

FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE is effective as of December 1, 2024, by and among BLOUNT COUNTY, TENNESSEE, (the “County”), PRISMA HEALTH - BLOUNT MEMORIAL HOSPITAL, INC., as successor by name change to Blount Memorial Hospital, Incorporated (“Blount Memorial”), and REGIONS BANK, as trustee (the “Trustee”).

W I T N E S S E T H:

WHEREAS, the County, Blount Memorial and the Trustee have previously entered into that certain Trust Indenture dated as of October 4, 2019 (the “Existing Indenture”); and

WHEREAS, effective as of the date hereof, the County is entering into a Lease Agreement (the “Hospital Lease”) with Blount Memorial pursuant to which Blount Memorial will lease certain of the Hospital Facilities described in the Existing Indenture; and

WHEREAS, also effective as of the date hereof, the County, Blount Memorial, Prisma Health, Prisma Health Eastern Tennessee, and Blount Memorial Foundation, Inc. are entering into that certain Membership Agreement (the “Membership Agreement”) pursuant to which Prisma Health Eastern Tennessee will become the sole member of Blount Memorial; and

WHEREAS, the Series A Bonds and the Series B Bonds are the only Bonds outstanding under the Existing Indenture, and all of the Series A Bonds and Series B Bonds are held by First Horizon TE1, LLC (the “Sole Bondholder”), and the Sole Bondholder is therefore the only holder of Bonds under the Existing Indenture; and

WHEREAS, in connection with the consummation of the transaction contemplated by the Hospital Lease and the Membership Agreement, the parties hereto desire to supplement and amend the Existing Indenture as provided herein.

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL TRUST INDENTURE WITNESSETH:

ARTICLE 1 DEFINITIONS

Section 1.01 Deletions of Defined Terms. The following defined terms are hereby deleted from Article I of the Existing Indenture: “Balloon Indebtedness,” “Capitalized Interest”, “Long-Term Debt Service Requirement”, “Long-Term Indebtedness”, “Maximum Annual Debt Service Requirements”, “Moody’s”, “Net Income Available for Debt Service”, “Net Operating Revenues”, and “Variable Rate Indebtedness”.

Section 1.02 Amendments of Defined Terms. The following defined terms in the Existing Indenture are hereby amended and restated as follows:

“Gross Revenues” means the gross revenues of Blount Memorial from all sources and the gross revenues of the County relating to the operation of the Hospital Facilities, which are limited to any payments made by Blount Memorial under the Hospital Lease, including (i) patient fees (whether paid by patient or by any other party) and other charges payable by or on behalf of the patients of the Hospital Facilities, and (ii) all revenues, rents and income derived by Blount Memorial or the County from the ownership, operation or

leasing of any portion of any Hospital Facilities and all rights to receive the same, whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired (except and excluding all such items, whether now owned or hereafter acquired by the County or Blount Memorial, which by their terms or by reason of applicable law would become void or voidable if granted, assigned, or pledged hereunder).

“Qualified Investments” shall mean any investment that is a qualified investment of the County under applicable law at the time of the purchase of such investment.

“Tax Exemption Agreement” means the Federal Tax Exemption Certificate and Agreement with respect to the Bonds dated as of the date hereof entered into by the County and Blount Memorial for the benefit of the holder of the Bonds.

Section 1.03 New Definitions. The following terms as used in this First Supplemental Trust Indenture or in the Existing Indenture as supplemented by this First Supplemental Trust Indenture shall have the following meaning:

“Credit Agreement” shall mean the Credit Agreement dated as of October 4, 2019, among the County, Blount Memorial and the Sole Bondholder as amended effective as of the date hereof by an Amendment to Credit Agreement among such parties and Prisma Health and as such Credit Agreement may be further amended from time to time by agreement of the parties thereto.

“Hospital Lease” shall mean the Lease Agreement dated as of December 1, 2024, between the County and Blount Memorial, as such Lease Agreement may be amended from time to time by agreement of the parties thereto.

“Membership Agreement” shall mean the Membership Agreement dated as of December 1, 2024, among Prisma Health, Prisma Health Eastern Tennessee, the County, Blount Memorial and Blount Memorial Foundation, Inc. as such Membership Agreement may be further amended from time to time by agreement of the parties thereto.

“Sole Bondholder” shall mean First Horizon TE1, LLC and its successors and assigns.

Section 1.04 Existing Indenture. This First Supplemental Trust Indenture shall be construed in connection with and as a part of the Existing Indenture, and all terms, conditions and covenants contained in the Existing Indenture, except as herein modified and except as restricted in the Existing Indenture to the bonds of another series, shall apply to and be deemed to be for the equal benefit, security and protection of the Bonds.

The Existing Indenture shall be deemed to be modified and amended in accordance with the provisions of this First Supplemental Trust Indenture and the respective rights, duties and obligations under the Existing Indenture of the County, Blount Memorial, the Trustee and the holders of Bonds outstanding thereunder shall hereafter be determined, exercised and enforced under the Existing Indenture subject in all respects to such modifications and amendments, and all terms and conditions of this First Supplemental Trust Indenture shall be deemed to be a part of the terms and conditions of the Existing Indenture for any and all purposes.

The Trustee assumes no duties, responsibilities or liabilities by reason of this First Supplemental Trust Indenture other than as set forth in the Existing Indenture, and this First Supplemental Trust Indenture is executed and accepted by the Trustee subject to all the terms and conditions of its acceptance of the trust under the Existing Indenture as fully as if said terms and conditions were herein set forth at length.

Except as otherwise expressly provided herein, the terms used in this First Supplemental Trust Indenture shall have the meanings assigned thereto in the Existing Indenture. Reference by number in this First Supplemental Trust Indenture to articles or sections shall be construed as referring to articles and sections contained in the Existing Indenture, unless otherwise stated.

ARTICLE 2 AMENDMENTS TO EXISTING INDENTURE

Section 2.01 Amendments to Article II of Existing Indenture. Section 2.8 of the Existing Indenture is hereby amended and restated as follows:

Section 2.8 Issuance of Additional Bonds. Additional Bonds may not be issued on a parity with the Bonds pursuant to this Indenture.

Section 2.02 Amendments to Article V of the Existing Indenture. All references in Article V to the County shall be deemed to be references to Blount Memorial.

Section 2.03 Amendments to Article VI of the Existing Indenture. Blount Memorial, instead of the County, shall be responsible for all obligations of the County contained in Sections 6.4, 6.5 and 6.8 of the Existing Indenture, and the County shall not be responsible for complying with such Sections of the Existing Indenture. All references in such Sections to the County shall be deemed to be references to Blount Memorial.

Section 2.04 Amendments to Article VII of the Existing Indenture. Article VII of the Existing Indenture is amended and restated as follows:

Section 7.1 Taxes, Charges and Assessments. Blount Memorial covenants and agrees, subject to the provisions of Section 7.4 hereof relating to permitted contests, to pay or cause to be paid:

(a) all taxes, assessments and charges on account of the use, occupancy or operation of the Hospital Facilities, including but not limited to all sales, use, occupation, real and personal property taxes, all permit and inspection fees, occupation and license fees and all water, gas, electric light, power or other utility charges assessed or charged on or against the Hospital Facilities or on account of Blount Memorial's use or occupancy thereof or the activities conducted thereon or therein; and

(b) all taxes, assessments and impositions, general and special, ordinary and extraordinary, of every name and kind, which shall be taxed, levied, imposed or assessed during the term of this Indenture upon all or any part of the Hospital Facilities.

Section 7.2 Liens. Subject to the provisions of Section 7.4 hereof relating to permitted contests, neither the County nor Blount Memorial will create or permit to be created or remain and will, at their respective cost and expense, promptly discharge all liens, encumbrances and charges on the Hospital Facilities or any part thereof other than Permitted Encumbrances.

Section 7.3 Compliance with Orders, Ordinances, Etc. Subject to the provisions of Section 7.4 hereof relating to permitted contests, Blount Memorial will, at its sole cost and expense, promptly comply with all present and future laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court and the officers thereof that may be applicable to any of the Hospital Facilities or any part thereof or to the use or manner of use, occupancy or condition of any of the Hospital Facilities or any part thereof.

Section 7.4 Permitted Contests. Blount Memorial shall not be required to pay any tax, charge, assessment or imposition referred to in Section 7.1 hereof, nor to remove any lien, charge or encumbrance required to be removed under Section 7.2 hereof, nor to comply with any law, ordinance, rule, order, decree, decision, regulation or requirement referred to in Section 7.3 hereof, so long as Blount Memorial shall contest, in good faith and at its cost and expense, the amount or validity thereof, in an appropriate manner or by appropriate proceedings which shall operate during the pendency thereof to prevent the collection of or other realization upon the tax, assessment, levy, fee, rent, charge, lien or encumbrance so contested, and the sale, forfeiture, or loss of the Hospital Facilities or any part thereof, provided, that no such contest shall subject the Trustee to the risk of any liability. While any such matters are pending, Blount Memorial shall not be required to pay, remove or cause to be discharged the tax, assessment, levy, fee, rent, charge, lien or encumbrance being contested unless Blount Memorial agrees to settle such contest. Each such contest shall be promptly prosecuted to final conclusion (subject to the right of Blount Memorial to settle any such contest), and in any event Blount Memorial will, to the extent permitted by law, save the Trustee harmless against all losses, judgments, decrees and costs (including attorneys' fees and expenses in connection therewith) as a result of such contest and will, promptly after the final determination of such contest or settlement thereof, pay and discharge the amounts which shall be levied, assessed or imposed or determined to be payable therein, together with all penalties, fines, interests, costs and expenses thereon or incurred in connection therewith. Blount Memorial shall give the Trustee prompt written notice of any such contest.

If the Trustee shall notify the County and Blount Memorial that, in the opinion of Independent Counsel, by nonpayment of any of the foregoing items the Hospital Facilities or any substantial part thereof will be subject to imminent loss or forfeiture, then Blount Memorial shall promptly pay all such unpaid items and cause them to be satisfied and discharged.

Section 7.5 Use of the Hospital Facilities. The County shall cause Blount Memorial to use the Hospital Facilities primarily as and for a general hospital and related activities and only in furtherance of lawful purposes pursuant to the Hospital Lease. The County covenants and agrees that it will at all times cause Blount Memorial to maintain, preserve and keep all of the Hospital Facilities and each part thereof (other than the portions of certain facilities to be demolished as part of any public works project undertaken with the proceeds of Additional Bonds, if any) and all personal property used in connection therewith in good condition, repair and working order and will from time to time make all necessary and proper repairs, replacements, additions, betterments and improvements thereto so that the operations and business pertaining to the Hospital Facilities and every part thereof shall at all times be conducted properly and advantageously.

Blount Memorial shall admit and treat individuals in the Hospital Facilities without regard to race, sex, national origin or religious belief and respect, permit and not interfere

with the religious beliefs of persons admitted and treated, except as the same may be required for proper medical treatment.

The County shall cause Blount Memorial to observe the terms and conditions of the Tax Exemption Agreement in Blount Memorial's administration of the Hospital Facilities.

Section 7.6 Repairs, Maintenance and Alterations. Blount Memorial throughout the term of this Indenture at its own cost and expense shall maintain, preserve and keep all of the Hospital Facilities and each part thereof and all equipment therein and personal Property used in connection therewith in good and tenable condition, repair and working order, reasonable wear and tear excepted, and in as safe condition as its operation will reasonably permit and will make all necessary and proper repairs thereto and replacements thereof, interior and exterior, structural and non-structural, ordinary as well as extraordinary and foreseen as well as unforeseen, and all necessary replacements or renewals. Blount Memorial shall have the right from time to time at its sole cost and expense to make additions, alterations and changes (hereinafter collectively referred to as "alterations") in and to the Hospital Facilities to the extent permitted by the Membership Agreement, the Hospital Lease and the Credit Agreement.

Section 7.7 Removal of Equipment. In any instance where Blount Memorial in its sound discretion determines that any items of equipment have become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary in the operation of the Hospital Facilities, Blount Memorial may remove such items of such equipment from the Hospital Facilities and sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Trustee therefor subject to any requirements of the Membership Agreement, the Hospital Lease or the Credit Agreement.

Section 7.8 Installation of Equipment. Blount Memorial may from time to time in its sole discretion and at its own cost and expense, install or place other equipment and tangible personal property in the Hospital Facilities. Blount Memorial may remove such equipment and tangible personal property at any time at its own cost and expense, whether or not the same shall have been affixed or annexed to the Hospital Facilities, but any damage to the Hospital Facilities by any such removal shall be repaired at the sole cost and expense of Blount Memorial.

Section 7.9 Liability, Casualty and Other Insurance. Blount Memorial shall maintain, at its sole cost and expense, insurance with respect to the Hospital Facilities, the operation thereof and Blount Memorial's business against such casualties, contingencies and risks (including but not limited to public liability and employee dishonesty) in amounts not less than is customary in the case of corporations engaged in the same or similar activities and similarly situated and is adequate to protect the Property used in connection with the Hospital Facilities and the operations of Blount Memorial. Blount Memorial may self-insure if such self-insurance is prudent under the circumstances; provided, however, that Blount Memorial may not self-insure against physical damage to or loss of the Hospital Facilities.

Section 7.10 Insurance and Condemnation Award Proceeds. If, prior to full payment of all Bonds (or provisions for payment thereof having been made in accordance with the provisions of this Indenture), the Hospital Facilities shall be damaged or destroyed, by whatever cause, or shall be taken or damaged by any public authority or entity in the

exercise of its power of eminent domain, or sold by the County or Blount Memorial under threat of the exercise of such power of eminent domain (which sale, for purposes of this Section 7.10 shall be deemed a taking) there shall be no abatement or reduction in the payments payable under this Indenture. All net proceeds of insurance or of any condemnation award or compensation (being the proceeds less all reasonable and necessary legal and other direct costs and expenses incurred in connection therewith) shall be applied in the manner provided in the Membership Agreement, Hospital Lease and/or Credit Agreement to the extent applicable. In the event any net proceeds are deposited in the Insurance and Condemnation Award Fund created under this Indenture, the County may, within ninety (90) days of such deposit notify the Trustee by an Officer's Certificate of its election to apply such net proceeds to the redemption of the Bonds.

Section 7.11 Right to Perform Covenants; Advances. In the event the County or Blount Memorial shall fail to (i) pay any tax, charge, assessment or imposition pursuant hereto, (ii) remove any lien, encumbrance or charge pursuant hereto, (iii) maintain the Hospital Facilities in repair pursuant hereto, (iv) procure the insurance required hereby, in the manner herein described or (v) fail to make any other payment or perform any other act required to be performed hereunder, and the County or Blount Memorial is not contesting the same in accordance with Section 7.4 hereof, then and in each such case the Trustee may (but shall not be obligated to) remedy such failure for the account of the County and Blount Memorial and make advances for that purpose. No such performance or advance shall operate to release the County or Blount Memorial from any such failure and any sums so advanced by the Trustee shall be repayable by the County or Blount Memorial on demand and shall bear interest at the prime rate per annum then charged by the Trustee from the date of the advance until repaid. The Trustee shall have the right of entry on the Hospital Facilities or any portion thereof in order to effectuate the purposes of this Section 7.11, subject to the permission of a court of competent jurisdiction, if required by law.

Section 7.12 Rates and Charges. Blount Memorial County covenants and agrees that it will operate the Hospital Facilities as a revenue producing hospital on a nondiscriminatory basis and to charge such fees and rates so as to comply with the covenants in the Credit Agreement.

Section 7.13 Financial Statements. Blount Memorial covenants that it will keep proper books of records and accounts in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of Blount Memorial in accordance with generally accepted principles of accounting consistently applied, and will furnish to the Sole Bondholder the financing statements required by the Credit Agreement.

Section 7.14 Accreditation. Blount Memorial is now accredited by the Joint Commission and covenants that it will use its best efforts (so long as it is in the best interests Blount Memorial) to maintain such accreditation by the Joint Commission or its successors. Blount Memorial shall send to the Sole Bondholder written notice of reaccreditation and the period thereof or in lieu thereof immediately upon failure to obtain accreditation after eligibility therefor or any subsequent loss of accreditation, a statement by Blount Memorial that Blount Memorial is no longer accredited. Such statement shall set forth the reasons given by the accrediting body for non-accreditation.

Section 7.15 Medicare, Medicaid and Blue Cross. Blount Memorial covenants and agrees that it will use its best efforts (so long as it is in the best interest of Blount

Memorial) to establish and maintain its status as a provider of health care services, eligible for reimbursement under Medicare, Blue Cross and equivalent insurance programs and under Medicaid and other similar contractual programs, including future federal and state programs.

Section 7.16 Permitted Indebtedness. The County covenants and agrees not to incur any further Indebtedness secured by the Gross Revenues. Blount Memorial covenants and agrees that it will not incur any Indebtedness or liabilities of any kind payable from revenues of the Hospital Facilities or any assets relating thereto, whether such revenues or assets are held by or titled in the name of Blount Memorial, except as permitted by the Credit Agreement (herein referred to as “Permitted Indebtedness”).

Section 7.17 Merger, Consolidation or Transfer of Hospital Assets by the County. Except for the transactions contemplated by the Membership Agreement and Hospital Lease, the County will not transfer all or substantially all of the Hospital Facilities or assets related thereto or transfer (by sale, lease or otherwise) all or substantially all of the Hospital Facilities or assets related thereto to another authority, organization or corporation without first receiving the prior written consent of the Sole Bondholder. Blount Memorial will not transfer all or substantially all of the Hospital Facilities or assets related thereto or transfer (by sale, lease or otherwise) all or substantially all of the Hospital Facilities or assets related thereto to another authority, organization or corporation except as permitted by the Membership Agreement, the Hospital Lease and the Credit Agreement.

Section 2.05 Amendments to Article VIII of the Existing Indenture. Subsections (k) and (l) of Section 8.2 of the Existing Indenture are hereby amended and restated as follows:

(k) the County or Blount Memorial shall default in the performance of any covenant, condition, agreement or provision of the Tax Exemption Agreement, and such default shall continue for the period of thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the County and Blount Memorial by the Trustee; or

(l) the receipt by the Trustee of written notice from the Sole Bondholder that an “Event of Default” has occurred under the Credit Agreement.

ARTICLE 3 ADDITIONAL DETERMINATION OF TAXABILITY

Section 3.01 Determination of Taxability upon Failure to Obtain Determination as Charitable Organization. Blount Memorial represents and warrants that as of the date hereof, Blount Memorial has filed an Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code (the “Application”) by filing Form 1023 with the Internal Revenue Service together with the payment of all necessary fees. Blount Memorial shall provide the County and the Sole Bondholder with copies of all correspondence that Blount Memorial receives from the Internal Revenue Service in response to such Application. If (i) Blount Memorial does not receive a determination letter with respect to its exempt status under the Section 501(c)(3) of the Internal Revenue Code within fifteen (15) months of the date hereof or (ii) the Internal Revenue Service denies such Application prior to the end of such fifteen-month period, a Determination of Taxability shall be deemed to have occurred with respect to the Bonds, notwithstanding any provision of the Existing Indenture or the Bonds to the contrary, and upon such Determination of Taxability, the Bonds shall bear a Rate of Interest per annum equal to 5.55% retroactively to the date hereof (notwithstanding any provision of the Bonds or the Indenture to the contrary). Upon any such

Determination of Taxability, Blount Memorial shall make a lump sum payment of interest to the Sole Bondholder for all amounts that have accrued since the date hereof until the date of the Determination of Taxability.

ARTICLE 4 MISCELLANEOUS

Section 4.01 Pledge of Gross Revenues Joined by Hospital. By execution of this First Supplemental Trust Indenture, Blount Memorial hereby pledges to the payment of the Bonds all right, title and interest of Blount Memorial in and to the Gross Revenues and hereby confirms its joinder in the Granting Clauses set forth in the Existing Indenture and renewed herein with the same effect as the County, and agrees to be bound by the covenants and agreements of the County set forth in this First Supplemental Trust Indenture as they relate to the operation, management and maintenance of the Hospital Facilities.

Section 4.02 Limited Recourse; Indemnification. The Bonds, and interest thereon, and all obligations of the County under the Existing Indenture, as supplemented hereby, shall not be a debt of the County, nor a charge, lien or encumbrance, legal or equitable, upon any property of the County or upon any income, receipts or revenues of the County other than the Gross Revenues pledged hereunder to the payment of the Bonds (except to the extent paid out of moneys attributable to Bond proceeds or the income from the temporary investment thereof and under certain circumstances, proceeds from insurance and condemnation awards) and shall be a valid claim of the respective holders thereof only against the funds established under this Indenture and other moneys held by the Trustee for the benefit of the Bonds and the Gross Revenues. No recourse shall be had for the payment of the Bonds, or interest thereon, or any part thereof, or for the non-performance by the County of any obligation hereunder against the general funds of the County, nor shall the full faith and credit or taxing power of the County be pledged to the payment of the Bonds or any such obligations. The issuance of the Bonds under the provisions of the Act does not directly, indirectly or contingently, obligate the County to levy any form of taxation for the payment thereof or to make any appropriation for their payment, and such Bonds and the interest payable thereon do not now and shall never constitute a debt of the County within the meaning of the Constitution or the statutes of the State and do not now and shall never constitute a charge against the credit or taxing power of the County. Blount Memorial shall indemnify and hold harmless the County for all losses, claims and expenses incurred by the County as a result of any default by Blount Memorial under the Existing Indenture as supplemented hereby or under the Credit Agreement.

Section 4.03 Counterparts. This First Supplemental Trust Indenture 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 instrument.

(signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Trust Indenture to be executed by their duly authorized representatives, all as of the day and year first above written.

BLOUNT COUNTY, TENNESSEE

By: _____
County Mayor

Attest:

County Clerk

PRISMA HEALTH – BLOUNT MEMORIAL
HOSPITAL, INC., as successor by name change to Blount
Memorial Hospital, Incorporated

By: _____
Title: _____

REGIONS BANK,
as Trustee

By: _____
Title: _____

CONSENT OF SOLE BONDHOLDER

The County and Blount Memorial have requested that the undersigned consent to the execution and delivery by each of the parties thereto of the foregoing First Supplemental Trust Indenture. The undersigned hereby consents to the execution and delivery by each of the parties thereto of the First Supplemental Trust Indenture pursuant to Section 10.2 of the Existing Indenture. The undersigned acknowledges receipt of this First Supplemental Trust Indenture and waives any further notice of the proposed execution and delivery of such First Supplemental Trust Indenture required under the Existing Indenture.

Neither this consent nor any past, present or future consents, waivers, actions, amendments or other agreements, individually or in combination, may be construed to imply or impose upon the undersigned any intention, agreement, obligation or undertaking to grant future consents, waivers or amendments, or to limit the ability of the undersigned to exercise any and all of its rights in connection with the transaction documents relating to the Bonds.

Effective as of December 1, 2024.

FIRST HORIZON TE1, LLC

By: _____
Name: _____
Title: _____