use in any "unrelated trade or business" of Obligor or WPAHS as sole member of the Obligor, as such term is defined in Section 513(a) of the Code. There is no litigation pending or, to the best of my knowledge, threatened, which has challenged or would challenge the above-described status of Obligor or Obligor's lease and use of the Equipment.

9. The signatures of the officers of the Obligor and/or AGH which appear on the Transaction Documents are true and genuine; I know said officers and know them to hold the offices set forth below their names.

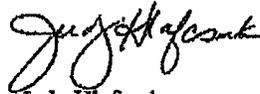
10. There is no litigation pending or, to the best of my knowledge, threatened that would if decided adverse to Obligor or AGH affect any of the opinions set forth above.

Our opinion that the Agreement is enforceable in accordance with its terms is qualified to the extent that enforcement of the rights and remedies created hereby is

subject to (i) general principles of equity, (ii) applicable bankruptcy, insolvency, moratorium and other similar laws affecting the enforcement of creditors' rights in general, and (iii) laws concerning recourse by creditors to security in the absence of notice and hearing.

I have been authorized and instructed by Obligor and AGH to issue this opinion to you. I am issuing this opinion for the benefit of Lender and its successors and assigns, Issuer, Bond Counsel and Issuer Counsel (the "Benefitted Parties"). Obligor, AGH and I acknowledge that this opinion is requested directly by the Benefitted Parties, Obligor and AGH has caused this opinion to be rendered directly to the Benefitted Parties, and there is privity for such purpose only between the Benefitted Parties and me. I acknowledge that the Benefitted Parties are relying on this opinion.

Very truly yours,



Judy Hlafcsak

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ATTORNEYS AT LAW SINCE 1895

December 29, 2006

Allegheny County Hospital
Development Authority
425 Sixth Avenue, Suite 800
Pittsburgh, PA 15219

Banc of America Public Capital Corp
2059 Northlake Parkway
4th Floor
Tucker, GA 30084

Re: Master Financing Agreement dated as of December 1, 2006 (the "Master Financing Agreement") and Schedules No. 1, 2, 3 and 4 thereto dated as of December 1, 2006 (the "Schedules"), by and among Allegheny County Hospital Development Authority ("Issuer"), West Penn Allegheny Foundation, LLC ("Obligor") and Banc of America Public Capital Corp ("Lender")

Ladies and Gentlemen:

We have acted as Counsel to the Issuer in connection with the execution and delivery by the Issuer of the Master Financing Agreement and the Schedules. The Master Financing Agreement and the Schedules, and the attachments, addendums and exhibits related thereto are referred to herein as the "Agreement".

In that capacity, we have examined executed counterparts, or copies certified or represented as conforming to the originals, of the Agreement, the Resolution of the Issuer adopted on November 14, 2006 and December 19, 2006 approving the execution and delivery of the Agreement, and such constitutional and statutory provisions and such other certificates, instruments and documents as we have deemed necessary or appropriate in order to enable us to render an opinion as to the matters set forth herein.

Pittsburgh

Philadelphia

Princeton

Wheeling

As to questions of fact material to our opinion, we have relied solely upon representations of the Issuer contained in the Agreement and in the certified proceedings and other certifications, or representations regarding the same, furnished to us without undertaking to verify the same by independent investigation. We have also relied upon the genuineness, authenticity, truthfulness and completeness of all documents, certificates, records and other instruments examined.

Thorpe Reed & Armstrong LLP
One Oxford Centre
301 Grant Street, 14th Floor
Pittsburgh PA 15219-1425
412 394 7711
412 394 2656 Fax

Based upon and subject to the foregoing, we are of the opinion, under existing law and as of the date hereof, that:

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UPE-0009928



Allegheny County Hospital Development Authority
Banc of America Public Capital Corp
December 29, 2006
Page 2

1. The Issuer is a public body corporate and politic, legally existing under the provisions of the Municipality Authorities Act, as amended (the "Act").

2. Pursuant to the Act, the Issuer is authorized and has the power to enter into the Agreement and to carry out its obligations thereunder.

3. The execution, delivery and performance by the Issuer of the Agreement have been duly authorized by all necessary action on the part of the Issuer.

4. Assuming the due authorization, execution and delivery by the other parties thereto, the Agreement is a legal, valid and binding obligation of the Issuer, enforceable in accordance with its terms, subject, however, to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, heretofore or hereafter enacted, to the extent constitutionally applicable, and its enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

5. To our knowledge, the entering into and performance of the Agreement will not violate any judgment, order, law or regulation applicable to the Issuer or result in any breach of, or constitute a default under, any instrument by which the Issuer is affected.

6. All actions heretofore taken by the Board of the Issuer in connection with the execution and delivery of the Agreement have been in compliance in all respects with the provisions of the Act and the Commonwealth of Pennsylvania Sunshine Act.

7. There is no litigation, action, suit or proceeding pending or, to the best of our knowledge, threatened before any court, administrative agency, arbitrator or governmental body, that challenges (a) the organization or existence of the Issuer, (b) the authority of its officers, (c) the proper authorization, approval and/or execution of the Agreement and other documents contemplated thereby or (d) the ability of the Issuer otherwise to perform its obligations under the Agreement.

The opinions expressed herein are confined to the laws of the Commonwealth of Pennsylvania and the United States of America and we express no opinion as to the laws of any other jurisdiction. This opinion letter is furnished solely for your benefit and may not be relied upon by any other person or entity, except for the immediate successors or assigns of Banc of America Public Capital Corp. This opinion letter is rendered as of the date hereof and we have no obligation to advise you of changes of law or fact that may occur after the date hereof.

Very truly yours,

Thorp Reed & Armstrong, LLP

THORP REED & ARMSTRONG, LLP

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ATTORNEYS AT LAW SINCE 1895

December 29, 2006

Allegheny County Hospital
Development Authority
425 Sixth Avenue, Suite 800
Pittsburgh, PA 15219

Banc of America Public Capital Corp
2059 Northlake Parkway
4th Floor
Tucker, GA 30084

Re: Master Financing Agreement dated as of December 1, 2006 (the "Master Financing Agreement") and Schedules No. 1, 2, 3 and 4 thereto dated as of December 1, 2006 (the "Schedules"), by and among Allegheny County Hospital Development Authority ("Issuer"), West Penn Allegheny Foundation, LLC ("Obligor") and Banc of America Public Capital Corp ("Lender")

Ladies and Gentlemen:

We have acted as Counsel to the Issuer in connection with the execution and delivery by the Issuer of the Master Financing Agreement and the Schedules. The Master Financing Agreement and the Schedules, and the attachments, addendums and exhibits related thereto are referred to herein as the "Agreement".

In that capacity, we have examined executed counterparts, or copies certified or represented as conforming to the originals, of the Agreement, the Resolution of the Issuer adopted on November 14, 2006 and December 19, 2006 approving the execution and delivery of the Agreement, and such constitutional and statutory provisions and such other certificates, instruments and documents as we have deemed necessary or appropriate in order to enable us to render an opinion as to the matters set forth herein.

Pittsburgh

Philadelphia

Princeton

Wheeling

As to questions of fact material to our opinion, we have relied solely upon representations of the Issuer contained in the Agreement and in the certified proceedings and other certifications, or representations regarding the same, furnished to us without undertaking to verify the same by independent investigation. We have also relied upon the genuineness, authenticity, truthfulness and completeness of all documents, certificates, records and other instruments examined.

Thorp Reed & Armstrong, LLP
One Oxford Centre
301 Grant Street 14th Floor
Pittsburgh PA 15219-1426
412 394 7711
412 394 2535 Fax

Based upon and subject to the foregoing, we are of the opinion, under existing law and as of the date hereof, that:

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UPE-0009930



Allegheny County Hospital Development Authority
Banc of America Public Capital Corp
December 29, 2006
Page 2

1. The Issuer is a public body corporate and politic, legally existing under the provisions of the Municipality Authorities Act, as amended (the "Act").

2. Pursuant to the Act, the Issuer is authorized and has the power to enter into the Agreement and to carry out its obligations thereunder.

3. The execution, delivery and performance by the Issuer of the Agreement have been duly authorized by all necessary action on the part of the Issuer.

4. Assuming the due authorization, execution and delivery by the other parties thereto, the Agreement is a legal, valid and binding obligation of the Issuer, enforceable in accordance with its terms, subject, however, to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, heretofore or hereafter enacted, to the extent constitutionally applicable, and its enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

5. To our knowledge, the entering into and performance of the Agreement will not violate any judgment, order, law or regulation applicable to the Issuer or result in any breach of, or constitute a default under, any instrument by which the Issuer is affected.

6. All actions heretofore taken by the Board of the Issuer in connection with the execution and delivery of the Agreement have been in compliance in all respects with the provisions of the Act and the Commonwealth of Pennsylvania Sunshine Act.

7. There is no litigation, action, suit or proceeding pending or, to the best of our knowledge, threatened before any court, administrative agency, arbitrator or governmental body, that challenges (a) the organization or existence of the Issuer, (b) the authority of its officers, (c) the proper authorization, approval and/or execution of the Agreement and other documents contemplated thereby or (d) the ability of the Issuer otherwise to perform its obligations under the Agreement.

The opinions expressed herein are confined to the laws of the Commonwealth of Pennsylvania and the United States of America and we express no opinion as to the laws of any other jurisdiction. This opinion letter is furnished solely for your benefit and may not be relied upon by any other person or entity, except for the immediate successors or assigns of Banc of America Public Capital Corp. This opinion letter is rendered as of the date hereof and we have no obligation to advise you of changes of law or fact that may occur after the date hereof.

Very truly yours,

Thorp Reed & Armstrong, LLP

THORP REED & ARMSTRONG, LLP

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*progressive law.*sm

December 29, 2006

Banc of America Public Capital Corp
Northlake Parkway, Suite 400
Tucker, Georgia 30084

RE: \$24,000,000 Allegheny County Hospital Development Authority
Health Facilities Revenue Notes, Series B of 2006
(West Penn Allegheny Foundation, LLC Project)

Ladies and Gentlemen:

We have acted as note counsel in connection with the issuance and sale by the Allegheny County Hospital Development Authority (the "Authority") of \$24,000,000 principal amount of its Health Facilities Revenue Notes, Series B of 2006 (West Penn Allegheny Foundation Project) (the "Notes") pursuant to the Master Financing Agreement dated as of December 29, 2006 (the "Master Financing Agreement") by and among the Authority, West Penn Allegheny Foundation, LLC ("WPAF") and Banc of America Public Capital Corp, as Lender (the "Lender"), as supplemented by Equipment Schedules for each of the four pieces of Equipment financed with the proceeds of the applicable Note (together with the Master Financing Agreement, the "Agreement").

We have examined (i) an executed copy of the Agreement, (ii) the form of Notes, (iii) the Tax Regulatory Agreement and No Arbitrage Certificate dated as of December 29, 2006 (the "Tax Regulatory Agreement"), by and between the Authority and WPAF, and (iv) such constitutional and statutory provisions and such other resolutions, certificates, instruments and documents as we have deemed necessary or appropriate in order to enable us to render an informed opinion as to matters set forth herein.

In rendering this opinion we have assumed the genuineness of all signatures on all documents and certificates that we examined, the legal capacity and authority of all persons executing such documents, the authenticity of all documents submitted to us as originals and the conformity to originals of all documents submitted to us as copies and the authenticity of the originals of said copies. As to questions of fact material to our opinion, we have relied upon the representations of the Authority and the WPAF contained in the Agreement and the Tax Regulatory Agreement and in certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, it is our opinion, under existing law and as of the date hereof, that:

1. The Authority is a body corporate and politic organized and existing under the Act of the General Assembly of the Commonwealth approved June 19, 2001, P.L. 22 (53 P.C.S. CL. 56), known as the Municipality Authorities Act, as amended (the "Act"), of the Commonwealth of Pennsylvania and has the power to enter into the transactions contemplated by the Agreement and to carry out its obligations thereunder.

2. The Agreement has been duly authorized, executed and delivered by the Authority and constitutes the valid and binding obligation of the Authority enforceable against it in accordance with its terms.

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December 29, 2006

Page 2

3. The Notes have been duly and validly authorized, executed, issued and delivered by the Authority and constitute the valid and binding limited obligations of the Authority enforceable against it in accordance with their terms, payable from the sources provided therefor in the Agreement.

4. All right, title and interest of the Authority in and to the Notes and payments due under the Agreement (except for the fees and expenses payable to the Authority and the Authority's right to indemnification) have been duly assigned to the Lender.

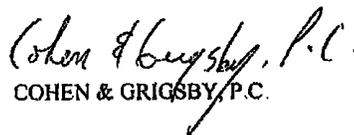
5. The Notes are exempt from personal property taxes in Pennsylvania and the interest on the Notes is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax

6. The interest on the Notes is excluded from the gross income of the holders of the Notes for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining "adjusted current earnings." For the purpose of rendering the opinion set forth in this paragraph, we have assumed compliance by the Authority and the WPAF with requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Authority and the WPAF have covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the interest on the Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

It is to be understood that the rights of the owners of the Notes and the enforceability of the Notes and the Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws heretofore or hereafter enacted affecting creditors' rights generally to the extent constitutionally applicable and by the application of general equitable principles and the exercise of judicial discretion in appropriate cases (whether such enforcement is sought in proceedings in equity or at law).

This opinion is given as of the date hereof and may be relied upon only by the addressee and its successor and assigns. We assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur

Very truly yours,


COHEN & GRIGSBY, P.C.

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