CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

(Date of Closing: October 28, 2015)

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ORDINANCE NO. 835

THE CITY OF GRAFTON

AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2002 (GRAFTON CITY HOSPITAL), THE REFINANCING OF A LOAN OBLIGATION OF GRAFTON CITY HOSPITAL AND THE PAYMENT OF OTHER OBLIGATIONS OF GRAFTON CITY HOSPITAL; THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE EXISTING FACILITIES OF GRAFTON CITY HOSPITAL AND THE ACQUISITION OF CERTAIN PERSONAL PROPERTY, FIXTURES AND EQUIPMENT FOR GRAFTON CITY HOSPITAL; THE SALE AND ISSUANCE OF NOT TO EXCEED $3,700,000 CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS (GRAFTON CITY HOSPITAL), IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND SECURITY OF SUCH BONDS, THE REFUNDING AND REFINANCING OF SUCH OBLIGATIONS OF GRAFTON CITY HOSPITAL AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO GRAFTON CITY HOSPITAL; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer") owns and operates in the City of Grafton, Taylor County, West Virginia, a critical access hospital known as Grafton City Hospital (such hospital, together with the site thereof and all personal property, equipment and fixtures therefor, now existing, herein called the "Hospital") and has heretofore financed and refinanced the acquisition and construction of the Hospital and certain renovations, improvements and equipment therefor with several series of hospital revenue bonds, of which

there are currently outstanding the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds");

WHEREAS, the Issuer has operated and continues to operate the Hospital through a board known as "The Board of Trustees of Grafton City Hospital" (the "Board") which Board is a West Virginia not for profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Code;

WHEREAS, the Issuer has determined to: (i) undertake the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"), (ii) refund the Prior Bonds, (iii) refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations") and (iv) pay existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"), and the Issuer has determined that such actions will help to maintain or provide gainful employment and improve living conditions for the inhabitants of the City, will serve a public purpose of the Issuer by contributing to the prosperity, health and general welfare of the inhabitants of the City and will aid and assist in the provision of health care services in the community;

WHEREAS, pursuant to and in accordance with the provisions of Chapter 8, Article 16 (the "Revenue Bond Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act" and collectively with the Revenue Bond Act, the "Act"), the Issuer on November 12, 2014 adopted a Bond Ordinance (the "Prior Ordinance") authorizing the issuance of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital), in one or more series (the "Bonds") for the purposes of financing costs of the design, acquisition, construction and equipping of the Project and currently refunding the Outstanding Obligations;

WHEREAS, the Issuer desires to amend the Prior Ordinance pursuant to this Amended and Restated Ordinance in order to provide for the use of a portion of the proceeds of the Bonds to repay the Federal Tax Obligations, to clarify the Outstanding Obigations which are being refinanced and to increase the maximum principal amount of Bonds which may be issued for the purposes described herein from $3,000,000 to $3,700,000; and

WHEREAS, the Issuer desires to take all steps necessary to promptly proceed with the issuance of the Bonds, the refunding of the Prior Bonds, the refinancing of the Loan Obligation and the repayment of the Federal Tax Obligations;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAFTON, AS FOLLOWS:

Section 1. Pursuant to the Act, this Ordinance is adopted and enacted and it is hereby found and determined that, to accomplish the purposes of the Act and the findings set forth in the preambles hereof, the refunding of the Prior Bonds, the refinancing of the Loan Obligation, the repayment of the Federal Tax Obligations and the design, acquisition, construction and equipping of the Project are hereby authorized and directed. In addition, the issuance and delivery of the Bonds by the Issuer in the aggregate principal amount of not to exceed $3,700,000 in accordance with the terms thereof for the purposes of refunding the Prior Bonds, refinancing the Loan Obligation, paying the Federal Tax Obligations and financing costs of the Project are hereby authorized, approved and directed. The Bonds shall be issued in accordance with, and shall have the terms provided in, the Indenture (hereinafter defined). Such approval shall constitute the approval of the issuance of the Bonds by an "applicable elected official" to the extent such approval may be required by any State or federal law.

Section 2. The Indenture, substantially in the form to be approved by the Issuer pursuant to a Supplemental Resolution to be hereafter adopted by the Issuer prior to the issuance of the Bonds (the "Supplemental Resolution"), is hereby approved to be executed and delivered by the appropriate officials of the Issuer and accepted in all respects, with such changes, variations, insertions and omissions as may be approved by the Issuer. The Mayor and City Manager of the Issuer shall execute, acknowledge, as necessary, and deliver the Indenture with such changes, variations, insertions and omissions as may be approved by the Mayor and City Manager, and the Clerk of the City is hereby authorized and directed to affix the seal of the City thereto and to attest the seal. The execution of the Indenture by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 3. The Escrow Agreement, if determined to be necessary in connection with the issuance of the Bonds, the refunding of the Prior Bonds, the refinancing of the Loan Obligation and the paymnt of the Federal Tax Obligations, as provided for in the Supplemental Resolution and substantially in the form to be approved by the Issuer pursuant to the Supplemental Resolution (if such Agreement is deemed necessary), is hereby approved to be executed and delivered by the appropriate officials of the Issuer and accepted in all respects, with such changes, variations, insertions and omissions as may be approved by the Issuer. The Mayor and City Manager of the Issuer shall execute, acknowledge, as necessary, and deliver the Escrow Agreement with such changes, variations, insertions and omissions as may be approved by the Mayor and City Manager, and the Clerk of the Issuer is hereby authorized and directed to affix the seal of the City thereto and to attest the seal. The

execution of the Escrow Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 4. The Issuer hereby approves the sale of the Bonds to the United States of America on behalf of the United States Department of Agriculture, or their designees or agents. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 5. All covenants, stipulations, obligations and agreements of the Issuer contained herein and contained in the Bonds, the Indenture, the Escrow Agreement and all other instruments and documents relating thereto shall be deemed to be the special and limited covenants, stipulations, obligations and agreements of the Issuer to the full extent permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Issuer and its successors from time to time and upon any board or body to which any powers or duties, affecting such covenants, stipulations, obligations and agreements, shall be transferred by or in accordance with law. Except as otherwise provided herein, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or the officials thereof by the provisions hereof and by the Bonds, Indenture, the Escrow Agreement and all other instruments and documents relating thereto shall be exercised or performed by the Issuer or by such officers, board or body as may be required or permitted by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the Bonds, the Indenture, the Escrow Agreement and all other instruments and documents relating thereto shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Issuer in his or her individual capacity and neither the Issuer nor any officer or employee thereof shall have any personal liability or accountability on the Bonds, the Indenture or the Escrow Agreement.

Section 6. The firm of Steptoe & Johnson PLLC, Bridgeport, West Virginia, is hereby designated as bond counsel in connection with the issuance of the Bonds.

Section 7. The execution, delivery and due performance of the Indenture, the Escrow Agreement and the Bonds and all other documents relating thereto, are hereby in all respects approved, authorized, ratified and confirmed, including, without limitation, all acts heretofore taken in connection with the refunding of the Prior Bonds, the refinancing of the Outstanding Obligations, the payment of the Federal Tax Obligations, the acquisition and construction of the Project and the issuance of the Bonds, and it is hereby ordered that the Mayor, City Manager, the Clerk, the councilmembers and other employees and officers of the Issuer execute and deliver such other documents, certificates, agreements and instruments and take such other action as may be required or desirable to carry out the purposes of this Ordinance, the Bonds and the aforesaid documents, certificates, agreements and instruments.

Section 8. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 9. This Ordinance shall take effect immediately following the public hearing hereon.

Section 10. Upon adoption hereof, an abstract of this Ordinance, determined by the Issuer to contain sufficient information as to give notice of the contents hereof, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in the Mountain Statesman, a newspaper published and of general circulation in the Issuer, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds by the Issuer, and that any person interested may appear before the Issuer upon a date certain, not less than ten days subsequent to the date of the first publication of the said abstract and notice, and present protests, and that a certified copy of the Ordinance is on file in the office of the Clerk of the Issuer for review by interested parties during regular office hours. At such hearing, all objections and suggestions shall be heard and the Council of the Issuer shall take such action as they shall deem proper in the premises.

Passed on First Reading:	September 15, 2015
Passed on Second Reading:	September 22, 2015
Passed on Third Reading Following Public Hearing:	October 6, 2015
Publication Dates	September 23, 2015 September 30, 2015

CITY OF GRAFTON

By: _____
G. Thomas Bartlett, III
Mayor

By: _____
Kevin M. Stead
City Manager

CERTIFICATION

The undersigned, being the duly qualified, elected and acting Clerk of the City of Grafton does hereby certify that the foregoing Ordinance was duly adopted and enacted by the council of the City of Grafton following a public hearing thereon, at regular or special meetings duly held, pursuant to proper notice thereof, on September 15, 2015, September 22, 2015, and October 6, 2015, quorums being present and acting throughout, and which Ordinance has not been repealed, rescinded, modified, amended or revoked and is a true, correct and complete copy thereof as witness my hand and the seal of the City of Grafton this 6th day of October, 2015.

[SEAL]

Larry M. Richman
Clerk, City of Grafton

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DETAILS OF THE HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 A AND SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE) OF THE CITY OF GRAFTON; APPROVING THE FORM OF INDENTURE OF TRUST FOR THE BONDS AND AUTHORIZING AND APPROVING AN ESCROW AGREEMENT, CREDIT LINE DEED OF TRUST AND OTHER INSTRUMENTS RELATING TO THE ISSUANCE OF THE BONDS, THE REFUNDING OF THE SERIES 2002 BONDS, THE REFINANCING OF A LOAN OBLIGATION, THE PAYMENT OF CERTAIN FEDERAL TAX OBLIGATIONS AND THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT; AUTHORIZING THE SALE AND DELIVERY OF SUCH BONDS TO THE UNITED STATES OF AMERICA, ACTING THROUGH THE RURAL HOUSING SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE; DESIGNATING A REGISTRAR, PAYING AGENT, ESCROW AGENT AND DEPOSITORY BANK; RECOGNIZING THE ROLE OF GRAFTON CITY HOSPITAL, INC. AS THE BOARD WHICH HAS BEEN APPOINTED BY THE CITY TO OPERATE THE HOSPITAL AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE FOREGOING MATTERS.

WHEREAS, the city council (the "Governing Body") of The City of Grafton (the "Issuer"), has duly and officially adopted and enacted an amended and restated bond ordinance, effective October 6, 2015 (the "Bond Ordinance"), entitled:

AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2002 (GRAFTON CITY HOSPITAL), THE REFINANCING OF A LOAN OBLIGATION OF GRAFTON CITY HOSPITAL AND THE

PAYMENT OF OTHER OBLIGATIONS OF GRAFTON CITY HOSPITAL; THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE EXISTING FACILITIES OF GRAFTON CITY HOSPITAL AND THE ACQUISITION OF CERTAIN PERSONAL PROPERTY, FIXTURES AND EQUIPMENT FOR GRAFTON CITY HOSPITAL; THE SALE AND ISSUANCE OF NOT TO EXCEED $3,700,000 CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS (GRAFTON CITY HOSPITAL), IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND SECURITY OF SUCH BONDS, THE REFUNDING AND REFINANCING OF SUCH OBLIGATIONS OF GRAFTON CITY HOSPITAL AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO GRAFTON CITY HOSPITAL; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Bond Ordinance;

WHEREAS, the Bond Ordinance provides for the current refunding and repayment of the Issuer's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"), the refinancing of a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. in the original principal amount of $382,205.86 entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"), the payment of existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"), and the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"), the issuance by the Issuer of its not to exceed $3,700,000 in principal amount of Hospital Refunding and Improvement Revenue Bonds (United States Department of Agriculture) (the "Bonds"), in one or more series, for the purposes of financing the current refunding and repayment of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligaitons, the design, acquisition, construction and equipping of the Project and matters relating to the foregoing, all in accordance with the Act;

WHEREAS, the Bond Ordinance provides that certain terms of the Bonds, the forms of the Indenture of Trust and Escrow Agreement with respect to the Bonds and the description of the Outstanding Obligations to be refinanced should be approved pursuant to a Supplemental Resolution of the Issuer and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Issuer has operated and continues to operate the Hospital through Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital (the "Board"), which Board is a West Virginia not for profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Code;

WHEREAS, the Issuer desires to reaffirm and clarify that the Board is acting and serving as the City Hospital Board which was created pursuant to Ordinance No. 490 enacted by the City Council of the Issuer on April 30, 1985 (the "Board Establishment Ordinance") and pursuant to Article IV, Section 41 of the Charter of the Issuer (the "City Charter") for the purpose of operating and managing the Hospital;

WHEREAS, the Board shall undertake the design, acquisition, construction and equipping of the Project, including but not limited to the engagement of an architect for the design and construction inspection of the Project and shall be the party to the construction contract or contracts for the acquisition, construction and equipping of the Project for and on behalf of the Issuer;

WHEREAS, the Bonds are proposed to be purchased by the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser"), pursuant to a Letter of Conditions dated July 15, 2014, together with Amendment No. 1 to the Letter of Conditions dated September 15, 2015 and the Closing Instructions of the Purchaser (collectively, the Letter of Conditions");

WHEREAS, the Bonds will be issued in two series by the Issuer as follows:

(i) Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture) in the aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds"); and

(ii) Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture) in the aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and together with the Series 2015 A Bonds, the "Bonds")

WHEREAS, the Issuer desires to appoint the Registrar, Paying Agent, Escrow Agent and Depository Bank with respect to the Bonds; and

WHEREAS, the City Council of the Issuer deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted and that terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF GRAFTON:

Section 1. The Issuer hereby approves, authorizes and directs: (i) the design, acquisition, construction and equipping of the Project by the Board, (ii) the current refunding and repayment in full of the Prior Bonds, (iii) the repayment in full and refinancing of the Loan Obligation and (iv) the payment of the Federal Tax Obligations in the manner provided in the Escrow Agreement.

Section 2. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Issuer's:

(i) Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), originally represented by a single Bond, numbered AR-1, in the principal amount of $2,999,930 and maturing approximately 30 years from their date of issuance. The Series 2015 A Bonds will be payable in regular monthly amortizing installment payments consisting of principal and interest sufficient in amount to repay the Series 2015 A Bonds over their 30 year repayment term;

(ii) Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), originally represented by a single Bond, numbered BR-1, in the principal amount of $650,000 and maturing approximately 30 years from their date of issuance. The Series 2015 B Bonds will be payable in regular monthly amortizing installment payments consisting of principal and interest sufficient in amount to repay the Series 2015 B Bonds over their 30 year repayment term;

The proceeds of the Bonds will be utilized to pay costs of the design, acquisition, construction and equipping of the Project, to finance the current refunding and redemption in full of the Prior Bonds, the repayment in full and refinancing of the Loan Obligation, the payment of the Federal Tax Obligations and the payment of costs of issuance of the Bonds. The Bonds shall be dated their date of delivery and shall be issued only as fully registered Bonds.

Section 3. Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Issuer. Refunds and extra payments, as defined in the regulations of the Purchaser according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under the Bonds and shall not affect the obligation of the Issuer to pay the remaining installments as scheduled in the Bonds. The remaining terms of the Bonds shall be as provided pursuant to the Indenture and in the Bonds to be executed and delivered by the Issuer.

Section 4. The Escrow Agreement (the "Escrow Agreement") by and between the Issuer and the West Virginia Municipal Bond Commission, Charleston, West Virginia, as escrow agent, to be dated as of the date of delivery of the Bonds, substantially in the form submitted to this meeting shall be and the same is hereby approved. The Mayor and City Manager shall execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be approved by the Mayor and City Manager and the City Clerk is hereby authorized and directed to affix the seal of the Issuer thereto, as necessary, and to attest the seal. Execution of the Escrow Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 5. The Indenture of Trust (the "Indenture") by and among the Issuer, United Bank, Inc., as trustee (the "Trustee"), and accepted and agreed to by the Board, to be dated as of the date of delivery of the Bonds, substantially in the form submitted to this meeting shall be and the same is hereby approved. The Mayor and City Manager shall execute and deliver the Indenture with such changes, insertions and omissions as may be approved by the Mayor and City Manager and the City Clerk is hereby authorized and directed to affix the seal of the Issuer thereto, as necessary, and to attest the seal. Execution of the Indenture by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 6. The Credit Line Deed of Trust (the "Deed of Trust") by and between the Issuer and the trustee named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, to be dated as of the date of delivery of the Bonds, substantially in the form submitted to this meeting shall be and the same is hereby approved. The Mayor and City Manager shall execute and deliver the Deed of Trust with such changes, insertions and omissions as may be approved by the Mayor and City Manager and the City Clerk is hereby authorized and directed to affix the seal of the Issuer thereto, as necessary, and to attest the seal. Execution of the Deed of Trust by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 7. The Bonds shall be sold to the United States of America, acting by and through the Rural Housing Service, United States Department of Agriculture (the "Purchaser"), and shall

be initially registered in the name of such Purchaser. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 8. The Issuer does hereby appoint and designate United Bank, Inc. as the Trustee and Registrar for the Bonds (the "Trustee" or "Registrar").

Section 9. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Escrow Agent for the Prior Bonds and as Paying Agent for the Bonds.

Section 10. The Issuer does hereby appoint Branch Banking and Trust Company, Grafton, West Virginia, as Depository Bank under the Indenture.

Section 11. The Issuer has operated and continues to operate the Hospital through the Board, which Board is a West Virginia not for profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Issuer reaffirms and clarifies that the Board is acting and serving as the City Hospital Board which was created pursuant to the Board Establishment Ordinance and pursuant to the City Charter for the purpose of operating and managing the Hospital. The Board is hereby authorized and directed to undertake the design, acquisition, construction and equipping of the Project, including, but not limited to the engagement of an architect for the design and construction inspection of the Project. The Board shall be the party to the construction contract or contracts for the acquisition, construction and equipping of the Project for and on behalf of the Issuer and any action heretofore taken by the Issuer or the Board in connection with the foregoing is hereby ratified and approved.

Section 12. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds, hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be executed and delivered to the Purchaser pursuant to the Letter of Conditions.

Section 13. The appropriate officials and/or employees of the Issuer are hereby authorized and directed to transfer from the sinking fund and reserve account created for the Prior Bonds, and held by the West Virginia Municipal Bond Commission, the amounts set forth in the Escrow Agreement, to the Escrow Fund or to otherwise apply such funds to the current refunding and repayment in full of the Prior Bonds.

Section 14. This Supplemental Resolution shall be effective immediately following adoption hereof.

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Adopted this October 6, 2015.

CITY OF GRAFTON

By: _____
Mayor

By: _____
City Manager

APPROVED AND CORRECT AS TO FORM:

By_____
City Attorney

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the CITY OF GRAFTON on October 6, 2015 at a regularly scheduled open meeting of the City duly called and held pursuant to applicable law in which a quorum was present and acting throughout and which Resolution has not been amended in any way or repealed as of the date hereof.

Dated: October 6, 2015.

[SEAL]

By: _____
City Clerk

INDENTURE OF TRUST

Dated as of
October 28, 2015

By and Between

CITY OF GRAFTON
(WEST VIRGINIA)

AND

UNITED BANK, INC.,
Trustee

Relating to

$3,649,930
City of Grafton
Hospital Refunding and Improvement Revenue Bonds,
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

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INDENTURE OF TRUST

This INDENTURE OF TRUST (the "Indenture") dated as of October 28, 2015, by and between the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer" or "City"), and UNITED BANK, INC., as bond trustee (together with its successors hereunder, the "Trustee").

W I T N E S S E T H:

WHEREAS, the Issuer owns in the City of Grafton, Taylor County, West Virginia, a critical access hospital known as "Grafton City Hospital" (such hospital, the site thereof, together with the buildings, improvements, fixtures, equipment and appurtenances thereto which are or were acquired or improved in part with the proceeds of the Bonds, the Prior Bonds or the Outstanding Obligations herein called the "Hospital") and has heretofore financed and refinanced the acquisition and construction of the Hospital and certain renovations, improvements and equipment therefore with several series of hospital revenue bonds, of which there are currently outstanding the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds");

WHEREAS, the Issuer has operated and continues to operate the Hospital through Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital (the "Board"), which is a West Virginia not for profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Code;

WHEREAS, the Issuer has determined to: (i) undertake the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"), (ii) refund the Prior Bonds, (iii) refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. in the original principal amount of $382,205.86 entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations") and (iv) pay existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"), and the Issuer has determined that such action will help to maintain or provide gainful employment and improve living conditions for the inhabitants of the City, will serve a public purpose of the Issuer by contributing to the prosperity, health and general welfare of the inhabitants of the City and will aid and assist in the provision of health care services in the community;

WHEREAS, pursuant to and in accordance with the provisions of Chapter 8, Article 16 (the "Revenue Bond Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act" and collectively with the Revenue Bond Act, the "Act"), the Issuer desires to issue

its Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), in the aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and its Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), in the aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Series 2015 Bonds") and has agreed to apply the net proceeds thereof to financing the costs of the Project, refunding the Prior Bonds, refinancing the Loan Obligation, paying the Federal Tax Obligations and paying costs of issuance of the Series 2015 Bonds and related costs;

WHEREAS, the current refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligations, the design, acquisition, construction and equipping of the Project, the issuance of the Bonds, the execution and delivery of this Indenture and matters relating thereto have been in all respects duly and validly authorized by the Amended and Restated Ordinance enacted by the Issuer on October 6, 2015 as the same has been supplemented pursuant to the Supplemental Resolution adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance"); and

WHEREAS, all Bonds issued under this Indenture will be secured by the trusts hereby created.

NOW, THEREFORE, the Issuer and the Board, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, in order to secure the payment of the principal of and interest on the Bonds issued hereunder and the performance and observance by the Issuer and the Board of all the covenants expressed herein and in such Bonds, do hereby irrevocably assign, grant, bargain, sell, convey, mortgage, pledge and grant a security interest in, to the Trustee, and to its successors in trust, as security for the performance of the obligations of the Issuer and the Board under this Indenture, the following (collectively, the "Trust Estate"): (a) the Net Revenues (as hereinafter defined), (b) all cash and securities held in the funds and accounts held in trust pursuant to this Indenture and (c) any and all additional property, assets and other security that may be granted by the Issuer or the Board to the Trustee from time to time for the purpose of further securing the repayment of the Bonds and the performance of the covenants herein contained to have and to hold, in trust upon the terms herein set forth, for the benefit, security and protection of all holders of such Bonds issued under and secured by this Indenture; and the parties hereto mutually covenant and agree, for the equal and proportionate benefit of the holders of such Bonds, as follows:

In addition to the foregoing Trust Estate, the Issuer and the Board hereby specifically recognize and reaffirm the effectiveness of the statutory mortgage lien upon the Hospital facilities created pursuant to Section 22 and other provisions of the Revenue Bond Act and the Deed of Trust on the Hospital facilities.

PROVIDED, NEVERTHELESS, and these presents are upon the express condition, that if the Issuer or its successors or assigns shall well and truly pay or cause to be paid the principal and redemption premium, if any, of such Bonds with interest, according to the provisions set forth in the Bonds and each of them or shall provide for the payment or redemption of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment or redemption thereof when and as authorized by the provisions hereof, and shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then these presents and the estate and rights hereby

granted shall cease, determine and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Issuer and upon the payment of the cost and expenses thereof, shall duly execute, acknowledge and deliver to the Issuer such instruments of satisfaction or release in respect of the trust estate as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Issuer, its successors or assigns, all and singular the property, rights, privileges and interests by them hereby granted, conveyed and assigned, and all substitutes therefore, or any part thereof, not previously disposed of or released as herein provided; otherwise this Indenture shall be and remain in full force;

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the terms defined elsewhere herein, including the recitals hereto, and unless the context otherwise requires, the following terms shall have the following meanings:

"Act" means collectively, the Refunding Act and the Revenue Bond Act.

"Additional Bonds" means the additional parity bonds of the Issuer which may be issued pursuant to and subject to the restrictions set forth in Section 4.04 hereof.

"Architect" means the architect for the Project which has been engaged by the Board which shall be Thrasher Engineering, Inc., Bridgeport, West Virginia.

"Authorized Newspaper" means a newspaper of general circulation in the City and otherwise satisfying the requirements of applicable law.

"Board" means Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital.

"Bond" or "Bonds" means the Series 2015 Bonds together with any Additional Bonds issued from time to time hereunder.

"Bond Act" or "Revenue Bond Act" means Chapter 8, Article 16 of the West Virginia Code of 1931, as amended to the date hereof.

"Bond Commission" or "Commission" means the West Virginia Municipal Bond Commission, Charleston, West Virginia, or its successor.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized as expert in matters relating to the issuance of tax-exempt bonds, and initially means Steptoe & Johnson PLLC, Bridgeport, West Virginia.

"Bondholder," "Holder," "Owner of Bonds," "Registered Owner" or any similar term means, initially, the Purchaser, and thereafter any other registered owner of any Bond or Bonds.

"Bond Register" means the books of the Issuer maintained by the Bond Registrar for the purpose of registering Bonds and the transfer of Bonds.

"Bond Registrar" or "Registrar" means the Trustee, or its successors as Bond Registrar.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Business Day" means a day other than a Saturday or Sunday and on which the principal corporate trust office of the Trustee is not required or authorized to remain closed and on which the New York Stock Exchange or the payment system of the Federal Reserve System is not closed.

"City" or "Issuer" means the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia, and where appropriate, includes the City Council and the Board.

"City Clerk" or "Clerk" means the City Clerk of the Issuer.

"City Manager" means the City Manager of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2015 Bonds for the initial advance of more than a de minimis amount of proceeds representing the purchase of Series 2015 Bonds by the Purchaser, or such other applicable meaning under the Code.

"Construction Fund" means the Construction Fund created pursuant to Section 5.01 of this Indenture.

"Code" or "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, and any applicable Regulations and rulings thereunder. Reference herein to any specific provision of the Code shall be deemed to refer to any successor provision thereof.

"Costs" or "Project Costs" means all costs permitted to be financed under the provisions of the Act and incident to the design, acquisition, construction and equipping of the Project, all expenses incurred in connection with the issuance of the Bonds, including, but not limited to, compensation, fees and expenses of the Issuer, Registrar and Trustee, compensation to any financial consultants or underwriters, legal fees and expenses, costs of printing and engraving, recording and filing fees and costs of title insurance, if any, but only to the extent properly payable from the proceeds of the Bonds; any sums required to reimburse the Issuer for advances made by the Issuer for any of the above items or for any other costs incurred and for work done by the Issuer which are properly chargeable to the Project, and all other costs and expenses relating to the Project and properly payable from the proceeds of the Bonds.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Debt Service Requirement" means, for any period of time, the aggregate of the payments to be made in respect of principal and interest on the Bonds during such period.

"Deed of Trust" means the Credit Line Deed of Trust by and between the Issuer and the trustee named therein for the benefit and security of the Purchaser in the repayment of the Series 2015 Bonds.

"Depository Bank" means Branch Banking and Trust Company, Grafton, West Virginia.

"Escrow Agent" means the Bond Commission, or any successor appointed by the Issuer under the Escrow Agreement.

"Escrow Agreement" means the agreement to be entered into between the Issuer and the Escrow Agent, providing for the defeasance and payment of the Prior Bonds, the Loan Obligation and the Federal Tax Obligations, the deposit therein of a portion of the proceeds of the Bonds, the disposition of moneys in the various funds and accounts for the Prior Bonds and other matters in connection therewith, the form of which shall be approved by the Supplemental Resolution.

"Escrow Fund" means the Escrow Fund established pursuant to the Escrow Agreement.

"Event of Default" means any of the events described as an Event of Default in Section 9.01 hereof.

"Federal Tax Obligations" means the existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities).

"Fiscal Year" means the twelve month period designated by the Issuer for financial reporting purposes, beginning on July 1 and ending on June 30 of each year, or such other 12-month period as may be determined in the future by the Issuer or pursuant to applicable law.

"Government Obligations" means direct and general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), for the payment of which the full faith and credit of the United States of America is pledged.

"Gross Revenues" means all receipts, revenues, income and other moneys received by or on behalf of the Issuer or the Board as a result of the operation of, or relating to the Hospital, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles, or other rights and the proceeds thereof, including any insurance proceeds and any condemnation awards derived therefrom, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Issuer or the Board relating to the Hospital; provided, however, that there shall be excluded from Gross Revenues gifts, grants, bequests, donations and contributions heretofore or hereafter made, designated or restricted at the time of making thereof by the donor or maker as being for certain specified purposes inconsistent with the application thereof to the payment of Debt Service or not subject to pledge.

"Hospital" means the existing Grafton City Hospital, a critical access hospital, such hospital, the site thereof, together with the buildings, improvements, fixtures, equipment and appurtenances thereto which are or were acquired or improved in part with the proceeds of the Bonds, the Prior Bonds or the Loan Obligation, located in the City of Grafton, Taylor County, West Virginia, and presently owned by or through the City and operated by the Board.

"Indebtedness" means all obligations incurred or assumed by the Issuer or the Board or any other obligation for payment of principal and interest with respect to borrowed money in connection with the ownership or operation of the Hospital.

"Indenture" means this Indenture of Trust, as amended or supplemented from time to time.

"Issuance Costs" means all costs and expenses of issuance of the Bonds, including, but not limited to any or all of the following as applicable:

(i) Purchaser's fees;

(ii) Counsel fees, including Bond Counsel, Issuer's counsel, Board counsel, Purchaser's counsel, counsel for the Trustee, Registrar and Paying Agent and special tax counsel fees, as well as any other specialized counsel fees;

(iii) Financial or municipal advisor fees;

(iv) Rating agency fees;

(v) Trustee fees;

(vi) Trustee, Registrar, Paying Agent and certifying and authenticating agent fees related to issuance of the Bonds;

(vii) Accountant fees;

(viii) Printing costs of the Bonds and of any preliminary and final official statement;

(ix) Publication costs associated with the financing proceedings; and

(x) Costs of engineering and feasibility studies necessary to the issuance of the Bonds;

"Issuer" means the City of Grafton, a municipal corporation and political subdivision of the State, and where appropriate, includes the Board.

"Issuer Representative" means the person or persons at the time designated to act on behalf of the Issuer in a written certificate furnished by the Issuer to the Trustee containing a specimen signature of such person or persons and signed by an officer of the Issuer.

"Letter of Conditions" means the Letter of Conditions of the Purchaser dated July 15, 2014, together with Amendment No. 1 to Letter of Conditions dated September 15, 2015, and all other amendments thereto, if any.

"Loan Obligation" means that certain Promissory Note, dated July 8, 2013 from the Board to JPMorgan Chase Bank, NA in the original aggregate principal amount of $382,205.86.

"Mayor" means the Mayor of the Issuer.

"Net Revenues" or "Revenues" means Gross Revenues less Operating Expenses.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the Hospital, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions,

betterments or improvements for the Hospital), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Outstanding Obligations or the Bonds, charges for depreciation, losses from the sale or other disposition of or any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Opinion of Counsel" means an opinion of counsel (who may be Bond Counsel, counsel to the Issuer or counsel to the Board) satisfactory to the Trustee.

"Ordinance" means the amended and restated ordinance of the Issuer finally enacted October 6, 2015, as Supplemented by the Supplemental Resolution adopted by the Issuer on October 6, 2015, authorizing the execution and delivery of this Indenture, the design, acquisition, construction equipping and financing of the Project, the refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligation, the issuance of the Bonds and other matters in connection therewith.

"Outstanding," "Bonds outstanding" or any similar term, when used with reference to Bonds, means, at any date as of which the amount of outstanding Bonds is to be determined, all Bonds which have been theretofore authenticated and delivered by the Trustee under this Indenture, except:

(A) Bonds canceled or required to be canceled by the Trustee at or prior to such date;

(B) Bonds for the full payment of the principal of, and interest on, which cash shall have been theretofore deposited with the Trustee and which (i) shall have been matured by their terms but shall not have been surrendered for payment or (ii) shall have been purchased by the Trustee but shall not have been presented for payment;

(C) Bonds in lieu of which others have been authenticated and delivered.

"Paying Agent" means the Bond Commission or its successors and assigns, and any co-paying agent appointed hereunder.

"Permitted Encumbrances" means, as of any particular time, (i) this Indenture, the Deed of Trust and the statutory mortgage lien securing the Bonds pursuant to the Revenue Bond Act; (ii) liens, security interests and encumbrances securing Permitted Indebtedness on a parity basis with the Bonds, to the extent permitted by this Indenture; (iii) liens, security interests or encumbrances by the terms thereof subject and subordinate to this Indenture; (iv) utility, access and other easements and rights-of-way, restrictions and exceptions that do not materially interfere with or materially impair the operation of the Hospital; (v) liens arising by reason of good faith deposits with or by the Issuer in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the Issuer to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges; (vi) any lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license, or to enable the Issuer to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance,

pension or profit sharing plans or other social security, or to share in the privileges or benefits required for companies participating in such arrangements; (vii) any judgment lien or notice of pending action against the Issuer so long as such judgment or pending action is being contested and execution thereon is stayed or while the period for responsive pleadings has not lapsed; (viii) any lien representing statutory rights of the United States of America by reason of Federal funds made available under 42 U.S.C. §291 et seq. and similar rights under other Federal and state statutes; (ix) leases which relate to portions of the Hospital and which are customarily the subject of such leases, such as office space for physicians and educational institutions, food service facilities, gift shops, bank teller machines, and radiology, pharmacy and similar departments, or other leases entered into in accordance with the disposition of property provisions of this Indenture; (x) liens for taxes and assessments which are not then delinquent, or if then delinquent, which are being contested; (xi) any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested; (xii) such minor defects and irregularities of title as normally exist with respect to property similar in character to the Hospital and which do not materially adversely affect the value of, or materially impair, the Hospital, as evidenced by an Opinion of Counsel to the effect that such minor defect or irregularity does not materially adversely affect the value of, or materially impair, the Hospital; (xiii) zoning laws and similar restrictions which are not violated by the Hospital; (xiv) conditional sales agreements and leases entered into in connection with the incurrence or assumption of Permitted Indebtedness; and (xv) purchase money security interests created in Personal Property or equipment owned or to be owned or leased by the Issuer or the Board with respect to or in connection with the Hospital facility.

"Person" means an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a limited liability company, a governmental body, and any other political subdivision, municipality or any other group or entity.

"Personal Property" means that property constituting a part of the Hospital other than real property.

"Prior Bonds" means the Issuer's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000.

"Project" means the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility which are being financed with proceeds of the Series 2015 Bonds.

"Purchase Price," for the purpose of computation of the Yield of the Bonds shall have the meaning set forth in the Code.

"Purchaser" or "Government" means the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, and any successor thereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefore; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Redemption Date" means the date fixed for prepayment or redemption of any of the Bonds, the Prior Bonds or the Loan Obligation subject to prepayment or redemption in any notice of prepayment or redemption published or mailed in accordance herewith.

"Refunding Act" means Chapter 13, Article 2E, of the West Virginia Code of 1931, as amended to the date hereof.

"Registrar" or "Bond Registrar" means initially, the Trustee, or any other entity so designated as registrar for the Bonds from time to time by the Issuer.

"Regulations" means temporary and permanent regulations promulgated under the Code, which may be applicable from time to time.

"Reserve Account" means the Reserve Account created by Section 5.01 hereof.

"Reserve Requirement" means the amount of $156,960 with respect to the Series 2015 A Bonds and the amount of $34,008 with respect to the Series 2015 B Bonds.

"Revenue Bond Act" means Chapter 8, Article 16 of the West Virginia Code of 1931, as amended to the date hereof.

"Revenue Fund" means the Revenue Fund created by Section 5.01 hereof.

"Series 2015 Bonds" means, collectively, the Series 2015 A Bonds together with the Series 2015 B Bonds.

"Series 2015 A Bonds" means the Hospital Refunding and Improvement Revenue Bonds, Series 2015 A, issued by the Issuer pursuant to this Indenture in the aggregate principal amount of $2,999,930.

"Series 2015 B Bonds" means the Hospital Refunding and Improvement Revenue Bonds, Series 2015 B, issued by the Issuer pursuant to this Indenture in the aggregate principal amount of $650,000.

"State" means the State of West Virginia.

"Subordinated Indebtedness" means Indebtedness which is subordinated to payments with respect to principal, premium, if any, and interest on the Bonds by subordination provisions reasonably satisfactory to the Trustee.

"Supplemental Resolution" means any ordinance or resolution amendatory or supplemental to the Ordinance and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the Issuer following enactment of the Ordinance, setting forth certain terms of the Bonds, authorizing the sale of the Bonds to the Purchaser, specifying the Outstanding Obligations to be refinanced and related matters; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Trustee" means United Bank, Inc., with a corporate trust office located in Charleston, West Virginia, and any successors thereto at any time serving as trustee or co-trustee under the Indenture.

Unless the context shall otherwise indicate, words importing the singular shall include the plural, words importing persons shall include firms, associations and corporations, and vice versa, words importing the masculine, feminine and neuter gender shall be deemed to include all such genders and the terms "hereof," "hereby," "hereto," "hereunder" and "herein" shall refer to this Indenture.

Section 1.02. Findings and Determinations. The Issuer hereby finds and determines as follows:

A. The Issuer is a municipal corporation and political subdivision of the State of West Virginia which owns the Hospital facility and operates and maintains the same through the Board.

B. The Project shall be designed, acquired, constructed and equipped at an estimated cost of approximately $1,764,180 in accordance with the plans and specifications prepared therefore by the Architect.

C. The Prior Bonds, the Loan Obligation and the Federal Tax Liabilities shall be redeemed and repaid in full with a portion of the proceeds of the Bonds.

D. The Issuer shall issue the Series 2015 A Bonds in an aggregate principal amount of $2,999,930 and the Series 2015 B Bonds in an aggregate principal amount of $650,000 and apply the proceeds thereof to currently refund and redeem in full the Prior Bonds and the Loan Obligation, to pay the Federal Tax Liabilities and pay costs of the Project.

E. The Hospital shall be owned by or through the City and operated and maintained by the Board pursuant to the Charter of the City.

F. It is in the best interest of the Issuer that the Bonds be sold to the Purchaser, pursuant to the terms and provisions of the Letter of Conditions.

ARTICLE II

THE BONDS

Section 2.01. Authorized Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with this Article II. Subject and pursuant to the provisions of this Indenture, the Bonds of the Issuer, to be known as "City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture)" are hereby authorized to be issued in the aggregate principal amount of $2,999,930 and the Bonds of the Issuer to be known as "City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture)" are hereby authorized to be issued in the aggregate principal amount of $650,000 for the purposes of (i) financing the current refunding and repayment in full of the Prior Bonds, (ii) financing the refinancing and repayment in full of the Loan Obligation, (iii) paying the Federal Tax Obligations, (iv) paying costs of the design, acquisition, construction and equipping of the Project and (v) paying costs of issuance of the Series 2015 Bonds. The aggregate principal amount of Bonds which may be executed by the Issuer and authenticated and delivered by the Trustee and secured by this Indenture shall not exceed $3,649,930 without the consent of all of the Bondholders. At the expense of the Bondholder requesting such exchange, the Bonds may be exchanged for Bonds of like series of denominations of $5,000 or integral multiples thereof.

Section 2.02. Issuance and Delivery of Bonds. The Series 2015 Bonds shall be issued in the aggregate principal amount of $3,649,930. The Series 2015 Bonds shall be dated their date of delivery, shall be issued only as fully registered Bonds, shall bear interest at the rates per annum, shall have principal and interest installment payment dates and shall mature as follows:

(A) The Series 2015 A Bonds shall bear interest at the fixed annual percentage rate of 3.25% from the date of delivery of such Series 2015 A Bonds and continuing to and including October 28, 2045, which shall be the final maturity date of such Series 2015 A Bonds (the "Maturity Date").

The Series 2015 B Bonds shall bear interest at the fixed annual percentage rate of 3.25% from the date of delivery of such Series 2015 B Bonds and continuing to and including October 28, 2045, which shall be the final maturity date of such Series 2015 B Bonds.

(B) Interest shall be computed on the basis of a year of 365 days payable for the actual number of days elapsed during any portion of a month.

(C) The principal amount of the Series 2015 A Bonds, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in equal amortizing monthly installments of principal and interest in the amount of $13,080, commencing on November 28, 2015 and concluding on the Maturity Date, except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The Series 2015 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the Bond form attached hereto as **Exhibit A**.

The principal amount of the Series 2015 B Bonds, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in equal amortizing monthly installments of principal and interest in the amount of $2,834, commencing on November 28, 2015 and concluding on the Maturity Date, except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The Series 2015 B Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the Bond form attached hereto as **Exhibit B**.

(D) The Issuer shall execute and the Trustee shall authenticate and deliver the Bonds, as may be directed by the Issuer, upon the filing with the Trustee of the following:

(i) Certified copies of the Ordinance of the Issuer authorizing the issuance of the Series 2015 Bonds and the execution and delivery of this Indenture;

(ii) An executed counterpart of this Indenture;

(iii) A request and authorization to the Trustee by the Issuer, signed by the Mayor and City Manager of the Issuer, to authenticate and deliver the Series 2015 Bonds to the Purchaser therein identified upon payment to the Depository Bank for deposit into the Construction Fund of the sum of $1,779,800, for the account of the Issuer, which sum shall constitute the initial advance of the purchase price of the Series 2015 A Bonds together with the entire aggregate principal amount of the Series 2015 B Bonds;

(iv) An approving legal opinion of Bond Counsel; and

(v) Such other documents, resolutions or other materials as may be required by the Trustee or the Purchaser.

Section 2.03. Execution. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of its Mayor and City Manager and attested with the manual or facsimile signature of its City Clerk and shall have affixed, imprinted or otherwise reproduced thereon a facsimile of the corporate seal of the Issuer. In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Section 2.04. Authentication. All Bonds shall have endorsed thereon a certificate of authentication and registration duly executed by the Trustee. No Bond shall be valid or entitled to any security or benefit under this Indenture unless and until such certificate of authentication and registration shall have been duly executed manually by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication and registration on any Bond shall be deemed to have been executed by it if signed by an authorized officer, but it shall not be necessary that the same officer sign the certificate of authentication and registration on all of the Bonds issued hereunder.

Section 2.05. Form of Bonds. (A) The Series 2015 A Bonds and the Trustee's certificate of authentication and registration shall be substantially in the form set forth in **EXHIBIT A - BOND FORM**, attached hereto and incorporated herein by reference, with such variations, omissions and insertions as may be authorized by the Issuer, the execution and delivery of such Series 2015 A Bonds by the City Manager and Mayor of the Issuer being conclusive evidence of the approval of such variations, omissions and insertions by the Issuer. The Series 2015 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the attached Bond form.

(B) The Series 2015 B Bonds and the Trustee's certificate of authentication and registration shall be substantially in the form set forth in **EXHIBIT B - BOND FORM**, attached hereto and incorporated herein by reference, with such variations, omissions and insertions as may be authorized by the Issuer, the execution and delivery of such Series 2015 B Bonds by the City Manager and Mayor of the Issuer being conclusive evidence of the approval of such variations, omissions and insertions by the Issuer. The Series 2015 B Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the attached Bond form.

Section 2.06. Mutilated, Lost, Stolen or Destroyed Bonds. In the event that any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute, and the Trustee shall, with the consent of the Issuer, authenticate and deliver, in lieu of any such mutilated, lost, stolen or destroyed Bond, a new Bond of like tenor and denomination as the Bond mutilated, lost, stolen or destroyed. Provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee and canceled, and, in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence to its satisfaction of such loss, theft or destruction together with such security or indemnification as may be required by the Issuer, and the Trustee to save them and any Paying Agent harmless. In the event any such Bond shall have matured, the Trustee may, instead of issuing a substitute Bond, pay the same from amounts held in the Sinking Fund created with respect to such Bond and available for purposes of such payment. The Trustee may charge the holder or owner of such Bond with its reasonable fees and expenses in this connection.

Section 2.07. Bond Registrar. The Trustee shall be the Registrar and will keep, or cause to be kept by its agent, at its office, sufficient books for the registration and transfer of the Bonds, and, upon presentation for such purpose, the Registrar shall, under such reasonable regulations as it may prescribe,

register the Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Bonds as hereinbefore provided.

The Registrar shall accept the Bonds for registration or transfer only if ownership thereof is to be registered in the name of the United States of America, an individual (including joint ownership), a corporation, a limited liability company, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation, limited liability company or partnership or the social security numbers of the settlor and beneficiaries of each trust and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law. The Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America acting through the Rural Housing Service. So long as the Bonds shall be registered in the name of the United States of America acting through the Rural Housing Service, the address for registration purposes shall be 1550 Earl Core Road, Suite 101, Morgantown, West Virginia 26505, or such other address as shall be stated in writing to the Issuer by the United States of America.

Section 2.08. Paying Agent. The Commission is hereby appointed as Paying Agent for the Bonds.

Section 2.09. Transfer, Registration of Transfer and Exchange. Bonds shall be transferable only by transfer of registration upon the Bond Register, which shall be established and maintained by the Registrar on behalf of, and as agent of, the Issuer. After initial registration, no registration of transfer thereof shall be valid unless made on the Bond Register at the written request of the registered owner or his or its duly authorized attorney or legal representative and similarly noted on such Bond. Upon the transfer of registration of any Bond and the surrender of the old Bond, the Issuer shall issue a new bond to the transferee in the principal amount of such Bond then outstanding, otherwise subject to the terms, rate of interest, provisions for payment and other terms and conditions set forth herein. No interests in any Bond shall be transferable except by means of registration of transfer of a Bond representing such interest in accordance with this Section 2.09.

No registration of transfer of the Bonds shall be permitted to be made after the 15th day next preceding any installment payment date on the Bonds.

Section 2.10. Fees. For every exchange or transfer of Bonds, the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Indenture, the cost of preparing each new Bond upon each exchange or transfer and any other expenses of the Issuer or the Trustee incurred in connection therewith shall be paid by the Holder requesting such exchange or transfer.

The Issuer, the Trustee and any agent of the Issuer or the Trustee shall treat the registered owner of any Bond, as the absolute owner of such Bond for the purpose of receiving payment of principal thereof, and stated interest thereon, or on account thereof and for all other purposes whether or not such Bond is overdue.

Section 2.11. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and deliver, and the Trustee shall authenticate, subject to the same provisions, limitations and conditions set forth above, one or more printed, lithographed or typewritten bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in

definitive form, such Bonds in temporary form shall be entitled to the lien and benefit of this Indenture. Upon the presentation and surrender of any Bond or Bonds in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Trustee and the Trustee shall authenticate and deliver, in exchange therefore, a Bond or Bonds in definitive form. Such exchange shall be made by the Trustee without making any charge therefore to the holder of such Bond in temporary form.

Section 2.12. Cancellation. All Bonds which have been redeemed and all registered Bonds which have been surrendered to the Trustee in an exchange or transfer shall be canceled and destroyed by the Trustee and shall not be reissued. Counterparts of the certificate of destruction shall be furnished by the Trustee to the Issuer.

Section 2.13. Limited Obligations. The Bonds shall be limited obligations of the Issuer. The Bonds shall be payable solely out of the Net Revenues derived from, or in connection with, the operation of the Hospital, certain funds on deposit with the Commission or the Depository Bank in connection with the Bonds from time to time as herein provided and the proceeds of any foreclosure sale under the Deed of Trust as herein provided. The Bonds shall never constitute an indebtedness of the State of West Virginia, the Issuer or the Board within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the State of West Virginia, the Issuer or the Board. Neither shall the Bonds be a charge against the general credit or taxing power, if any, of the State of West Virginia, the Issuer or the Board.

Section 2.14. Pledge of Net Revenues. The payment of the principal of and interest on the Bonds shall be secured equally and ratably with each other by a lien on and pledge of the Net Revenues of the Hospital. Such Net Revenues in an amount sufficient to pay the principal of and interest on the Bonds, all required payments to the Reserve Account for the Bonds, and all other costs and expenses in connection with the Bonds, including but not limited to all costs incurred in the exercise of remedies provided pursuant to this Indenture upon the occurrence of any Event of Default pursuant to this Indenture are hereby irrevocably pledged by the Issuer and the Board to such payments as they become due. Notwithstanding anything in this Indenture or otherwise to the contrary, all Gross Revenues shall first pass through or be deposited in an account over which the Issuer or the Board, as applicable, has sole dominion and control. In furtherance of the foregoing, except to the extent permitted by law, none of the receivables from Medicare or Medicaid are intended to be "assigned" to the Trustee or any Bondholders.

ARTICLE III

AUTHORIZATION OF PROJECT; REFUNDING OF PRIOR BONDS; REFINANCING OF LOAN OBLIGATION; PAYMENT OF FEDERAL TAX OBLIGATIONS

Section 3.01. Authorization of Design, Acquisition, Construction and Equipping of the Project. There is hereby authorized the design, acquisition, construction and equipping of the Project at an estimated cost of approximately $1,764,180 in accordance with the plans and specifications which have been prepared by the Architect and which are on file in the offices of the Board. The Board shall undertake the design, acquisition, construction and equipping of the Project and shall be the party to the construction contracts for such Project.

Section 3.02. Authorization of Refunding of Prior Bonds. All Prior Bonds Outstanding as of the date of issuance of the Bonds are hereby ordered to be refunded pursuant to the terms of the Escrow Agreement, and the pledge of revenues in favor of the Holders of such Prior Bonds imposed by the ordinance and Indenture of Trust pursuant to which the Prior Bonds were issued, the moneys in the funds and accounts thereunder and any other funds pledged thereto or liens created thereby are hereby ordered

terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Series 2015 Bonds, together with other moneys available therefore, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Agent charges to become due and payable in connection with the Prior Bonds and (b) an amount of money which will either remain uninvested or be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, to provide for the payment of the principal, premium and interest accrued on the Prior Bonds as of the redemption date therefore, all as set forth in the Escrow Agreement. Contemporaneously with the deposit of such Bond proceeds into the Escrow Fund, the amounts on deposit in the reserve account, and all other funds and accounts created and maintained on behalf of the Prior Bonds shall be deposited in the Escrow Fund or such other fund or account as shall be set forth in the Escrow Agreement, and either held uninvested or be invested in Government Obligations as provided in the Escrow Agreement and this Indenture.

Section 3.03. Authorization of Refinancing of the Loan Obligation. The Loan Obligation as of the date of issuance of the Bonds is hereby ordered to be repaid in full pursuant to the terms of the Escrow Agreement, and the liens and pledges in favor of the holder of the Loan Obligation are hereby ordered terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Bonds, together with other moneys available therefore, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Agent charges to become due and payable in connection with the Loan Obligation and (b) an amount of money which will either remain uninvested or be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, to provide for the payment of the principal, premium and interest accrued on the Loan Obligation as of the redemption date therefore, all as set forth in the Escrow Agreement. Contemporaneously with the deposit of such Bond proceeds into the Escrow Fund, the amounts on deposit in any funds and accounts created and maintained on behalf of the Loan Obligation shall be deposited in the Escrow Fund or such other fund or account as shall be set forth in the Escrow Agreement, and either held uninvested or be invested in Government Obligations as provided in the Escrow Agreement and this Indenture.

Section 3.04. Authorization of Payment of Federal Tax Obligations. The Federal Tax Obligations as of the date of the issuance of the Bonds are hereby ordered to be paid in full pursuant to the terms of the Escrow Agreement, and the liens and pledges of the Internal Revenue Service are hereby ordered terminated, discharged and released upon the payment of the Federal Tax Obligations to the Internal Revenue Service from the proceeds of the Bonds.

Section 3.05. Authorization of Payment of Issuance Costs. There is hereby authorized to be paid from proceeds of the Bonds deposited into the Construction Fund held by the Depository Bank, the Issuance Costs.

ARTICLE IV

GENERAL COVENANTS AND PROVISIONS

Section 4.01. Payment of Bonds. The Issuer covenants that it will promptly pay or cause to be paid, but solely from the Net Revenues, the principal of and interest on every Bond issued under this Indenture on the date and in the manner provided herein and in said Bonds according to the true intent and meaning thereof.

Section 4.02. Performance of Covenants. The Issuer covenants that it will at all times comply with all provisions contained in this Indenture, in any Bond, and in all proceedings pertaining thereto. The Issuer warrants that it is duly authorized under the Constitution and laws of the State of

West Virginia, including particularly and without limitation, the Act, to issue and sell the Bonds authorized hereby and to execute and deliver this Indenture; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken; and that the Bonds in the hands of the holder thereof are and will be valid and enforceable special obligations of the Issuer.

Section 4.03. Inspection of Hospital Books. The Issuer by and through the Board will keep books and records of the Hospital, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the Hospital and the Net Revenues of the Hospital and such books and records shall at all times be open to inspection by the Trustee and the Purchaser or such accountants, agencies or consultants as the Trustee or the holders of at least 25% of the outstanding Bonds may from time to time designate.

Section 4.04. Additional Bonds. At the request of the Issuer, Additional Bonds of the Issuer ranking on a parity with the Bonds may be issued under and secured by this Indenture, to the extent permitted by law then in effect, at any time and from time to time, to pay the cost of (a) additions, renovations and improvements to the Hospital, (b) restoring or repairing the Hospital following any condemnation thereof or damage thereto to the extent the net proceeds of any insurance or condemnation award are insufficient to pay same, (c) acquiring equipment or fixtures for the Hospital, (d) refunding all or part of the Bonds or other borrowings with respect to the Hospital, or (e) any combination of the foregoing, provided however, that Additional Bonds may not be issued unless, prior to issuance of such Additional Bonds, the Trustee has first received the written consent of all Bondholders to the issuance of such Additional Bonds.

Section 4.05. Permitted Indebtedness. Except as may be otherwise consented to in writing by 100% of the Bondholders, the Issuer and the Board will not incur, permit, guaranty or assume any indebtedness relating to the Hospital other than Indebtedness consisting of the following:

A. Indebtedness existing or contracted for on or prior to the date of delivery of the Series 2015 Bonds;

B. Liabilities under operating contracts and operating leases;

C. Liabilities incurred by way of endorsement for collection or deposit of checks or drafts or commercial paper received by the Issuer or Board in the ordinary course of its operations;

D. Indebtedness incurred to provide improvements secured solely by grants, gifts, bequests, contributions or other donations not in the nature of payment for services, or by property of the Issuer or the Board other than the Hospital, and that is specifically pledged by the Issuer or the Board for such purpose;

E. Indebtedness to a bank or banks or other lending institution for borrowed money for working capital purposes, which shall be payable no more than 365 days from the date of such borrowing and which shall be unsecured except that such indebtedness may not exceed the principal sum of $250,000 as of the date of the incurrence, which indebtedness may be secured solely by a security interest in and pledge of the accounts receivable derived from the operation of the Hospital or inventory, or such indebtedness may be secured solely by pledges, donations, gifts, grants, bequests or contributions;

F. Indebtedness incurred or assumed to acquire or improve property (other than current assets) and for capitalized leases; provided, that at the time of issuance thereof and after giving effect thereto, the amount of such indebtedness which, when taken, plus the indebtedness permitted to be

incurred by subsection E above, shall not exceed 20% of the Gross Revenues in the aggregate as shown on or calculable from the audited financial statements of the Board for the latest completed Fiscal Year; or

G. Subordinated Indebtedness.

Section 4.06. Covenant on Maintenance of Hospital. The Issuer agrees that as long as any of the Bonds are Outstanding, it will keep the Hospital in good condition, repair and working order (ordinary wear and tear excepted), making all repairs and replacements thereto, and operate the Hospital in a sound and economical manner.

Section 4.07. Compliance with Laws. The Issuer shall, throughout the term of this Indenture, promptly comply in all material respects or cause compliance in all material respects with all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities which may be applicable to the Hospital or to the repair and alteration thereof, or to the use or manner of use of the Hospital. Notwithstanding the foregoing, the Issuer shall have the right to contest the legality of any such law, ordinance, order, rule, regulation or requirement as applied to the Hospital, provided that such contest shall not in any way materially adversely affect or impair the rights or obligations of the Issuer under this Indenture or materially adversely affect or impair the security interest of the Trustee under this Indenture and the Issuer shall cooperate to the extent necessary with the Trustee in any such contest.

Section 4.08. Taxes and Assessments. Subject to good faith contests, the Issuer shall pay all lawfully assessed taxes and assessments, general and specific, if any, levied and assessed on the Hospital during the term, and all utility charges, assessments, and other governmental charges and impositions whatsoever, foreseen and unforeseen.

Section 4.09. Rate Covenant. The Issuer covenants that, during each Fiscal Year, it will, to the extent permitted by applicable law and regulations, charge rates, fees and charges for the provision of services by the Hospital sufficient, together with other available moneys, (i) to produce Net Revenues in an amount at least equal to 110% of the Debt Service Requirements for such Fiscal Year, and (ii) together with any other moneys that shall be available to the Issuer, to enable the Issuer to discharge the obligations relative to the Hospital as they shall become due and payable for such Fiscal Year. The Issuer covenants that, in the event that Net Revenues are less than the requirement set forth in this Section, the Issuer will employ a Consultant acceptable to the Trustee to examine the rates, fees and charges of the Issuer with respect to the Hospital facility and the method of operation of the Hospital and to make such recommendations as such Consultant believes appropriate to enable such rate covenant to be complied with as nearly as may be possible, and the Issuer further agrees to comply with such recommendations to the extent feasible.

The foregoing provisions notwithstanding, if in any Fiscal Year the Net Revenues are less than required by the rate covenant described above, the Trustee shall not be obligated to require the Issuer to retain such a Consultant to make such recommendations if: (a) there is filed with the Trustee a written report addressed to it of such a Consultant (which report, including without limitation, the scope, form, substance and other aspects thereof, is acceptable to the Trustee) which contains an opinion of such Consultant that applicable laws or regulations have prevented the Issuer from generating Net Revenues during such Fiscal Year in an amount sufficient to comply with such rate covenant and, if requested by the Trustee, such report is accompanied by a concurring opinion of counsel not regularly employed by the Issuer (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) as to any conclusions of law supporting the opinion of such Consultant; and (b) the ratio of Net Revenues during such Fiscal Year to such Debt Service Requirement (including Subordinated Indebtedness for this purpose) was at least 1:1. The Issuer shall not be required

to cause the Consultant's report referred to in this paragraph to be prepared more frequently than once every 2 Fiscal Years if at the end of the first of such 2 Fiscal Years the Issuer provides to the Trustee an opinion of counsel not regularly employed by the Issuer (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) to the effect that the applicable laws and regulations underlying the Consultant's report delivered in respect of the previous Fiscal Year have not changed in any material way.

Section 4.10. Hazardous Waste. In addition to and without limitation of all other representations, warranties and covenants made by the Issuer hereunder, the Issuer further represents, warrants and covenants it has not used Hazardous Materials (as hereinafter defined) on, from, or affecting the Hospital in any manner which violates federal, state or local laws, ordinances, rules, or regulations, governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, in a manner that would create a material adverse effect on the Hospital, and that, to the best of the Issuer's knowledge, no prior owner of the Hospital or any tenant, subtenant, prior tenant or prior subtenant has used Hazardous Materials on, from, or affecting the Hospital in any manner which violates or did violate existing applicable federal, state or local laws, ordinances, rules, or regulations governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, except for violations that would not create a material adverse effect on the Hospital. Without limiting the foregoing, the Issuer shall not cause or permit the Hospital or any part thereof to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in substantial compliance with all applicable federal, state and local laws, ordinances, rules or regulations, nor shall the Issuer cause or permit, as a result of any intentional or unintentional act or omission on the part of the Issuer or any tenant or subtenant, an unremediated release of Hazardous Materials onto the Hospital or onto any other property that would create a material adverse effect on the Hospital. The Trustee is aware that the Issuer provides healthcare services which necessitate the use, generation, storage, handling and disposal of Hazardous Materials, including Hazardous Waste and medical waste. The Issuer shall substantially comply with and require compliance by all tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, and shall obtain and comply with, and require that all tenants and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The Issuer shall conduct and complete all investigations, studies, sampling, and testing, and all remedial, removal, and other actions required by a governmental authority under an applicable statute or regulation necessary to clean up and remove all Hazardous Materials, on, from, or affecting the Hospital in accordance with all applicable federal, state and local laws, ordinances, rules, and regulations. In addition, the Issuer shall defend, indemnify, and hold harmless the Trustee from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (a) the presence, disposal, release, or threatened release of any Hazardous Materials which are on or from the Hospital, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials on or from the Hospital; and/or (c) any violation of laws, orders, regulations, requirements or demands of government authorities, which are based upon or in any way related to such Hazardous Materials, including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. For the purposes of this paragraph, "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes or hazardous or toxic substances defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et. seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 9601, et seq.), and in the regulations promulgated pursuant thereto, or any other applicable federal, state or local environmental law, ordinance, rule, or regulation. The provisions of this paragraph

shall be in addition to any and all other obligations and liabilities the Issuer may have to the Trustee at common law, and shall survive the termination of this Indenture.

The indemnifications and protections set forth in this Section 4.10 shall be extended, with respect to the Issuer, to its members, directors, officers, employees, agents, officials and servants and persons under the Issuer's control or supervision, and with respect to the Trustee, to any of its directors, officers, employees, agents and servants and persons under the Trustee's control or supervision.

Anything to the contrary in this Indenture notwithstanding, the covenants of the Issuer contained in this Section 4.10 shall remain in full force and effect after the termination of this Indenture until the later of (i) the expiration of the period stated in the applicable statute of limitations during which a claim or cause of action may be brought and (ii) the payment in full or the satisfaction of such claim or cause of action and of all expenses and charges incurred by the Issuer or the Trustee relating to the enforcement of the provisions herein specified.

Section 4.11. ERISA Covenant. The Issuer will not terminate any ERISA Plan in a manner which could result in the imposition of a lien on the property of the Issuer pursuant to Section 4068 of ERISA and it will notify the Trustee within 15 days after the happening of any "Reportable Event" with respect to any ERISA Plan, as such quoted term is defined in Section 4043 of ERISA, and, in any event, at least 5 days prior to any notification of such "Reportable Event" given to the Pension Benefit Guaranty Corporation pursuant to the terms of such Section 4043.

Section 4.12. Insurance Coverage and Terms. A. The Issuer hereby covenants and agrees that it will, as an expense of construction of the Project and the operation and maintenance of the Hospital, procure, carry and maintain, or cause to be procured, carried and maintained by the Board, so long as the Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(1) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor and from the date of issuance with respect to the remaining Hospital facilities, on all above-ground structures of the Hospital and the machinery and equipment in place or stored on the site in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the Hospital, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion or redemption of the Bonds. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during design, acquisition, construction and equipping of the Project in the full insurable value. The Issuer agrees to list the Purchaser as a lien holder on such policies as "United States of America acting through the Rural Housing Service or its Successor Agency, 1550 Earl Core Road, Suite 101, Morgantown, West Virginia 26505."

(2) Liability Insurance, with limits of not less than $500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than $200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the Hospital, such insurance to be procured not later than the date of delivery of the Bonds.

(3) Workers' Compensation Coverage for All Employees of the Issuer Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds have

been or will be filed with the Clerk of the County Commission of Taylor County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(4) Medical Malpractice, in an amount not less than $500,000 for one person and not less than $1,000,000 for any aggregate amount of claims and, in addition, as is adequate in the judgment of the Issuer to protect the Issuer and the Hospital and its operations.

(5) Fidelity Bonds, will be provided as to every officer and employee having custody of any Net Revenues of the Hospital or of any revenues or other funds of the Hospital in an amount at least equal to one annual installment on the Bonds. During construction of the Project such fidelity bond coverage shall be in an amount at least equal to the maximum amount of funds to be under the control of such individual at any one time.

Notwithstanding the foregoing, the Issuer shall be permitted to make modifications to the foregoing liability insurance requirements and deductible amounts, including without limitation self-insurance and participation in mutual insurance arrangements, in accordance with any recommendations of an Independent Insurance Consultant. In making its decision to permit such modifications, the Independent Insurance Consultant shall consider the policies of insurance carried by hospitals of a size and character similar to the Hospital, the availability of insurance, the terms upon which insurance is available and the cost of available insurance; and the Independent Insurance Consultant shall also consider the effect of such terms and such rates upon the Hospital's costs and charges for its services. The Issuer shall pay any fees charged by such Independent Insurance Consultant and prior to the effective date of modification of insurance requirements shall give written notice to the Trustee as to the making and effective date of any modifications and shall furnish to the Trustee a copy of the report of the Independent Insurance Consultant relating thereto. If the Issuer does not agree with the recommendations of the Independent Insurance Consultant, it may, with the consent of the Trustee, employ another Independent Insurance Consultant to make the recommendations required by this Section.

If the Issuer shall decide to establish a self-insurance program, such program shall be acceptable to the West Virginia Department of Health and Human Services if required (or any successor Federal or state agency) in connection with the Medicare and Medicaid reimbursement programs or any other government program providing similar benefits. In addition, the Issuer shall file annually with the Trustee a report of an Independent Insurance Consultant setting forth his recommendations, if any, as to actions which are required in his opinion to assure that any such self-insurance program is funded and maintained in a manner which assures the actuarial soundness of the program. The Issuer shall take such action at the earliest practicable time to comply with the recommendations contained in such report.

B. The Issuer agrees that such insurance coverage shall be maintained with financially sound and reputable insurers, qualified to do business in the State and not objected to by the Trustee, and all such policies and the forms thereof shall be acceptable to the Trustee. These insurance requirements for the Hospital may be included under respective blanket insurance policies covering all operations of the Issuer. The insurance referred to in subparagraph A above shall name the Issuer and the Trustee as additional insureds as their respective interests may appear. The insurance referred to in subparagraph A(1) above shall provide that any losses payable thereunder in excess of $100,000 with respect to the insurance referred to in subparagraph A(1) shall be payable to the Trustee. If the Issuer is the payee, or one of the payees, of any check or other instrument representing payment of any insurance proceeds referred to in subparagraph A(1) above and payable to the Trustee, as aforesaid, the Issuer will endorse the same to the order of the Trustee and deliver the same to the Trustee; and if the Issuer fails to do so, the Issuer hereby irrevocably authorizes any officer or employee of the Trustee to endorse and

deliver the same as the Issuer's attorney-in-fact. The policies for the insurance required by this Section 4.13 shall not, to the extent available, be cancellable without at least 30 days written notice to the Trustee. The Issuer covenants that it will take all action, or cause the same to be taken, which may be necessary to enable recovery upon the aforesaid insurance policies.

C. All policies and certificates of insurance required hereby shall be open to inspection by the Trustee at all reasonable times. Certificates of insurance describing such policies shall be furnished by the Issuer to the Trustee at or prior to the delivery of the Bonds, and a complete list describing such policies and certificates as of January 1 of each year and, if any change shall be made in such insurance as to either amount or type of coverage, a description and notice of such change shall be immediately furnished to the Trustee by the Issuer. In the event that the Issuer fails to maintain any insurance as provided in this Section 4.12, the Trustee may (but shall be under no obligation to), upon such notice to the Issuer as is reasonable under the circumstances, procure and maintain such insurance, and any amounts so advanced therefor by the Trustee shall become an additional obligation of the Issuer to the Trustee, which amounts, together with interest thereon at the interest on the Bonds, the Issuer agrees and covenants to pay and such payments and interest shall be considered to be additional indebtedness secured hereby and assigned to the Trustee under the Indenture.

Section 4.13. Insurance Proceeds. A. CASUALTY INSURANCE. Immediately after occurrence of loss or damage covered by insurance required under Section 4.12A(1) hereof, the Issuer shall immediately notify the Trustee of such event and shall remit such proceeds required to be paid to the Trustee to be held by the Trustee in an appropriately designated fund. Thereafter, the Issuer shall determine and advise the Trustee in writing, within 60 days of the occurrence of such loss or damage, whether it is practicable to repair, reconstruct or replace such damaged or destroyed property, and the estimated time required for such repair, reconstruction or replacement. The Issuer may apply the proceeds at its discretion either to the repair, reconstruction or replacement of such damaged property or to the prepayment of the Bonds in accordance with the terms hereof. In the event of an election by the Issuer not to repair, reconstruct or replace the damaged property, the Issuer will promptly (but in no event more than 60 days after such damage or destruction) inform the Trustee in writing of its decision to not rebuild and such proceeds shall be transferred to the Revenue Fund and the Bonds and the interest thereon shall become payable on the first payment date thereafter following receipt of such written notice and more than 60 days after such event. Notwithstanding any other provision in this Indenture or the Bonds, in the event that the Bonds or any part thereof are prepaid pursuant to this Section 4.13, no prepayment penalty shall be applicable and, notwithstanding the foregoing or any other provision in this Indenture to the contrary, in no event shall such proceeds be applied to the prepayment of Bonds unless the Bonds are then redeemable in accordance with the terms of this Indenture and the Bonds, including, without limitation, giving due regard to the time necessary for giving all notices of redemption thereunder. In the event that the Issuer elects to repair, reconstruct or replace the damaged property the Issuer shall promptly proceed to repair, reconstruct and replace such part of the Hospital to its original condition or a condition of at least equivalent value, immediately prior to such event, insofar as possible. The moneys required for such repair, reconstruction and replacement shall be paid from: (i) the net proceeds of insurance received by reason of such occurrence which net proceeds (after deducting any reasonable expenses incurred by the Issuer or the Trustee in collecting the same) shall be transferred to a renewal fund with the Trustee and disbursed in accordance with a requisition procedure established by the Trustee in its reasonable discretion; and (ii) to the extent such insurance proceeds are not sufficient, from moneys to be provided by the Issuer. Notwithstanding the foregoing or anything herein to the contrary, any amounts relating to such proceeds required to be rebated to the United States pursuant to Section 148(f) of the Code shall be paid in the time and manner required under the Code.

B. LIABILITY AND OTHER INSURANCE. The proceeds of all comprehensive general liability, owner's liability insurance, worker's compensation insurance and other insurance

required by Sections 4.12 and 4.13 hereof, which may be received by the Issuer shall be applied by the Issuer to the payment of any judgment, settlement or liability incurred for risks covered by such insurance, and such proceeds required to be payable to the Trustee shall be deposited in the Revenue Fund and if required by the Trustee, applied to the payment of principal and/or interest on the Bonds.

Section 4.14. City Acting Through Board. The City hereby covenants and agrees that so long as any of the Bonds are outstanding, the City will manage, administer, operate and maintain the Hospital solely through the Board and that the City will not interfere in any way with the Board in performance of its duties. It is expressly hereby represented by the City in the issuance of the Bonds that the Hospital will be free from political control and supervision so long as any of the Bonds are outstanding. All covenants hereof which require action by the City shall be deemed to mean that the City will act through the Board insofar as such action may lawfully be taken by the Board under the laws of the State.

Section 4.15. Additional Representations and Covenants. A. The estimated economic life of the Hospital is not less than 30 years.

B. The estimated revenues to be derived in each year after the date hereof from the operation of the Hospital shall be sufficient, upon refunding and defeasance of the Prior Bonds and the refinancing of the Loan Obligation, to provide for the repair, maintenance and operation of the Hospital, the payment of the principal of and interest on all Bonds issued hereunder and all payments into the Sinking Fund and the Reserve Account, as hereinafter provided, and to make all other payments provided for in this Indenture.

C. One of the purposes of issuing the Bonds for the purposes of refunding of the Prior Bonds, refinancing the Loan Obligation and paying the Federal Tax Obligations is to effect the release, termination or modification of liens, restrictions, covenants, conditions or limitations imposed by the Prior Bonds and the Loan Obligation.

D. It is in the best interest of the Issuer, and the residents thereof, that the Issuer issue the Bonds and secure the Bonds by a pledge and assignment of the Net Revenues derived from the operation of the Hospital, and all the moneys in the funds and accounts as further set forth herein.

E. All things necessary to make the Bonds, when authenticated by the Registrar and issued as in this Indenture provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Bonds, and to comply with the limitations imposed by the Bond Act and the Refunding Act upon the issuance of the Bonds have been timely met, done and duly performed.

F. The execution and issuance of the Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

ARTICLE V

FUNDS AND ACCOUNTS; REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Revenue Fund and Construction Fund. The Revenue Fund and Construction Fund are hereby created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other and the

funds on deposit therein from time to time are hereby pledged unto the Trustee in order to secure repayment of the Series 2015 Bonds.

Section 5.02. Establishment of Sinking Fund and Reserve Account. The Sinking Fund and Reserve Account therein are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other and all funds on deposit therein from time to time are hereby pledged and assigned to the Trustee as security for repayment of the Series 2015 Bonds.

Section 5.03. Bond Proceeds; Construction Fund. A portion of the proceeds of the sale of the Series 2015 Bonds in the amount of $1,779,800 shall be deposited on the Closing Date upon receipt by the Issuer in the Construction Fund. Additional funds shall be deposited into the Construction Fund as need to pay the costs of the Project on a periodic basis as such funds are requisitioned from time to time by the Issuer from the Purchaser and disbursed by the Purchaser upon completion of such inspections and the receipt of such documents as shall be satisfactory to the Purchaser. The moneys in the Construction Fund in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Construction Fund shall be expended by the Issuer solely for the purposes provided herein.

Moneys in the Construction Fund shall be used solely to pay the cost of design, acquisition, construction and equipping of the Project, to currently refund the Prior Bonds, to refinance the Loan Obligation and to pay the Issuance Costs of the Bonds upon vouchers and other documentation approved by the Purchaser.

The Board shall undertake and carry out the design, acquisition, construction and equipping of the Project. Until completion of design, acquisition, construction and equipping of the Project, the Issuer will additionally transfer from the Construction Fund and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installments on the Bonds if there are not sufficient Revenues to make such monthly payment.

Pending application as provided in this Section 5.03, money and funds in the Construction Fund shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Construction Fund shall be disposed of in accordance with the regulations of the Purchaser.

Section 5.04. Revenues; Flow of Funds. A. Notwithstanding anything in this Indenture to the contrary, the entire Gross Revenues derived from the operation of the Hospital shall, upon receipt by the Issuer or Board, as applicable, be deposited into, or otherwise be paid directly into, a deposit account in the name of the Issuer or Board, as applicable, which deposit account, including, without limitation, the funds held therein, shall be under the sole dominion and control of the Issuer or the Board, as the case may be, and in which the Issuer and the Board shall grant no pledge, assignment or other security interest. The Issuer or the Board, as applicable, will provide a standing revocable sweep directive to the bank in which such account is maintained to transfer, each Business Day, the funds in such account to the Revenue Fund. The Revenue Fund shall be kept separate and distinct from all other funds of the Issuer or the Board and the Depository Bank. Subject to the provisions of this Indenture, all Gross Revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The Issuer shall first, each month, pay from the Revenue Fund all Operating Expenses of the Hospital.

(2) The Issuer shall next, on or before the 1st day of each month, transfer from the Revenue Fund and pay to the Commission for deposit in the Sinking Fund, the amounts required to pay the interest on the Bonds, and to amortize the principal of the Bonds over the life of the Bond issue.

(3) The Issuer shall next, on each date that payment is made as set forth in Section 5.04(A)(2) above, transfer from the Revenue Fund and remit to the Commission for deposit in the Reserve Account, an amount equal to 1/120th of the Reserve Requirement, provided that, no further payments shall be made into the Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Reserve Requirement. After the Reserve Requirement has been accumulated in the Reserve Account, the Issuer shall monthly deposit into the Reserve Account such part of the moneys remaining in the Revenue Fund, after such provision for payment of monthly installments on, or payments with respect to, the Bonds, as shall be required to maintain the Reserve Requirement in the Reserve Account. Moneys in the Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on or with respect to the Series 2015 Bonds as the same shall become due or for prepayment of installments on the Series 2015 Bonds, or for mandatory prepayment of the Series 2015 Bonds as hereinafter provided, and for no other purpose.

(4) After all the foregoing provisions for use of moneys in the Revenue Fund have been fully complied with, any moneys remaining therein and not required to be retained therein may be used for any lawful purpose of the Hospital.

Whenever the moneys in the Reserve Account shall be sufficient to prepay the Series 2015 Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Series 2015 Bonds at the earliest practical date and in accordance with applicable provisions hereof.

Moneys in the Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2015 Bonds as the same shall become due. Moneys in the Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2015 Bonds as the same shall come due, when moneys in the Sinking Fund are insufficient therefore, and for no other purpose.

In the event that moneys in the Reserve Account are disbursed in order to make any scheduled payment of principal of or interest on the Series 2015 Bonds, or any portion thereof, such moneys shall be restored by the Issuer within a period of not more than 12 months.

As and when Additional Bonds ranking on a parity with the Series 2015 Bonds are issued, provision shall be made for additional payments into the Sinking Fund sufficient to pay the principal of and interest on such Additional Bonds as and when the same become due.

The Issuer shall not be required to make any further payments into the Sinking Fund or the Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate

principal amount of the Series 2015 Bonds issued pursuant to this Indenture then Outstanding and all interest to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Sinking Fund and the Reserve Account created hereunder, and all amounts required for said account shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

Moneys in the Sinking Fund and in the Reserve Account shall be invested and reinvested by the Commission as provided herein and in accordance with Section 7.01 hereof.

Subject to the provisions of this Indenture, all the funds provided for in this Article V shall be used only for the purposes and in the order provided herein, and until so used, the Trustee shall have a lien thereon for further securing payment of the Series 2015 Bonds and the interest thereon, but the Depository Bank and the Commission shall not be a trustee as to such funds.

The Commission shall keep the moneys in the Reserve Account invested and reinvested to the fullest extent possible in accordance with applicable law, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof. Investments in any fund or account under this Indenture shall, unless otherwise provided herein or required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia Board of Treasury Investments. Any investment shall be held in and at all times deemed part of the fund or account in which such moneys were originally held, and interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings upon moneys in the Reserve Account, so long as the Reserve Requirement is on deposit and maintained therein, shall be paid annually in January by the Commission to the Issuer for deposit by the Issuer into the Revenue Fund.

B. CHANGE OF DEPOSITORY BANK. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank if the Depository Bank should cease for any reason to serve or if the Issuer determines by resolution that the Depository Bank or its successor should no longer serve as Depository Bank. Upon any such change, the Issuer will cause notice of the change to be sent by registered or certified mail to the Trustee and the Purchaser.

C. CHARGES AND FEES. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such sums as shall be necessary to pay their respective charges, fees and expenses then due.

D. INVESTMENT OF EXCESS BALANCES. The moneys in excess of the sum insured by FDIC in any of such funds or accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, in a lawful manner for securing deposits of state and municipal funds under the laws of the State of West Virginia.

E. DEFICIENCIES. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the fund and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be

made pursuant to this Section 5.04, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

F. REMITTANCES. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited and shall be accompanied by appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Indenture.

G. GROSS REVENUES. The Gross Revenues of the Hospital shall only be used for purposes of the Hospital.

Section 5.05. Disbursements from Sinking Fund. The Commission shall disburse funds on deposit in the Sinking Fund, on or before the 15th day of each month, by check, or such other means of payment as shall be mutually agreed upon by the Commission and the Purchaser, to the local finance office of the Purchaser located at Randolph Center Building, 1200 Harrison Avenue, Suite 150, Elkins, West Virginia 26241 (the "Local Finance Office"). The Local Finance Office of the Purchaser shall thereupon disburse such funds as promptly as may be feasible in the circumstances to the Purchaser, or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Purchaser may hereafter designate in writing to the Commission and the Issuer.

Section 5.06. Repayment to Hospital Upon Payment of Bonds. Any amounts remaining in any fund or account created hereunder after payment in full of the principal and redemption premium, if any, of and interest on the Series 2015 Bonds, and the reasonable fees, charges and expenses of the Trustee, the Registrar, the Paying Agent and the Depository Bank incurred in connection with the Series 2015 Bonds, shall be paid to the Hospital for use by the Hospital for any lawful purpose of the Hospital.

ARTICLE VI

APPLICATION OF PROCEEDS OF BONDS

Section 6.01. Disposition of Proceeds of Bonds. Upon the issuance and delivery of the Series 2015 Bonds, the Issuer shall forthwith deposit a portion of the proceeds thereof on the Closing Date in the amount of $955,857.87 with the Commission for deposit into the Escrow Fund created pursuant to the Escrow Agreement and shall deposit a portion of the proceeds of the Bonds on the Closing Date in the amount of $846,165.32 with the Depository Bank for deposit into the Construction Fund established pursuant to Section 5.01 of this Indenture. Following such deposits, the Commission and the Depository Bank shall apply such funds as follows:

A. The Commission shall apply all Series 2015 Bond proceeds and other funds deposited into the Escrow Fund in the manner and otherwise as provided for in the Escrow Agreement, and in particular as follows:

$647,555.30 to the current refunding and defeasance of the Prior Bonds;

$336,079.88 to the repayment and refinancing of the Loan Obligation; and

$2,262.36 to the payment of the fees of the Commission

B. Series 2015 Bond proceeds in the amount of $848,427.68 which have been deposited into the Construction Fund on the Closing Date shall be applied to the payment of costs of the Project, the

payment of the Federal Tax Obligations and the payment of Issuance Costs, to such payees and in such amounts as set forth in a closing memorandum to be delivered on the Closing Date. The remaining available proceeds of the Series 2015 Bonds in the amount of $1,870,130 shall be advanced from time to time by the Purchaser upon the approval by the Purchaser of periodic requisitions and supporting invoices or other documentation as shall be acceptable by the Purchaser and upon the completion of any necessary inspections as may be required by the regulations or practices of the Purchaser and thereupon deposited into the Construction Fund for application to the payment of the costs of the Project which have been approved for payment by the Purchaser. Any proceeds of the Series 2015 Bonds which remain on deposit in the Construction Fund upon the completion of the Project and any available portion of the par amount of the Series 2015 Bonds which remains unadvanced following the completion of the Project shall be applied in accordance with the regulations and practices of the Purchaser.

ARTICLE VII

INVESTMENTS

Section 7.01. Investments. Any moneys held as a part of the funds and accounts created by this Indenture, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Indenture, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 7.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission and the Depository Bank shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank and the Commission shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often if reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding and for a period of 5 years thereafter.

ARTICLE VIII

SATISFACTION AND DISCHARGE

Section 8.01. Satisfaction and Discharge. All rights and obligations of the Issuer under this Indenture shall terminate, and this Indenture shall cease to be of further effect, and the Trustee, Depository Bank and Commission shall assign and deliver to the Issuer any moneys and investments held

hereunder (except moneys or investments held by the Commission for the payment of principal of and interest on the Bonds when due or called for redemption) at such time that:

(A) All reasonable fees, expenses and costs of the Trustee, Depository Bank, Registrar and the Commission shall have been paid;

(B) The Issuer shall have performed all of its agreements in this Indenture; and

(C) All principal of and interest on the Bonds shall have been paid as provided for herein or in the Bonds either upon the maturity thereof or upon prepayment as provided for in the Bonds together with all other costs, charges and expenses which are due and payable in connection with the Bonds as provided herein or in the Bonds; and

Notwithstanding any discharge of this Indenture, the Trustee shall enforce, on its own behalf and on behalf of the Bondholders, by appropriate action, any rights arising hereunder.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.01. Events of Default. Each of the following shall be an "Event of Default" hereunder:

(a) Failure to make a payment of principal of or interest on any Bond as the same becomes due and payable;

(b) Failure by the Issuer to perform any of its covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture other than as specified in (a) above, and such failure shall continue for the period and after the notice specified in Section 9.02 hereof.

(c) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United Sates of America;

(d) If the Issuer defaults in the due and punctual performance of any covenant set forth in the Loan Resolution (RUS Bulletin 1780-27) adopted by the Issuer on _____, 2014 in connection with the Series 2015 A Bonds and the Loan Resolution adopted by the Issuer on September 8, 2015 in connection with the Series 2015 B Bonds and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given to the Issuer by Purchaser; provided that if any such default cannot be cured within thirty (30) days the period shall be extended for such period as is reasonable to cure the same with due diligence if the Issuer commences the cure within thirty (30) days and proceeds diligently.

Section 9.02. Notice of Default; Opportunity to Cure. No default under Sections 9.01(b) or (d) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Issuer by the Trustee or by holders of not less than 25% in aggregate principal amounts of all Bonds Outstanding and until the Issuer shall have had 30 days after receipt of such notice to correct such default, and shall not have corrected it.

The Issuer hereby grants the Board full authority for the account of the Issuer to perform any covenant or obligation alleged to constitute a default in any notice given pursuant to this Section 9.02 in the name of the Issuer and with full power of substitution.

In the event that any payment referred to in Section 9.01(a) is not timely made, the Trustee shall immediately notify the Issuer by the fastest means of communication reasonably available that such payment has not been made and shall confirm such notice in writing, but failure to so notify will not toll any period or waive any Event of Default.

Section 9.03. Acceleration; Cure. If any Event of Default under subparagraph (a) of Section 9.01 occurs, the entire principal amount of the Bonds then Outstanding shall become due and payable without notice or demand. Should any Event of Default other than one described in the preceding sentence occur and be continuing, then the Trustee may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding, shall, by notice in writing delivered to the Issuer and the Board, declare the principal of all Bonds then Outstanding to be due and payable immediately. Upon such declaration, the said principal, together with interest accrued thereon, shall become due and payable immediately at the place of payment provided therein without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived, anything in this Indenture or in the Bonds to the contrary notwithstanding.

The above provisions, however, are subject to the condition that if, after the principal of the Bonds shall have been so declared to be due and payable, all arrears of principal and interest upon the Bonds, and all other sums payable under this Indenture (except the principal of, and interest on, the Bonds which by such declaration shall have become due and payable), shall have been paid by or on behalf of the Issuer, and the Issuer also shall have performed all other things in respect of which it may have been in default hereunder, and shall have paid the reasonable charges of the Trustee, its counsel and the holders of the Bonds, including reasonable attorneys' fees paid or incurred, then and in every such case, the holders of not less than a majority in aggregate principal amount of each series of Bonds then outstanding may, by written notice to the Issuer, the Board and to the Trustee, waive such default and rescind and annul such declaration and its consequences, and such waiver shall be binding upon the Trustee and upon all holders of Bonds; but no such waiver, rescission and annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

Section 9.04. Powers of Trustee. If any Event of Default occurs and is continuing, the Trustee in its discretion may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding and upon receipt of indemnity to its satisfaction, shall, take any or all of the following actions:

(a) Enforce each and every right of the Trustee under this Indenture or otherwise;

(b) By mandamus or other proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Issuer to comply with the provisions of this Indenture and to require the Issuer or the Board to carry out any other agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act;

(c) Bring suit upon the Bonds;

(d) By a proceeding in equity require the Issuer or the Board to account as if it were the trustee of an express trust for the Bondholders;

(e) By a proceeding in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; or

(f) Seek the appointment of a receiver for the Hospital facilities by a court of appropriate jurisdiction for the operation of such Hospital facilities by such receiver and the collection of the rents, revenues, issues, earnings, income and products of such Hospital facilities, with such powers as the court making such appointment shall direct.

The Trustee may maintain any proceeding without the possession of any of the Bonds or the production thereof in connection with said proceeding.

If any proceeding taken by the Trustee on account of any Event of Default is discontinued or abandoned for any reason, or determined adversely to the Trustee, then and in every case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 9.05. Powers of Bondholders. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder.

Section 9.06. Limitations on Bondholders. No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder, or any other remedy hereunder or on the Bonds, unless:

(a) Such holder previously shall have given to the Trustee written notice of an Event of Default;

(b) The holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name;

(c) There shall have been offered to the Trustee, security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and

(d) The Trustee shall have refused or neglected to comply with such request within a reasonable time.

Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or to any other remedy hereunder; it being understood and intended that no Bondholder shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder or under the Bonds, except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of all holders of Outstanding Bonds affected thereby,

subject to the provisions of this Indenture. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to institute suit for the enforcement of payment of the principal of and interest on such Bond when due and payable in accordance with its terms, upon redemption or otherwise.

Section 9.07. Right of Purchaser to Act. Notwithstanding anything set forth in this Indenture to the contrary, so long as the Purchaser is the Holder of the Bonds, the Purchaser may institute a suit, action or proceedings in equity or at law, in state or federal court, for the execution of any trust under this Indenture or for any other remedy hereunder using applicable state or federal law. Specifically, Purchaser shall not be obligated to first request the Trustee to act on behalf of Purchaser and may proceed directly against the Issuer, provided it is understood and intended that Purchaser shall not have any right to affect, disturb or prejudice the security of this Indenture, or to enforce any right under this Indenture, except in the manner provided therein, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture. Any recovery shall be for the benefit of all Holders of Outstanding Bonds on a parity basis. The Trustee shall not be answerable for the exercise by Purchaser of its powers set forth in this Section, except only its own misconduct or gross negligence. Where Purchaser institutes an action pursuant to this Section, the Trustee is empowered to receive moneys from such proceeding and to disburse such funds in accordance with the terms of this Indenture (as supplemented and/or amended from time to time), including for the payment of moneys due to the Trustee under this Indenture (as supplemented and/or amended from time to time) and for the benefit of all Holders on a parity basis.

Section 9.08. Control of Proceedings Commenced by the Trustee and Commenced by Purchaser. Notwithstanding anything in this Indenture to the contrary, until such time as the Purchaser shall have notified the Trustee of its election to have the Trustee enforce Purchaser's rights under this Indenture, and Trustee shall have accepted such election, the provisions of (i) Sections 9.04 and 9.06 requiring the Trustee to act and (ii) Sections 9.05 and 9.06 permitting Bondholders to act, in all such cases, on the written request of the Registered Owners of not less than twenty-five percent (25%) of principal amount of the Bonds then Outstanding hereunder, shall mean the Registered Owners excluding the Purchaser of not less than twenty-five percent (25%) of the principal amount of the Bonds then Outstanding hereunder excluding the principal amount of any Bonds then Outstanding held by the Purchaser. Where Purchaser has commenced an action pursuant to the terms of Section 9.07 above, Purchaser shall control such action in accordance with such Section 9.07.

Section 9.09. Remedies not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9.10. Delay or Omission of Trustee. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Article IX to the Trustee and to the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.11. Application of Moneys. Any moneys received by the Trustee while an Event of Default is continuing and any available moneys held in the Sinking Fund, Reserve Account or otherwise, after first being applied to the payment of the reasonable fees and expenses of the Trustee shall be applied in the following order:

(A) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment to the persons entitled thereto of all installments of principal and interest then due on the Bonds, in the order of maturity of the installments of such principal and interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege.

(B) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on the Bonds, without preference or priority, according to the amounts due respectively for principal and interest, to the persons entitled thereto.

(C) To the extent of the surplus, if any, to the Issuer or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Whenever moneys are to be applied pursuant to this Section 9.11, the Trustee shall fix the date (which shall be a payment date on the Bonds unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amount of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

Section 9.12. Severability of Remedies. It is the purpose and intention of this Article IX to provide rights and remedies to the Trustee and Bondholders which may be lawfully granted under the provisions of the Act, but, should any right or remedy herein granted be held to be unlawful, the Trustee and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided in this Indenture.

Section 9.13. Limitation on Remedies and Rights. The Trustee and the Bondholders expressly acknowledge and agree that the grant and exercise of all rights and remedies are subject to laws applicable to health care providers, including, without limitation, laws protecting the confidentiality of patient information, and that in connection with the exercise of any rights or remedies, it may be necessary to obtain approval of, consents, determinations, exceptions or certifications from, third parties, including without limitation, commercial and governmental payers and health care regulatory authorities and agencies.

Section 9.14. Limited Indemnification Where Trustee Acts on Behalf of Purchaser. Should Purchaser elect to have the Trustee enforce Purchaser's rights under this Indenture, Purchaser's obligation to indemnify the Trustee against the liabilities associated with a request for enforcement of remedies shall be limited to the extent permitted by law, provided however, the Trustee shall not be required to institute an action on Purchaser's behalf unless indemnification is provided to the Trustee in accordance with the terms of this Indenture.

ARTICLE X

CONCERNING THE TRUSTEE

Section 10.01. Acceptance of Trust. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts in accordance with the provisions set forth in this Indenture, but only upon and subject to the following express terms and conditions:

A. The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any non-negligent action or non-action in reliance upon such opinion or advice.

B. The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture, or for insuring the property herein conveyed or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the property herein conveyed, if any, or otherwise as to the maintenance of the security hereof; except that in the event the Trustee enters into possession of a part or all of the property pursuant to any provision of this Indenture it shall use due diligence in preserving such property, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer or the Board hereunder, except as hereinafter set forth, but the Trustee may require of the Issuer or the Board full information and advice as to the performance of the covenants, conditions and agreements aforesaid as to the condition of such property. The Trustee shall have no obligation to perform any of the duties of the Issuer under this Indenture. The Trustee shall not be responsible for reviewing any financial information of the Board which it receives pursuant to this Indenture. Except during the continuance of an Event of Default, the Trustee shall be obligated to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

C. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder after such Bonds shall have been delivered in accordance with instructions of the Issuer. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

D. The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee, pursuant to this Indenture upon the request, authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefore or in place thereof.

E. As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Issuer signed by its Mayor, City Manager or any certificate signed by the Board 's President or Secretary as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee has been notified as provided in Subsection G of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the City Clerk of the Issuer under its seal to the effect that a resolution

or ordinance in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution or ordinance has been duly adopted, and is in full force and effect.

F. The permissive right of the Trustee (indicated by the word "may" and not by the word "shall") to take actions under this Indenture shall not be construed as a duty and the Trustee, except during the continuance of an Event of Default, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In the performance of such duties, the Trustee shall be answerable only for its gross negligence or willful misconduct. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise, as an ordinarily prudent man would exercise or use under the circumstances in the conduct of his own affairs.

G. The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless the Trustee shall be specifically notified in writing of such default by the Issuer or by the holders of at least 25% in aggregate principal amount of Bonds then outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

H. The Trustee shall not be personally liable for any debts contracted or for damages to persons or property, or for salaries or non-fulfillment of contracts during any period in which it may be in the possession of or managing the real or tangible personal property as in this Indenture provided.

I. At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the property herein conveyed, including all books, papers and records of the Issuer pertaining to the Project and the Bonds, and to take copies of such memoranda from and in regard thereto as may be desired.

J. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

K. Notwithstanding anything contained elsewhere in this Indenture, the Trustee shall have the right, but shall not be required, to demand, with respect to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

L. Before taking any action hereunder the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from the gross negligence or willful default of the Trustee by reason of any action so taken.

M. All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for purposes for which they were received but need not be segregated from other funds except to the extent required by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 10.02. Notice of Default to Bondholder. Within 30 days after the occurrence of any Event of Default (or event which would with the passage of time or giving of notice or both be an Event of Default) hereunder of which the Trustee has actual knowledge or has, or is deemed to have, notice, the Trustee shall, unless such event or Event of Default shall no longer subsist, mail notice thereof to all Bondholders; provided, however, that such notice need not be given if the Trustee determines that to give such notice is not in the best interests of the holders of Bonds of all series.

For purposes of this Section 10.02, the Trustee shall not be deemed to have actual knowledge of any Event of Default unless a trust officer, assistant trust officer or other person charged with the administration of the obligations of the Trustee hereunder shall during the course of his duties have actual knowledge thereof.

Section 10.03. Rights and Powers During Default. Subject to its responsibility to act upon the direction of Bondholders hereunder, the Trustee shall exercise such of the rights and remedies vested in it by this Indenture and shall use the same degree of care in their exercise as a prudent man would exercise or use in the circumstances in the conduct of his own affairs; provided, that if in the opinion of the Trustee such action may tend to involve expense or liability, it shall not be obligated to take such action unless it is furnished with indemnity satisfactory to it.

Section 10.04. Right to Rely Upon Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine. The Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the trust and accuracy of such statements.

Section 10.05. Right to Own and Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholder may be entitled to take, with like effect as if the Trustee were not a party to this Indenture. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer or the Board and may act as depository, trustee or agent for any committee or body of holders of the Bonds or other obligations of the Issuer, as freely as if it were not Trustee hereunder.

Section 10.06. Interest Upon Moneys Received. The Trustee shall not be under any liability for interest on any moneys received under any of the provisions of this Indenture, except such as may be agreed upon between the Trustee and the Issuer. All interest allowed on any such moneys shall be credited as provided in Article VII hereof with respect to interest on investments.

Section 10.07. Construction of Provisions of Indenture. The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision thereof.

Section 10.08. Co-Trustee. The Trustee, with the approval of the Issuer, may appoint an additional individual institution as a separate or co-trustee. If the Trustee appoints a separate or co-trustee, each power or right vested in the Trustee hereunder shall be exercisable by and vest in such separate or co-trustee to exercise such powers or rights, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Section 10.09. Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days written notice to the Issuer and the Board and by registered or certified mail to each registered owner of Bonds then Outstanding, and such resignation

shall take effect upon the appointment of a successor Trustee by the Bondholders or by the Issuer. Such notice to the Issuer may be served personally or sent by registered mail.

Section 10.10. Removal of Trustee. The Trustee or any Trustee hereafter appointed hereunder may be removed at any time by an instrument in writing appointing a successor Trustee, filed with the Trustee so removed, the Issuer and the Board and executed by the holders of a majority in aggregate principal amount of the Bonds then outstanding.

Section 10.11. Appointment of Successor Trustee. In case the Trustee hereunder shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or shall otherwise become incapable of acting hereunder or in case it shall be taken under the control of any public officer, officers or a receiver appointed by a court, a successor may be appointed by the owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument executed and signed by its Mayor or City Manager and attested by its City Clerk under its seal shall forthwith appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondholders in the manner above provided; and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Bondholders.

Section 10.12. Qualification of Successor Trustee. Every successor Trustee appointed pursuant to any of the foregoing provisions which is not a governmental entity or representative of such governmental entity shall be a trust company or a national bank or state bank with trust powers in good standing and, if there be such a trust company or national or state bank willing and able to accept the trust on reasonable and customary terms, shall have a reported capital and surplus of not less than $10,000,000.

Section 10.13. Court Appointment of Successor Trustee. In case at any time the Trustee or any Trustee hereafter appointed shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article X prior to the date specified in the notice of resignation as the date when such resignation shall take effect, the resigning Trustee may forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article X within 3 months after a resignation by the Trustee, the holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Section 10.14. Acceptance and Transfer of Trust. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and the Board an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become duly vested with all the trust estate and the rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein. Upon request of such Trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument transferring to such successor Trustee all the trust estate and the rights, powers and trusts hereunder of the Trustee so ceasing to act; and the Trustee so ceasing to act shall pay over to the successor Trustee all moneys and other assets at the time held by it hereunder.

Section 10.15. Successor Trustee by Merger. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the successor Trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.16. Trustee's Right to Make Advances. If the Issuer shall fail to perform any of the covenants or agreements contained in this Indenture other than the covenants or agreements in respect of the payment of the principal or interest on the Bonds, the Trustee may, in its discretion and without notice to the Bondholders, at any time and from time to time, make advances to effect performance of the same on behalf of the Issuer, but the Trustee shall be under no obligation so to do, and no such advance shall operate to relieve the Issuer from any default hereunder.

Section 10.17. Intervention by Trustee. The Trustee may intervene on behalf of the Bondholders in any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Bondholders, and shall intervene if it is requested in writing by the holders of at least 25% in aggregate principal amount of the Bonds then Outstanding and if provided indemnity pursuant to Section 9.06 hereof. The rights and obligations of the Trustee under this Section 10.17 are subject to the approval of a court of competent jurisdiction. Notwithstanding anything herein to the contrary, the Trustee shall not be liable for its actions except as a result of its gross negligence or willful misconduct.

Section 10.18. Registration Under Securities Act, etc. In the event that the Bonds become subject to registration under the Securities Act of 1933 or the West Virginia Uniform Securities Act, or the Indenture becomes subject to qualification under the Trust Indenture Act of 1939, upon receipt of an opinion of Bond Counsel to such effect, the Trustee and the Issuer will take all actions necessary and will cooperate with the Issuer and Bond Counsel to accomplish such registration or qualification.

ARTICLE XI

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

Section 11.01. Execution of Instruments. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed by an instrument in writing. The fact and the date of the execution by any person of any such instrument may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgment or by an affidavit of a witness to such execution.

Nothing contained in this Article XI shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient. Any request, consent or other action of the holder of any Bond shall bind every future holder of the same Bond in respect of anything done by the Trustee, the Issuer or the Board in pursuance thereof.

ARTICLE XII

SUPPLEMENTAL INDENTURES; MODIFICATION OF THE INDENTURE

Section 12.01. Supplemental Indentures Without Consent of Bondholders. The Issuer and the Trustee may, without the consent of or notice to any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture as shall be consistent with the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee or either of them;

(c) To subject to the lien and pledge of this Indenture additional revenues, properties or collateral;

(d) To evidence the appointment of a separate trustee or a co-trustee or the succession of a new trustee hereunder;

(e) To make any other change in this Indenture which, in the judgment of the Trustee in reliance upon an Opinion of Counsel, does not materially adversely affect the rights of the holders of any Bonds; or

(f) To comply with the provisions of the Trust Indenture Act of 1939, as amended.

Section 12.02. Modification of the Indenture with Consent of Bondholders. From time to time the holders of not less than 60% in aggregate principal amount of the Outstanding Bonds materially adversely affected by any waiver under, or modification or alteration of, this Indenture may, by an instrument or instruments in writing signed by such holders and filed with the Trustee, assent to and authorize any such waiver, modification or alteration that shall be proposed by the Issuer and consented to by the Trustee; and any action herein authorized to be taken, with the assent or authority given as aforesaid shall be binding upon the holders of all the Bonds hereby secured and upon the Trustee as fully as though such action were specifically and expressly authorized by the terms of this Indenture; provided that, without the consent of the holders of all Bonds affected thereby, no such waiver, modification or alteration shall permit (a) the reduction of the portion of the Bonds the consent of the holders of which is required for any waiver, modification or alteration of this Indenture, (b) the extension of the time or times of payment of the principal of and interest on the Bonds, whether at maturity, upon redemption, or otherwise, or (c) the reduction in the principal amount thereof or in the rate of interest or the amount of any premium thereon or any change in the currency for payment thereof.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Sole Benefit of Parties and Bondholders. Except as herein otherwise provided with respect to the Board, nothing in this Indenture expressed or implied is intended or shall be

construed to confer upon any person, firm or corporation other than the parties hereto and the holders of the Bonds any right, remedy or claim under or by reason of this Indenture, this Indenture being intended to be for the sole and exclusive benefit of the parties hereto and the holders of the Bonds.

Section 13.02. Severability of Provisions. In case any one or more of the provisions of this Indenture or of the Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture or of said Bonds, but this Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

Section 13.03. Notices. All communications hereunder shall be in writing and, unless otherwise required under this Indenture, shall be deemed sufficiently given or made if delivered personally to the person who is to receive the same or if mailed to such person by first class mail, registered or certified, return receipt requested, postage prepaid, by deposit thereof in a United States Post Office, or branch thereof, within the United States of America addressed:

If to the Issuer:

City of Grafton
1 West Main Street
Grafton, West Virginia 26354
Attention: City Manager

If to the Board:

Grafton City Hospital, Inc.
1 Hospital Plaza
Grafton, West Virginia 26354
Attention: Administrator

If to the Trustee:

United Bank, Inc.
500 Virginia Street East
Charleston, WV 26301
Attention: Corporate Trust Department

If to Purchaser:

United States Department of Agriculture
National Finance Office
St. Louis, Missouri 63103

If to the Commission:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

The Trustee, the Issuer, the Board, the Purchaser and the Commission may, by notice given hereunder, designate any further or different addresses to which subsequent communications shall be sent.

Section 13.04. Successors and Assigns. None of the covenants, promises and agreements made in this Indenture by or on behalf of the Issuer or the Trustee shall be assignable by either of them except as expressly provided herein; but insofar as assignable or otherwise transferable this Indenture shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 13.05. Counterparts. This Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but all such counterparts shall together constitute but one and the same instrument.

Section 13.06. Governing Law. Except as otherwise specifically provided herein, this Indenture and all Bonds issued hereunder have been or will be executed and delivered under the laws of the State of West Virginia, and such laws shall govern the construction of this Indenture and of all such Bonds.

Section 13.07. Payments Due on Saturdays, Sundays and Holidays. In any case where the date for any payment on or with respect to the Bonds shall be a Saturday, a Sunday, a legal holiday or a day on which banking institutions in the domicile of the Trustee are authorized by law to close, then payment shall be made on the next succeeding business day not a Saturday, a Sunday, a legal holiday or a day upon which banking institutions are authorized by law to close.

Section 13.08. No Liability on Issuer. No provision, covenant or agreement contained in this Indenture or in the Bonds or any obligations herein or therein imposed upon the Issuer or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or a charge upon its general credit or taxing powers. In making the agreements, provisions and covenants set forth in this Indenture, the Issuer has not obligated itself except with respect to the Revenues, as herein above provided. No officer or member of the Issuer shall be personally liable on this Indenture or on any Bonds, nor shall the issuance of the Bonds under this Indenture be considered a misfeasance in office.

THE BENEFICIARY OF THIS INDENTURE OF TRUST AT THE TIME OF EXECUTION AND DELIVERY, AS THE PURCHASER OF THE BONDS, IS AS FOLLOWS:

United States of America Acting Through the Rural Housing Service
United States Department of Agriculture- Rural Development
West Virginia State Office
1550 Earl Core Road, Suite 101
Morgantown, West Virginia 26505

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture of Trust to be executed and their corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

UNITED BANK, INC.,
as Trustee

By _____
Its: _____

ACCEPTED AND AGREED TO BY:

GRAFTON CITY HOSPITAL, INC., as or its board as
the City Hospital Board of Grafton City Hospital or
the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

APPROVED AND CORRECT AS TO FORM:

By _____
Shawn Nines, City Attorney

IN WITNESS WHEREOF, the parties hereto have caused this Indenture of Trust to be executed and their corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

UNITED BANK, INC.,
as Trustee

By _____
Its: _____

ACCEPTED AND AGREED TO BY:

GRAFTON CITY HOSPITAL, INC., as or its board as
the City Hospital Board of Grafton City Hospital or
the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A – SERIES 2015 A BOND FORM

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. AR-1 $2,999,930

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Two Million Nine Hundred Ninety Nine Thousand Nine Hundred Thirty and 00/100 Dollars ($2,999,930), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $13,080, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by the Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $2,999,930, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 B BONDS" AND

TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $650,000.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part,

together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $1,129,800	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 A Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

UNITED BANK, INC., as Registrar

By _____
Its: _____

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	

EXHIBIT B – SERIES 2015 B BOND FORM

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 B
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. BR-1 $650,000

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Six Hundred Fifty Thousand and 00/100 Dollars ($650,000), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $2,834, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by the Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $650,000, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 A (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 A BONDS" AND

TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $2,999,930.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part,

together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $650,000	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $650,000

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 B Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

UNITED BANK, INC., as Registrar

By _____
Its: _____

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	

Georgianna Thompson
TAYLOR County 02:27:22 PM
Instrument No 201501798b
Date Recorded 10/28/2015
Document Type DT
Pages Recorded 12
Book-Page 339-122
Recording Fee $18.00
Additional $0.00

A CREDIT LINE DEED OF TRUST

"THIS INSTRUMENT SECURES AN OBLIGATION THAT MAY INCREASE AND DECREASE FROM TIME TO TIME"

"THIS INSTRUMENT CONTAINS AFTER ACQUIRED PROPERTY PROVISIONS"

"THIS CREDIT LINE DEED OF TRUST IS FILED FOR RECORD IN THE REAL ESTATE RECORDS AS A FIXTURE FILING PURSUANT TO WEST VIRGINIA CODE SECTION 46-9-502"

A CREDIT LINE DEED OF TRUST AND FIXTURE FILING

THIS CREDIT LINE DEED OF TRUST AND FIXTURE FILING (the "Deed of Trust"), dated as of October 26, 2015, by and between the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia, whose address is 1 West Main Street, Grafton, West Virginia 26354, hereinafter called the "Grantor," and ROBERT D. LEWIS, a resident of Clay County, West Virginia, whose address is 1550 Earl Core Road, Suite 101, Morgantown, West Virginia 26505, hereinafter called the "Trustee" for the benefit and security of the UNITED STATES OF AMERICA, ACTING THROUGH THE RURAL HOUSING SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE (the "Purchaser") in the repayment of the Bonds (hereinafter defined).

WITNESSETH: That for and in consideration of the indebtedness and trusts hereinafter set forth and the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor does hereby grant and convey unto Trustee:

(A) All that certain real estate more particularly set forth and described in EXHIBIT A, attached hereto and made a part hereof, together with all buildings, improvements, fixtures and appurtenances now or hereafter situate thereon and together with the rights, privileges, easements, hereditaments, improvements and appurtenances thereunto belonging or appertaining (the "Premises");

(B) All of the right, title and interest of the Grantor in any and all buildings, improvements and fixtures of every kind, and all machinery, equipment and property owned by Grantor which are or shall be attached to, or be deemed to be fixtures and a part of, the Premises, and together also with all equipment, materials, supplies and other property of every kind or nature whatsoever, and wheresoever located, now or hereafter owned by Grantor or in which it has or shall have an interest, to be affixed to buildings or other improvements on the Premises or appurtenances thereto, and all easements and rights-of-way (collectively, the "Fixtures"), all of which, together with the Premises shall secure the indebtedness herein described and covered by this Deed of Trust and is sometimes herein referred to collectively as the "Secured Property."

TO HAVE AND TO HOLD the Secured Property unto the Trustee and its successors in trust forever; and the Grantor does hereby covenant to and with Trustee, its successors and assigns, that the Grantor will warrant generally the Secured Property hereby conveyed; that the Grantor has the right to grant and convey the Secured Property to Trustee; that the same is free from any and all liens and encumbrances other than Permitted Encumbrances as defined in the Indenture of Trust with respect to the Bonds (the "Indenture"), by and between the Grantor and United Bank, Inc., as bond trustee (the "Bond

Trustee") and agreed to by Grafton City Hospital, Inc. (the "Board"); that Trustee shall have quiet possession thereof and that the Grantor will execute and deliver such other and further assurances of the Secured Property as may be requisite, including, but not limited to, the execution and delivery of financing statements, continuation statements and such other instruments as Trustee may require to impose the lien and security interest hereof more specifically upon any item or items of property, or rights or interests therein, covered by this Deed of Trust, and will do such other and further reasonable acts as Trustee may require to carry out more effectually the purposes of this Deed of Trust.

IN TRUST NEVERTHELESS to secure the repayment of the Grantor's Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), dated October 28, 2015, issued in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and the Grantor's Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), dated October 28, 2015, issued in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds") payable to the Purchaser and to secure the obligations of Grantor under the Indenture, which sum of $3,649,930 is the maximum amount of present and future advances secured by this Deed of Trust, which shall be advanced as provided under the terms of the Indenture and the Bonds. Each advance is secured by this Deed of Trust. This Deed of Trust also secures any and all replacements, extensions, modifications, supplements and/or renewals of the Bonds and the Indenture, or any part thereof, however changed in form, manner or amount, and all other indebtedness of the Grantor to Purchaser, at any time and from time to time arising hereunder or under the Indenture or the Bonds, and any and all replacements, extensions, modifications and/or renewals of any other indebtedness (all of which indebtedness, together with the interest thereon, is sometimes hereinafter collectively referred to as the "Secured Debt").

THE INDEBTEDNESS SECURED HEREBY PROVIDES FOR OBLIGATORY FUTURE ADVANCES PURSUANT TO THE TERMS OF THE INDENTURE AND THE BONDS NOT TO EXCEED THE AFORESAID MAXIMUM PRINCIPAL INDEBTEDNESS OF $3,649,930. ALL NOTICES OF LIENS OR CLAIMS AGAINST THE SECURED PROPERTY COVERED HEREBY SHALL BE SENT TO THE PURCHASER, AS THE PRIMARY LIENHOLDER, AT THE ADDRESS SET FORTH IN PARAGRAPH 10 HEREOF.

The Grantor, for and in the consideration aforesaid, covenants, represents, warrants and agrees as follows:

1. That it will, so long as the Secured Debt, or any part thereof, remains unpaid: (a) pay as and when due and payable (or assure that the Board pays) all taxes, assessments, impositions and other governmental charges, fines and fees, without limitation, that may be levied or assessed against the Secured Property or any part thereof, including the buildings and improvements now situate on the Premises, or that may hereafter be erected thereon, and any improvements and additions made therein or thereto from time to time, all as provided in the Indenture and subject to the terms thereof; (b) have and keep (or ensure that the Board has and keeps) the buildings and improvements now situate on the Premises or that may hereafter be erected thereon, and all other insurable property covered by this Deed of Trust, constantly insured against loss or damage by fire and such other casualties, contingencies and hazards as set forth in the Indenture and subject to the terms thereof; (c) keep and maintain (or ensure that the Board keeps and maintains) the Secured Property in good condition and repair and not abandon the same, or any part thereof, as provided in the Indenture and subject to the terms thereof, nor commit or permit the commission of waste on or in the Secured Property, or any part thereof, or permit any building or improvement to be removed, destroyed, demolished or structurally altered in whole or in part except as permitted by the Indenture, and the Grantor shall comply with all leases and subleases of any part of the Secured Property, and shall, as provided in the Indenture and subject to the terms thereof, comply and

cause all occupants of the Secured Property or those in possession thereof to comply, with all laws, ordinances, orders, rules, regulations and requirements relating to the use or maintenance of the Secured Property and with all requirements, directions and orders and notices of violations thereof issued by any governmental agency, body or officer; (d) permit Trustee and Purchaser, or their agents, to enter and inspect the Secured Property at all reasonable times; (e) pay to Trustee or Purchaser, upon demand, any and all sums of money, including, without limitation, all costs, expenses and reasonable attorneys' fees, which Trustee or Purchaser may incur or expend in any action or proceeding that may concern the Secured Property, or any part thereof or interest therein, including, without limitation, any eminent domain proceeding, or any action or proceeding to sustain the lien of this Deed of Trust, or its priority, or in defending any party thereto, or any party secured hereby, against the liens, demands or claims of title of any person, firm or corporation, asserting priority over this Deed of Trust, or asserting title adverse to the title under which Trustee holds, or in the discharge of any such liens, demands or claims, or in connection with any action to foreclose this Deed of Trust, or to recover any indebtedness secured hereby or any other payments made on behalf of the Grantor pursuant to the Indenture or the Bonds.

The obligation secured by this Deed of Trust is in the maximum aggregate principal amount of $3,649,930, plus interest thereon and taxes, insurance premiums and other obligations due under the Indenture, derived from the issuance by the Grantor of its $2,999,930 principal amount of the Series 2015 A Bonds and its $650,000 principal amount of Series 2015 B Bonds, the proceeds of which will be used for the purposes of financing a portion of the costs of the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project") the current refunding and repayment in full of the Grantor's outstanding Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"), the repayment and refinancing of a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"), and the payment of existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations") and paying costs of issuance of the Bonds and related costs. The Bonds will be payable solely from the revenues of the Hospital facility, the trust estate provided pursuant to the Indenture, a statutory mortgage lien upon the assets of the Hospital facility described in the Indenture pursuant to Chapter 8, Article 16 of the West Virginia Code of 1931, as amended (the "Revenue Bond Act") and any foreclosure proceeds realized pursuant to this Deed of Trust. The Indenture is hereby incorporated into and made a part of this Deed of Trust as if set forth in full herein. The Bonds are issued on a parity as to lien on, source of and security for payment and in all respects as to one another.

2. In the event the Grantor fails (a) to make any payment required, or fails to comply with, perform or carry out any of the provisions of paragraphs 1 or 2 hereof, or (b) to perform any of the terms, covenants or agreements by the Grantor to be performed under the Indenture or is otherwise in default under the Indenture or the Bonds, then, and in any such event, Trustee shall have the right, without notice to or demand upon the Grantor or any other person, to make any such payment, take any such action or do any such thing as, in the exercise of Trustee's discretion, may be determined to be reasonably necessary to protect the lien and security hereof as fully and completely as if the Grantor made each and every such payment when due, and kept, complied with, performed and carried out the provisions of said paragraphs 1 and 2. Without limiting the generality of the foregoing, Trustee may, in any such event, (i) obtain the required insurance covering the Secured Property and pay the premiums thereon or pay any unpaid premiums on any insurance procured by the Grantor; (ii) pay said taxes, assessments, impositions and other governmental charges, fines and fees, together with any penalties and interest accrued thereon, and redeem the Secured Property from a tax sale if it has been sold, and shall be subrogated to the lien of the governmental body to which such payment was made; (iii) make and pay for any and all repairs which

Trustee deems necessary to place or keep the Secured Property in good condition and repair; (iv) stop or mitigate waste on or in the Secured Property or any part thereof; (v) stop or prevent the removal, destruction, demolition or structural alteration of any building or improvement on the Secured Property; (vi) stop or prevent the violation of any law, ordinance, rule or regulation relating to the use or maintenance of the Secured Property or of any requirement, direction or order or notice of violation thereof issued by any governmental agency, body or officer; (vii) pay all or any part of any sum or sums of money that may be due or payable under the provisions of subparagraph (e) of paragraph 1 hereof; and (viii) pay all or any part of the leasehold payments due and payable under any leases or subleases of any of the Secured Property; and the Grantor hereby promises to pay to Trustee, upon demand, any and all sums of money paid out or expended by Trustee for any of the purposes set out in this paragraph 2, together with interest thereon from the date of payment at the rate provided in the Indenture or in the Bonds, and agrees that any sum or sums of money so paid by Trustee shall thereupon be and become a part of the Secured Debt, including, without limitation, those moneys expended on behalf of the Grantor pursuant to the Indenture, and shall be collectible as such, all without waiver of any right arising from the breach of or default in the performance of any warranty, covenant, condition, provision or agreement herein contained or contained in the Indenture, including, without limitation, the right to enter and take possession of the Secured Property, and rent and manage the same, and the right to foreclose this Deed of Trust; but nothing herein contained shall be construed as imposing any duty or obligation upon Trustee to pay any such sum or sums of money herein authorized to be paid, or to take any other action authorized hereunder.

3. Upon the occurrence of an Event of Default as defined in the Indenture or default by the Grantor in any of its covenants hereunder (hereinafter collectively called an "Event of Default"), the Secured Debt shall at the option of the Purchaser immediately become due and payable without notice to or demand on the Grantor or any other person.

4. If any one or more Events of Default shall occur and be continuing, any one or more of the following rights and remedies shall exist, any two or more of which may be exercised concurrently, and subject to general principles of equity and judicial discretion which may be applicable in appropriate circumstances:

(A) Without notice to or demand on the Grantor or any other person, Trustee may forthwith: (i) enter into and upon all of the Secured Property, or any part or portion thereof, either in person or by agent, and take possession of the Secured Property, or any part or portion thereof, without process of law, and without liability to the Grantor or other owner or owners of the Secured Property, and manage and rent the same, collect and receive the rents, issues and profits thereof (past due, due or to become due) and apply the same to the payment of the Secured Debt, after first deducting the costs and expenses incurred in managing the Secured Property and in collecting said rents, issues and profits (including, without limitation, reasonable compensation for managing the same and collecting and disbursing said rents, issues and profits accruing therefrom), and after deducting such further amount or amounts as may be necessary to pay or reimburse Trustee for any sum or sums of money paid by them, or any of them, under the provisions hereof, together with interest at the rate provided in the Indenture or in the Bonds to the date of payment; or (ii) have a receiver appointed by any court having jurisdiction to take charge of the Secured Property, or any part or portion thereof, and collect, receive and apply the rents, issues and profits thereof. In either case, any person or persons in possession of the Secured Property, or any part or portion thereof, shall be deemed a tenant at will and shall at once surrender such possession on demand of Trustee or a receiver. It is understood and agreed by and between the parties hereto that nothing herein contained shall be construed as a substitute for, or in derogation of, the right to

foreclose this Deed of Trust or as imposing any duty or obligation upon the Trustee to take charge of the Secured Property, or any part or portion thereof, to collect said rents, issues or profit or to have a receiver appointed for such purposes.

(B) Without notice to or demand on the Grantor or any other person, Trustee may at its option declare the Secured Debt to be immediately due and payable and upon the exercise of said option the Secured Debt may be collected by proper action, foreclosure of this Deed of Trust, or any other legal or equitable proceeding.

(C) At any time after the exercise by Trustee of the option to declare the Secured Debt to be immediately due and payable, Trustee may foreclose upon and sell the Secured Property, or any part or portion thereof, at one or more successive sales, as an entirety or otherwise, as the Trustee may deem expedient, to satisfy the Secured Debt at public auction or auctions at the front door of the courthouse of the county in which the Secured Property is situate, upon such payment terms as shall be deemed satisfactory to the Trustee, after first giving legally sufficient notice each of such sale by publishing such notice in a qualified newspaper of general circulation published in the county wherein the Secured Property is located or otherwise as provided by law, once a week for 2 successive weeks preceding the day of sale. Notwithstanding anything herein to the contrary, a copy of such notice shall be served on the Grantor, by certified mail, return receipt requested, directed to the address shown by the Grantor in paragraph 9 hereof or such other address given to the Trustee in writing by the Grantor subsequent to the execution and delivery hereof and shall be served by certified mail, at least 20 days prior to the sale, upon any subordinate lienholder who has previously notified the Purchaser, as primary lienholder, by certified mail, at the address or addresses set forth in paragraph 9 hereof, of the existence of a subordinate lien, directed to the address of the subordinate lienholder as provided by the subordinate lienholder in the notice of existence of a subordinate lien. Any other notice or notices required or permitted by law to be given to the Grantor and/or any others in connection with such sale or sales and not properly waived shall be given to the Grantor and/or any others as provided by applicable law at the address or addresses, if applicable, set forth in paragraph 9 hereof and as otherwise provided by applicable law. In lieu of or in addition to the foregoing, the Trustee may give notice of the time, terms and place of such sale or sales in accordance with the laws in effect on the date of commencement of such foreclosure proceedings or as may otherwise be allowed by law. Out of the proceeds of such sale, Trustee shall pay, first, the actual costs and expenses of executing this trust, including any additional commission permitted by law to Trustee, or to the one so acting, as their commission hereunder; second to Trustee and/or Purchaser all moneys which it may have paid for taxes, assessments, impositions or other governmental charges, fines or fees, insurance, repairs, court costs, and all other costs and expenses incurred or paid under the provisions of this Deed of Trust, including, without limitation, reasonable attorneys' fees and legal expenses incurred by Trustee or Purchaser in disposing of said properties, together with interest thereon at the rate provided in the Indenture or in the Bonds from the date of payment; third to the Purchaser, its successors or assigns, the full amount due and unpaid on the Secured Debt and all other indebtedness hereby secured, together with all interest accrued thereon to date of payment; fourth to any subordinate lienholders who may be entitled to proceeds realized pursuant to the foreclosure sale; and fifth, the balance, if any, to the Grantor, its successors or assigns, upon delivery of and surrender to the purchaser or purchasers of possession of the Secured Property less the expense, if any, of obtaining such possession, or such other parties as their interests may appear.

(D) In addition to the rights, remedies and powers hereinabove set forth, Trustee shall have as to the Secured Property and any and all other fixtures covered by this Deed of Trust, all rights, remedies and powers of a secured party under the Uniform Commercial Code of West Virginia, as the same may now be in effect or hereafter amended (the "Code").

5. As to any of such Secured Property as may constitute fixtures subject to the Code, this instrument shall constitute a security agreement, and the Grantor does hereby grant a security interest therein to the Purchaser. This instrument is to be filed for record in the real estate records of Harrison County, West Virginia, so as to serve as a fixture filing pursuant to Code § 46-9-502, and is given to finance a "construction mortgage" within the meaning of Code § 46-9-334(h).

Notwithstanding the release of any Secured Property that is deemed real property or any proceedings to have released this Deed of Trust and Security Agreement or its satisfaction of record, the terms hereof shall survive as a security agreement with respect to the security interest created hereby until the repayment or satisfaction in full of the obligation of the Grantor under the Indenture and the Bonds. Nothing herein shall preclude Trustee from proceeding as to both real and personal property in accordance with the Trustee's rights and remedies in respect of property as provided in Article 9 of the Code.

6. The Grantor hereby waives personal service of notice of any sale made hereunder, but not any notice by mailing as prescribed in paragraph 4(C) hereof, upon it, its successors or assigns, and also waives the posting of notice of sale at the courthouse, and agrees that any sale made hereunder may be adjourned from time to time without notice other than oral proclamation of such adjournment at the time and place of sale, or at the time and place of any adjourned sale.

7. In the event that foreclosure proceedings are instituted hereunder but are not completed, Trustee shall be reimbursed for all costs and expenses incurred by them in commencing such proceedings, and, in addition, shall be entitled to, and paid, as a commission, reasonable compensation therefor; and all costs and expenses so incurred by Trustee, and such commission, together with interest thereon until paid at the rate of interest provided in the Bonds, shall be payable by the Grantor on demand, and shall be and become a part of the Secured Debt and shall be collectible as such.

8. It is hereby expressly covenanted and agreed by all parties hereto that Trustee may, at any time and from time to time hereafter, without notice and with or without cause, appoint and substitute another Trustee or Trustees, corporations or persons, in place of the Trustee herein named to execute the trust herein created. Upon such appointment, either with or without a conveyance to said substituted Trustee or Trustees by the Trustee herein named, or by any substituted Trustee in case the said right of appointment is exercised more than once, the new and substituted Trustee or Trustees in each instance shall be vested with all the rights, titles, interests, powers, duties and trusts in the premises which are vested in and conferred upon the Trustee herein named; and such new and substituted Trustee or Trustees shall be considered the successors and assigns of the Trustee who is named herein within the meaning of this instrument, and substituted in its place and stead. Each such appointment and substitution shall be evidenced by an instrument in writing which shall recite the parties to, and the book and page of record of, this Deed of Trust, and the description of the Premises, which instrument, executed and acknowledged by the Grantor and recorded in the office of the Clerk of The County Commission of Harrison County, West Virginia, shall be conclusive proof of the proper substitution and appointment of such successor Trustee or Trustees, and notice of such proper substitution and appointment to all parties in interest.

9. Any notice required or permitted to be given under this Deed of Trust shall, except to the extent expressly otherwise required or provided herein and except as otherwise required by applicable law, be effective upon the deposit of such notice, in writing, in the regular United States mail, certified, return receipt requested, postage paid, addressed to the party or parties to receive such notice at the following addresses or at such other address as any such party may give the other parties in the manner for giving notice herein prescribed:

TO GRANTOR:
City of Grafton
1 West Main Street
Grafton, West Virginia 26354
Attention: City Manager

TO THE BOARD:
Grafton City Hospital, Inc.
1 Hospital Plaza
Grafton, West Virginia 26354
Attention: Chairman

TO TRUSTEE:
Robert D. Lewis, State Director
United States Department of Agriculture, Rural Development
West Virginia State Office
1550 Earl Core Road, Suite 101
Morgantown, WV 26505

TO PURCHASER:
United States Department of Agriculture
Rural Development
Attn: State Director
1550 Earl Core Road, Suite 101
Morgantown, West Virginia 26505

The address of the Purchaser set forth above shall be the address to which notice of the existence of a subordinate lien shall be mailed to the primary lienholder as hereinbefore set forth.

10. All rights and remedies herein contained shall be cumulative and not exclusive. No failure or delay of Trustee to exercise any option, right or power herein contained shall constitute a waiver of any right, power or privilege herein given or granted to Trustee, or an acquiescence therein, and a waiver by Trustee of the right to exercise any option, right or power as to any breach or default shall not constitute a waiver of the right to exercise the same option, right or power, or any other option, right or power herein contained, as to another or any continuing or subsequent breach or default.

Neither the Grantor nor any other person now or hereafter obligated for payment of all or any part of the sums now or hereafter secured by this Deed of Trust shall be relieved of such obligation by reason of the failure of Trustee to comply with any request of the Purchaser or of any other person so obligated to take action to foreclose on this Deed of Trust or otherwise enforce any provision of this Deed of Trust or the Indenture by reason of the release regardless of consideration of all or any part of the security held for the indebtedness secured by this Deed of Trust or by reason of any agreement or stipulation between any subsequent owner of the Secured Property and the Grantor extending the time of payment or

modifying the terms of this Deed of Trust, and the Grantor and all such other persons shall continue to be liable to make payments according to the terms of any such agreement.

11. If all or any part of the Secured Property or an interest therein is sold or transferred by the Grantor (except as may be permitted by the Indenture) without the prior written consent of the Purchaser, the Trustee may at the direction of the Purchaser, declare all sums secured by this Deed of Trust to be immediately due and payable.

12. It is further understood and agreed between the parties hereto that if any term or provision of this Deed of Trust or of the Indenture or the Bonds hereby secured shall contravene or be in conflict with any law of the State of West Virginia or any other applicable law or regulation, such term or provision is amended and modified to conform with such law.

13. It is further understood and agreed by and between the parties hereto that all of the representations, covenants, conditions, agreements, warranties and provisions of said parties herein contained shall extend to and bind the Grantor, its successors and assigns, and shall inure to the benefit of Trustee and Purchaser, and their successors and assigns.

14. Unless the context shall otherwise indicate, words importing the singular shall include the plural, words importing persons shall include firms, associations and corporations, and vice versa, words importing the masculine, feminine and neuter gender shall be deemed to include all such genders, and the terms "hereof," "hereby," "hereunder" and "herein" shall refer to this Deed of Trust.

15. This Deed of Trust may be executed in any number of counterparts, each of which shall be an original and constitute but one and the same.

THE BENEFICIARY OF THIS DEED OF TRUST AT THE TIME OF DELIVERY HEREOF, AS THE PURCHASER OF THE BONDS, IS AS FOLLOWS:

United States of America
Rural Housing Service
United States Department of Agriculture
1550 Earl Core Road, Suite 101
Morgantown, West Virginia 26505

WITNESS the following signatures of the authorized officers of the Grantor:

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

The foregoing instrument was prepared by Thomas L. Aman Jr. of Steptoe & Johnson PLLC, 400 White Oaks Boulevard, Bridgeport, West Virginia, 26330.

STATE OF WEST VIRGINIA,
COUNTY OF TAYLOR, TO WIT:

The foregoing instrument was acknowledged before me this 26th day of October, 2015, by G. Thomas Bartlett, Mayor of the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia, on behalf of such municipal corporation and political subdivision.

My commission expires: SEPTEMBER 17, 2022.

[NOTARIAL SEAL]

Official Seal
Notary Public, State of West Virginia
Larry M Richman
City Of Grafton
1 West Main Street
Grafton, WV 26354-1357
My commission expires September 17, 2022

Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF TAYLOR, TO WIT:

The foregoing instrument was acknowledged before me this ~~28th~~ 26th day of October, 2015, by Kevin M. Stead, City Manager of the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia, on behalf of such municipal corporation and political subdivision.

My commission expires: SEPTEMBER 17, 2022.

[NOTARIAL SEAL]

Official Seal
Notary Public, State of West Virginia
Larry M Richman
City Of Grafton
1 West Main Street
Grafton, WV 26354-1357
My commission expires September 17, 2022

Notary Public

EXHIBIT A
PROPERTY DESCRIPTION

FRIEND TRACT

First. Those two (2) certain lots or parcels of real estate described as Lots Nos. One (1) and Two (2) lying between the Pike and Wilford Street, Grafton, Taylor County, West Virginia, on the Fetterman Plat "B", which plat is of record in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book 17, at page 152, reserving, however, the part heretofore conveyed to said City by Lawson Starcher, et al., by deed of record in said Clerk's Office in Deed Book 70, at page 483.

Second. Being Lot No. Three (3) of said Fetterman Plat "B", less four (4) lots heretofore sold at Southwest corner, each fronting sixty (60) feet on Wilford Street, and extending back preserving the same width one hundred twenty (120) feet, said Lot No. 3 described as containing 2-3/4 acres, and adjoining the above described Lots Nos. 1 and 2, said property having been conveyed to the said Charles R. Friend by three deeds; the first from John H. Hoffman, Receiver of the Merchants and Mechanics Bank of Grafton, West Virginia, dated the 15th of September, 1941, of record in said clerk's Office in Deed Book 88, at page 23, the second from Minor F. Abel and wife dated the 15th of January, 1942, of record in said Clerk's Office in Deed Book 88, at page 25.

Third. By deed dated the 29th of June, 1967, from Martha E. F. Abel, widow, of record in said Clerk's Office in Deed Book No. 144, at page 76, to all of which deeds reference is hereby had and incorporated herein for a better description thereof.

GANNON TRACT

Beginning at the Southwest corner of Lots numbered three (3) and four (4), at a stake on Wilford Street, and running thence N. 1/2 E. 28.50 poles to a stake on the Northwestern Turnpike; thence with said pike S. 85 E. 17.24 poles to a stake on said pike, at a corner of Lot Number five (5); thence S. 1/2 W. 27.50 poles to a stake on said Wilford Street; thence along said street N. 87 1/2 W. 17.20 poles to the place of beginning, containing Three (3) acres, more or less, and being the same real estate that was willed and devised to said Helena Gannon by Belle L. Manning, which was probated in the Office of the Clerk of the County Court of Taylor County, West Virginia, on the 21st day of June, 1955, and is of record in said Clerk's office in Will Book No. 6, at page 491, and being the same real estate that was conveyed to Margaret Manning by Michael Finnegan and wife by deed dated the 14th day of February, 1885, which deed is of record in said Clerk's office in Deed Book No. 19, at page 62, and the said Belle L. Manning acquired title to said real estate by inheritance from her mother, said Margaret Manning, from her sister, Rose Manning, and from her brother, Richard Manning, and reference is now made to the aforesaid Will and Deed for further description of the three acre tract herein conveyed.

LANGENHEIM/FINNEGAN TRACT

First - That certain tract or parcel of ground, situate, lying and being in said City, containing three and one half acres, and more particularly described in the deed of Michael Finnegan and

wife to John Finnegan, dated March 24, 1886, and recorded in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book No. 20, page 79, to which deed reference is now here made;

Second - Those five certain lots or parcels of ground, situate, lying and being in said City, known and described as Lots Nos. 480, 481, 482, 483, 484, as shown on Plat "A" of said City, of record in said County Court Clerk's office in Deed Book No. 17, page 148, and more particularly described in the deed of Michael Finnegan and wife to John Finnegan, as aforesaid, and to which deed reference is now here made.

There is specifically EXCEPTED and RESERVED from the above-described property all coal, oil, gas, lignite, rock, aggregate and other minerals underlying the surface of said land, as well as all mining rights appurtenant rights and easements in favor of the estate of said coal, oil, gas or other minerals.

Cross Receipt

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned, PAULA MOELLER, Community Facilities Specialist, Rural Housing Service, United States Department of Agriculture (the "Purchaser"), and G. THOMAS BARTLETT, III, Mayor and KEVIN M. STEAD, City Manager, of the City of Grafton (the "Issuer"), hereby certify as follows:

1. On October 28, 2015, the Purchaser received one, fully registered City of Grafton Hospital Refunding and Improvement Revenue Bond, Series 2015 A, No. AR-1 (the "Series 2015 A Bond"), in the principal amount of $2,999,930, dated October 28, 2015. The Series 2015 A Bond represents the entire above-captioned Bond issue.

2. On October 28, 2015, the Purchaser received one, fully registered City of Grafton Hospital Refunding and Improvement Revenue Bond, Series 2015 B, No. BR-1 (the "Series 2015 B Bond" and collectively with the Series 2015 A Bond, the "Bonds"), in the principal amount of $650,000, dated October 28, 2015. The Series 2015 B Bond represents the entire above-captioned Bond issue.

3. At the time of such receipt, the Bonds had been duly executed and sealed by the designated officials of the Issuer.

4. The Issuer has received and hereby acknowledges receipt from the Purchaser of the sum of $650,000, being the entire principal amount of the Series 2015 B Bond, there being no interest accrued thereon, and the sum of $1,129,800, being the initial advance of the principal amount and purchase price of the Series 2015 A Bond which has been requested by the Issuer and approved by the Purchaser. The Issuer will requisition additional proceeds of the Series 2015 A Bond from time to time as necessary to pay costs of the project as incurred by the Issuer and approved for disbursement by the Purchaser.

[Remainder of Page Intentionally Blank]

WITNESS our respective signatures on this October 28, 2015.

UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL HOUSING SERVICE

By _____
Paula Moeller, Community Facilities Specialist

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

United Bank, Inc., as Bond Trustee
Charleston, West Virginia
Attn: Kathy Smith, Vice President

Ladies and Gentlemen:

There are delivered to you herewith (or have previously been delivered to you) as Trustee and Registrar for the above-captioned Bonds:

1. Bond No. AR-1, constituting the entire original issue of the City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A, dated October 28, 2015, issued in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") executed by the Mayor, the City Manager and the City Clerk of the City of Grafton (the "Issuer") and bearing the official seal of the Issuer.

2. Bond No. BR-1, constituting the entire original issue of the City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B, dated October 28, 2015, issued in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds") executed by the Mayor, the City Manager and the City Clerk of the Issuer and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to an Amended and Restated Bond Ordinance enacted by the Issuer on October 6, 2015, and a Supplemental Resolution adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance");

3. A certified copy of the Ordinance duly certified by the City Clerk;

4. An executed counterpart of the Indenture of Trust dated as of October 28, 2015, by and between the Issuer and United Bank, Inc., as bond trustee;

5. An executed counterpart of the Credit Line Deed of Trust and Fixture Filing, dated as of October 28, 2015, by and among the Issuer, the trustee named therein, for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser") in the repayment of the Bonds.

6. A signed, unqualified approving opinion of nationally recognized bond counsel designated by the Issuer and acceptable to the Purchaser;

7. A list of the names in which the Bonds are to be registered upon original issuance, together with taxpayer identification and other information as requested by you.

You are hereby requested and authorized, pursuant to Section 2.02 of the Indenture, to authenticate, register and deliver the Bonds to the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, as the Purchaser thereof.

Dated this October 28, 2015.

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. AR-1 SPECIMEN $2,999,930

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Two Million Nine Hundred Ninety Nine Thousand Nine Hundred Thirty and 00/100 Dollars ($2,999,930), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $13,080, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment

SPECIM

made by the Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $2,999,930, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 B BONDS" AND TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $650,000.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

SPECIMEN

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By _____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $1,129,800	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 A Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

SPECIMEN

UNITED BANK, INC., as Registrar

By _____

Its: Vice Pres

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 B
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. BR-1 SPECIMEN $650,000

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Six Hundred Fifty Thousand and 00/100 Dollars ($650,000), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $2,834, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by the Borrower, except payments retained and remitted by the Government on an annual

installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $650,000, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 A (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 A BONDS" AND TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $2,999,930.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions,

among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

SPECIMEN

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By _____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $650,000	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $650,000

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 B Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

SPECIMEN

UNITED BANK, INC., as Registrar

By _____

Its: Vice Pres

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	VP

SPECIM

CITY OF GRAFTON
1 WEST MAIN STREET
GRAFTON, WEST VIRGINIA 26354

A TRUE COPY FROM THE RECORD:

GRAFTON CITY CHARTER:

ORDINANCE NO. 490 – APRIL 30, 1985
RECORDED IN ORDINANCE BOOK NO. 3, PAGE 73

GRAFTON CITY CHATER AMENDMENTS:

ORDINANCE NO. 551 – AUGUST 15, 1989
RECORDED IN ORDINANCE BOOK NO. 3, PAGE 300

ORDINANCE NO. 588 – NOVEMBER 5, 1991
RECORDED IN ORDINANCE BOOK NO. 3, PAGE 402

ORDINANCE NO. 589 – DECEMBER 3, 1991
RECORDED IN ORDINANCE BOOK NO. 3, PAGE 404

ORDINANCE NO. 615 – JANUARY 18, 1994
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Larry M. Richman

LARRY M. RICHMAN
GRAFTON CITY CLERK

GRAFTON CITY CHARTER

ADOPTED AT A SPECIAL ELECTION

APRIL 30, 1985

GRAFTON CITY CHARTER

ADOPTED AT A SPECIAL ELECTON

APRIL 30, 1985

SPELCIAL ELECTION
APPROVED BY
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ARTICLE I - INCORPORATION

SECTION I - NAME

The inhabitants of the City of Grafton, within the corporate limits as heretofore established and detailed in Section Two (2) hereof, or as hereinafter established in the manner provided by law, shall continue to be a municipal body politic and corporate in perpetuity, under the name of the "City of Grafton".

SECTION 2 - BOUNDARIES AND WARDS

*Editor's Note - The City boundaries are outlined on the official map of the City, which is maintained on file in the office of the city clerk.
The said City shall be divided into four wards, each ward consisting of two voting precincts. Ward I shall consist of Precincts 14 and 22; Ward II shall consist of Precincts 23 and 26; Ward III shall consist of Precincts 12 and 25; Ward IV shall consist of Precincts 29 and 31, until changed by ordinance.

SECTION 3 - FORM OF GOVERNMENT - MANAGER PLAN

(1) There shall be a council of not less than five (5) members: One (1) nominated and elected from each geographical ward, and one at-large, as established by this charter, and the charter may empower the council to change, from time to time, such wards without amending the charter - provided, however, that the changes of such wards shall not take effect during the terms of office of the members of such council making such change.

(2) There shall be a mayor elected by the council from among its membership, who shall serve as the presiding officer of the council, and a city manager who shall be appointed by the council.

(3) The council shall be the governing body.

(4) The manager shall be the administrative authority. He shall manage the affairs of the City under the supervision of the council and he shall be responsible to such council. He shall appoint or employ, in accordance with this charter, all subordinates and employees for whose duties or work he is responsible to the council.

*Editor's note - West Virginia Code 8-3-2, Plan 4

SECTION 4 - POWERS OF CITY GENERALLY

The City shall have all the powers granted to municipal corporations and to cities by the Constitution and general laws of this State, together with all the powers granted. The City may acquire property within or without its corporate limits for any City purpose, in fee simple or any lesser interest or estate, by purchase, gift, devise, lease or condemnation, and may sell, lease, mortgage, hold, manage and control such property as its interests may require; and, except as prohibited by the Constitution of this State or restricted by this charter. The City shall have right to abandon alleys and rights-of-ways; however, council shall ascertain that no citizen by injured as a result of the abandonment, and the City of Grafton will benefit by the abandonment.* The City shall and may exercise all municipal powers, functions, rights, privileges and immunities of every name and nature, whatsoever. The enumeration of particular powers by this charter shall not be deemed to be exclusive, and in addition to the powers enumerated therein or implied thereby, or appropriate to the exercise of such powers, it is intended that the City shall have and may exercise all powers which, under the Constitution and general laws of this State, it would be competent for this Charter, specifically to enumerate.

*Editor's Note - State Code 8-11-3

ARTICLE II - THE COUNCIL

SECTION 5 - COMPOSITION

Council shall have five members: Councilmembers shall be nominated each from and by the respective voters of the ward of which they reside. The City shall be divided into four (4) voting wards, subject to change by council when the wards become unequal in population. One (1) councilmember shall be nominated and elected by the voters of the City at-large. The councilmember from each ward shall be elected by the voters of the City at-large. The council shall be elected in the manner provided in Section 58 for a term of four (4) years. However, terms of office for councilmembers are to be staggered as follows: in the first City Election to be held the first Tuesday in May, nineteen hundred and eighty-six, the candidate from Ward One and the at-large candidate will serve for a two year term and the candidates from Wards Two, Three and Four will serve for a four year term. In the City Election to be held the first Tuesday in May, nineteen hundred and eighty-eight, candidates from Ward One and the at-large candidate will serve for a full four year term.

SECTION 6 - QUALIFICATIONS

The councilmember to be elected at-large as provided in Section 58 shall be a qualified elector of the City. The councilmember to be elected from a ward, as provided in Section 58, shall be a qualified elector of the City and a resident of the ward from which he is to be elected. No councilmember shall hold any other elective public office, nor be an employee of the City during his term of office. If a councilmember shall cease to possess any of these qualifications or shall be convicted of any crime involving moral turpitude, his/her office shall immediately become vacant. No councilmember shall hold office more than four consecutive terms.

SECTION 7 - SALARIES

The salary of councilmembers shall be fifty dollars ($50) per meeting and shall not exceed one-hundred dollars ($100) per month, unless changed by ordinance but shall not be increased during the current term of councilmembers enacting such ordinance. The salary of the mayor shall be sixty dollars ($60) per meeting, not to exceed one-hundred twenty dollars ($120) per month until changed by ordinance.

SECTION 8 - CONFLICTS OF INTEREST

No member of council shall vote upon or participate in the furtherance of any matter in which that councilmember has, either directly or indirectly, a substantial personal interest as a member, manager, officer, bondholder or stockholder of any partnership, business, firm or corporation. Such interest shall include, but not be limited to, an interest in any contract furnishing material, services or supplies to the City or to any contractor or workmen for the City, any sale of land to or from the City, any lease to or from the City, annulment of any street or any special privilege or right which may inure to the benefit of such councilmember directly or indirectly, except as such privilege may benefit him generally as a citizen of the community. Any councilmember who willfully conceals such interest or willfully violates the requirements of this section shall be guilty of malfeasance in office and shall forfeit his office. Violation of this section with the knowledge express or implied of the person, or of the corporate officer, agent or employee contracting with the City, shall render voidable by action of the City Council, any transaction prohibited by the preceding paragraph.

Removal by any councilmember for violation of the provisions of this section shall be accomplished in the following manner: The council shall hold an administrative hearing and make a determination which may be appealed to the proper court.

SECTION 9 - MAYOR GENERALLY

The mayor shall preside at meetings of the council, and shall be recognized as head of the city government for all ceremonial purposes, by the Governor for purposes of military law, and for all other purposes required by law, but shall have no regular administrative duties. The council shall choose for a term of two years one of its members who shall have the title of mayor. The council shall also choose an assistant-mayor who shall act as mayor during the absence or disability of the mayor, and if vacancy occurs, shall become mayor for the completion of the unexpired term. The mayor shall have the right to vote on all matters in which a vote of council is required. The mayor shall appoint a sergeant-at-arms for all regular and special council meetings.

SECTION 10 - POWERS OF THE CITY TO BE VESTED IN COUNCIL

All powers of the City and the determination of all matters of policy shall be vested in the council, except as otherwise provided by State law or by this charter.

SECTION 11 - CITY MANAGER: APPOINTMENTS, QUALIFICATIONS, COMPENSATION

The council shall appoint a city manager for an indefinite term and fix his/her compensation. The manager shall be appointed solely on the basis of executive and administrative qualifications with particular emphasis on education and experience in City Government. The city manager need not be a resident of the City or State at the time of appointment, but must reside within the County while in office; however, the city manager must at all times maintain a Grafton telephone exchange. The city council shall evaluate the city manager at least annually.

SECTION 12 - CITY MANAGER: VACANCIES/REMOVAL

The council may remove the city manager from office in accordance with the following procedures:

(1) The council shall adopt by affirmative vote a majority of all its members a preliminary resolution which must state the reason for removal and may suspend the manager from duty for a period not to exceed 30 days.

(2) Within five (5) days after the copy of the resolution is delivered to the manager, he may file with the council a written request for a public hearing. This meeting shall be held at a council meeting not earlier than ten (10) days nor later than fifteen (15) days after the request is filed.

(3) The council may adopt a final resolution of removal, which may be made effective immediately by affirmative vote of a majority of all its members at any time after five days from the date when a copy of the preliminary resolution was delivered to the manager, if the city manager has not requested a public hearing, or at any time after the public hearing if he has requested one. The manager shall continue to receive his salary until the effective date of a final resolution of removal.

(4) If the council finds it necessary to suspend the city manager, then an administrative official of the City shall be appointed by council to fill the vacancy until a replacement is found.

(5) Upon permanent removal of the city manager, the city council shall designate a resident citizen of Taylor County with administrative experience, preferrably a city official, to serve as acting city manager for a period not to exceed sixty (60) days.

SECTION 13 - COUNCIL NOT TO INTERFERE WITH APPOINTMENT OR REMOVAL

Except for the purpose of inquiry, the council and its members shall deal with the administrative service solely through the city manager and neither the council nor any member thereof shall give orders to any subordinates of the city manager, either publicly or privately. Any councilmember violating the provisions of this section or voting for a resolution or ordinance in violation of this section shall be subject to removal from office by a majority vote of council.

SECTION 14 - VACANCIES

If a seat in council becomes vacant or not filled at an election as provided in Article 7, it shall be filled for the remainder of the unexpired term by a majority vote of the remaining members of the council and with the exception of the at-large councilmember, the seat shall be filled by a resident of the ward in which the vacancy exists.

Any vacancy in council shall be filled by a majority vote of all the remaining members who, within 30 days following the occurrence of the vacancy, shall appoint a qualified person to fill the vacancy. If the council fails to do so within 30 days following the occurrence of the vacancy, then the city manager shall fill the vacant council seat within the next 30 days.

If three (3) or more seats in the council should be filled by appointment, the election authorities shall call a special election of members to serve for the remainder of the unexpired term of the appointees, except that if a regular election has already been held, or is to be held not more than 60 days after, the occurring of the vacancies such a special election need not be held and the members elected to the council at the regular election shall take office forthwith or as soon as the regular election is completed.

SECTION 15 - FORFEITURE OF OFFICE

A councilmember shall forfeit his/her office if he/she: (1) lacks at any time during his/her term of office any qualification for the office prescribed by this charter or by law; (2) violates any express prohibition of this charter; (3) is convicted of a crime involving moral turpitude or; (4) fails to attend three consecutive, regular meetings of the council without being excused by the council, either before or after such failure of attendance.

SECTION 16 - CREATION OF NEW DEPARTMENTS OR OFFICES: CHANGE OF DUTIES

The council by ordinance may create, change and abolish offices, departments or agencies established by this charter. The council by ordinance may assign additional functions or duties of offices, departments or agencies established by this charter.

SECTION 17 - INDUCTION INTO OFFICE: MEETINGS

The first meeting of the newly elected councilmembers for induction into office shall be held at ten o'clock in the morning on the first day of July next following their election, after which the council shall meet regularly at such time as may be prescribed by its rules, but not less frequently than once each month.

Special meetings may be held at any time upon call of the mayor or any two councilmembers and upon such notices as the council may by rule prescribe.

SECTION 18 - TO BE JUDGE OF QUALIFICATIONS OF ITS MEMBERS

The council shall be the judge of the election and qualifications of its members and for such purpose shall have power to subpoena witnesses and require the production of records, but the decision of the council in any case shall be subject to review by the courts.

SECTION 19 - RULES OF PROCEDURE: JOURNAL

The council shall determine its own rules and order of business. It shall keep a journal of its proceedings and the journal shall be open to the public inspection. A quorum shall consist of three members.

SECTION 20 - ORDINANCES

In addition to such acts of the council as are required by statute or by this charter to be by ordinance, every act of council establishing a fine or other penalty or for the contracting of indebtedness, shall be by ordinance. The enacting clauses of all ordinances shall be: "The council of the City of Grafton hereby ordains." Ordinance procedure shall be in accordance with State Code, Chapter 8, Article 11, Section 3.

SECTION 21 - CODIFICATION OF ORDINANCES

Council will direct the city clerk to maintain a journal of all current ordinances in effect at the writing of this charter and all future ordinances passed by the council of the City of Grafton. Such journal will be codified and kept in a manner that can be efficiently updated.

SECTION 22 - AUTHORITY TO AUDIT CITY FINANCES

In addition to regular annual audit made by the State Tax Commissioner, the council may, at any time it is deemed necessary, employ qualified public accountants to make a special, independent audit of the finances of the City or of the accounts of any city officer.

ARTICLE III - CITY MANAGER

SECTION 23 - POWERS AND DUTIES OF THE CITY MANAGER

The city manager shall be the chief administrative officer of the City. The city manager shall be responsible to the council for the administration of all City affairs placed in the city manager's charge by or under this charter. The city manager shall have the following powers and duties:

(1) The city manager shall appoint, and when deemed necessary for the good of the service, suspend or remove all city employees and appointative administrative officers provided for, by, or under this charter, except as otherwise provided by law, this charter or personnel rules adopted pursuant to this charter. However, the city manager may not fire anyone without first obtaining a written opinion from the city attorney. The city manager may authorize any administrative officer who is subject to the city manager's direction and supervision to exercise these powers with respect to subordinates in that officer's department, office or agency.

(2) The city manager shall direct and supervise the administration of all departments, offices or agencies of the City, except as otherwise provided by this charter or by law.

(3) The city manager shall attend all council meetings and shall have the right to take part in discussion, but may not vote.

(4) The city manager shall see that all laws, provisions of this charter and acts of the council, subject to enforcement by the city manager or by officers subject to the city manager's directions and supervision are faithfully executed.

(5) The city manager shall be responsible for the preparation and submission of the annual budget and capital program to the council.

(6) The city manager shall propose a uniform personnel policy, and the council may, by ordinance, adopt it with or without amendments.

(7) The city manager shall submit to the council and make available to the public a complete report on the finances and administrative activities of the City as of the end of each fiscal year.

(8) The city manager shall make such other reports as the council may require concerning the operations of City departments, offices and agencies subject to the city manager's direction and supervision.

(9) The city manager shall keep the council fully-advised as to the financial condition and future needs of the City and make such recommendations to the council concerning the affairs of the City as the city manager deems desirable.

(10) The city manager shall prepare and mail to each councilmember a proposed agenda of the next regular meeting at least three days prior to the meeting.

(11) The city manager shall perform such other duties as are specified in this charter or may be required by the council.

SECTION 24 - CITY MANAGER VACANCIES

By letter filed with the city clerk, the city manager shall designate, subject to the approval of the council, a qualified city administrative officer to exercise the powers and perform the duties of a manager during his absence or disability. During such absence or disability, the council may revoke such designation at any time and appoint another officer of the City to serve until the manager shall return or his disability shall cease; however, in the event that the manager has failed to designate an acting manager, the council shall, by resolution, appoint an officer of the City to perform the duties of the manager until he shall return or his disability shall cease. In the event of a permanent absence or disability of the city manager, the city council shall designate a resident of Taylor County with administrative experience,preferably a city official, to serve as acting city manager for a period not to exceed 60 days, at which time council shall appoint a new city manager.

ARTICLE IV - ADMINISTRATIVE DEPARTMENTS & AGENCIES

SECTION 25 - CITY CLERK

The council shall appoint a resident of the County to serve as city clerk at the will and pleasure of the council, except as otherwise provided in this charter and subject to the supervision of the city manager, the clerk shall have the power, and it shall be his/her duty to:

(1) Give notice of and attend all meetings of the council, keep the journal of its proceedings, authenticate by his/her signature and record in full on a book kept for the purpose all ordinances and resolutions of the council, prepare and keep up-to-date an index of all such ordinances and resolutions, and keep all such records available for public inspection.

(2) Make and certify copies of any ordinances, resolution or order of the council, whenever required to do so, and affix the corporate seal of the City to any paper required to be sealed and to any certified copy of any paper, order or proceeding which he/she may make.

(3) Prepare and cause to be served all notices required to be given any person, firm or corporation, and after the proper service and return of any notice, he/she shall file and preserve the same.

(4) Have custody of, and keep available for public inspection, the permanent records of the City and file properly; index all records of such city officers and departments as the city manager may direct.

(5) Perform such other duties as may be required of him /her by this charter, by general law, or by city ordinances or order of the city manager not inconsistent with this charter or with general law.

SECTION 26 - CITY CLERK VACANCIES

Council shall appoint someone within thirty(30) days, should the seat become vacant.

SECTION 27 - CITY ATTORNEY

The council shall appoint a city attorney to serve at its will and pleasure. The city attorney shall be a duly licensed attorney-at-law. The city attorney's salary shall be fixed by the city council. The city attorney shall perform all duties and exercise all powers which shall be conferred upon the city attorney by any ordinance or resolution of the council, and except as otherwise provided in this charter, the city attorney shall have the power and it shall be the city attorney's duty to:

(1) Act as legal advisor and counsel for the city council and for all administrative boards and offices thereof with respect to their official duties. Upon request, the city attorney shall furnish to the city council or to such officers a written opinion upon any question concerning their respective powers and duties.

(2) Prosecute and defend all suits for or against the City, and prepare all ordinances and all contracts, bonds or other writings in which the City is concerned, and endorse on each his approval of the form and correctness thereof.

(3) Prosecute all cases brought or appealed from the police court, and perform the same duties so far as they are applicable thereto, as are required by law of prosecuting attorneys.

Whenever the existences of the business of the City require such action, the city manager with the approval of the city council shall have the right to employ special counsel to assist the city attorney.

SECTION 28 - POLICE COURT AND JUDGE: JURISDICTION: PRACTICE & PROCEDURE

The police court now existing shall be continued and shall have criminal jurisdiction over violations of City ordinances and the criminal jurisdiction of a County Magistrate with respect to offenses committed.

SECTION 29 - QUALIFICATIONS OF POLICE JUDGE

Said judge shall be a duly licensed attorney, if such person be available for such service and appointment and acceptable to the council, and if no attorney be so available and acceptable to the council, then such person as the council shall deem qualified for such service and appointment. In the event, and during the temporary absence or disability of the police judge, the council shall appoint a qualified person or the mayor to preside over said court and perform the duties of the judge thereof until a person described hereinabove be found and the judge's salary shall be transferred to and paid such temporary judge for the time he serves as such. The mayor may serve no longer than sixty (60) days.

SECTION 30 - POLICE JUDGE

The judge shall issue warrants upon complaints under oath of any city officer for the arrest of anyone charged with any offense within the jurisdiction of the police court. He shall try and determine all criminal cases, over which the court has jurisdiction, and enforce the various laws of the municipality. He shall have the power to summon witnesses for trials and to require of the chief of police the enforcement of all judgements to orders entered by him in the exercise of his powers as police judge, and to issue executions for all fines, penalties and costs imposed by him.

The proceedings for the recovery of fines or for the enforcement of penalties fixed by any ordinance or law shall conform to the regulations, as far as they are applicable, prescribed by general law.

A person convicted in the police court shall have the same right to an appeal and a trial de novo as is provided by law for appeals from the County Magistrate.

SECTION 31 - POLICE JUDGE: SALARY

The salary of the police judge shall be fixed by the city council.

SECTION 32 - CHIEF OF POLICE: APPOINTMENT - QUALIFICATIONS

The chief of police shall be appointed by the city manager to serve for an indefinite term. The chief of police shall be a resident of the State at the time of appointment, but shall reside within the County during tenure of office. The chief of police shall be a person of proven executive and administrative ability with experience or training in law enforcement.

SECTION 33 - POWERS & DUTIES - POLICE CHIEF

Subject to the direction and control of the city manager, the chief of police shall be responsible for the supervision and administration of the Police Department and shall require of all police officers the proper discharge of their duties. The chief of police shall see to the protection of property and the preservation of peace, order and public safety throughout the City, and to that end, shall cause all violators of city ordinances and of general law to be apprehended and brought to trial before the police court or other proper tribunal. Under the direction of the city manager, the chief of police shall also perform such duties as may be required of the chief of police by this charter, by general law or by ordinance or by order of the city manager not inconsistent with this charter or with general law.

SECTION 34 - CHIEF OF FIRE DEPARTMENT - APPOINTMENT - QUALIFICATIONS

The chief of the Fire Department shall be appointed by the city manager to serve for an indefinite term. The fire chief shall be a resident of the State at the time of appointment, and must reside within the County during tenure of office.

The chief of the fire department shall be a person of proven executive and administrative ability with experience or training in the supression and prevention of fires.

SECTION 35 - CHIEF OF FIRE DEPARTMENT - POWERS & DUTIES

Subject to the direction and supervision of the city manager, the chief of the Fire Department shall be responsible for the supervision and administration of the Fire Department, and shall require of all firemen the proper discharge of their duties. The fire chief shall make such inspections of buildings and property throughout the City as may be necessary to discover fire hazards, shall keep an accurate record of all fires, inspections and fire hazards within the City. Under the direction of the city manager, the fire chief shall also perform such other duties as may be required of the fire chief by this charter, by general law or by city ordinances or order of the city manager not inconsistent with this charter or with general law.

SECTION 36 - BUILDING INSPECTOR: ZONING OFFICER

The city manager shall appoint a building inspector for an indefinite term. Subject to the direction and control of the city manager, the building inspector shall be responsible for the supervision and administration of the department of building inspection. In addition, except as otherwise provided in the charter, and subject to the supervision of the city manager, he shall have the power and it shall be his duty to:

(1) Inspect the construction or repair of all buildings, the installation of all electrical wiring or equipment, and the installation of all plumbing to the extent that such activities are controlled or regulated by the City, for the purpose of seeing that all City regulations are obeyed.

(2) Issue permits for the construction or repair of homes and other buildings upon the payment of such fees as may be fixed by council, but he shall issue no such permits unless the proposed construction or repair is in conformity with City zoning laws and regulations.

(3) Supervise all work done by any contractor for the City while the work is being performed.

(4) Make surveys, fix grades and prepare plats, plans and specifications for all improvements which may be undertaken by the City, when required to do so by the city manager.

(5) Furnish on the demand of any resident the grade of any street or sewer, upon the payment of such fees as may be fixed by council.

(6) Make complete maps of all streets, alleys, lanes, parks and public property owned by the City; keep such maps on file in his office and available for public inspection, and furnish a copy thereof to the city manager.

(7) Require that all pavements, sidewalks, curbs, gutters and sewers in the City are kept clean and repaired.

(8) Perform other such duties as may be required of him by this charter, by general law, or by city ordinance or order of the city manager not inconsistent with this charter or with general law.

SECTION 37 - CITY PLANNING COMMISSION

The council shall provide for the establishment and the financial support of a City Planning Commission as provided in Article 24, Chapter 8, of the Official Code of West Virginia, as amended.

The Commission shall be composed of seven (7) members and five (5) shall be appointed by the council. The five appointed members of the Commission shall be freeholders of the City. The Commission shall have the powers and shall perform the duties prescribed by general law. It shall be the responsibility of the Commission to prepare comprehensive plans for the future development of the City, including recommendations concerning needed streets, bridges, parks, parkways, playgrounds, public buildings, and other public improvements. Such plans and recommendations shall be submitted to the city manager and to council and other appropriate agencies of the City for such action as the council or other agencies may deem proper. In addition, members shall be: One (1) person from each ward; One (1) person at-large. The city manager and the building inspector shall be ex-officio.

The Commission shall submit annually to the city manager, no later than March 1st (each year) a list of recommended capital improvements, which, in the opinion of the Commission, are necessary or desirable to be constructed during the forthcoming five (5) year period. Such list shall be arranged in order of preference, with recommendations as to which projects shall be constructed in which year.

The Planning Commission shall also act as the board for zoning, and as such, shall have the authority and shall perform the duties prescribed by general law, including the authority and duty to prepare and recommend to council for enactment any revisions or amendments of the City zoning ordinance it may deem advisable.

SECTION 38 - BOARD OF ZONING APPEALS - CREATION: MEMBERSHIP: TERMS: VACANCIES

As part of the zoning ordinance, the governing body of the municipality shall create a board of zoning appeals, consisting of five (5) members to be appointed by the council.

The members of the board of zoning appeals shall be individuals who are freeholders and residents of the municipality and at least three-fifths of such members must have been residents of the municipality for at least ten (10) years preceding the time of their appointment. No member of the board of zoning appeals shall be a member of the planning commission, nor shall any member hold other elective or appointative office in the municipal government. Members of the board shall serve without compensation, but shall be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their official duties.

Upon the creation of the board of zoning appeals, the members shall be appointed for the following terms: One (1) for a term of one (1) year; two (2) for a term of two (2) years; two (2) for a term of three (3) years. Their term shall expire on the first day of January of the first, second and third year, respectively, following their appointment. Therefore, as their term expires, each new appointment shall be for a term of three (3) years.

If a vacancy occurs, by resignation or otherwise, among the members of the board of zoning appeals, the governing body of the municipality shall appoint a member for the unexpired term.

SECTION 39 - BOARD OF ZONING APPEALS - POWERS: AUTHORITY & DUTIES

The board of zoning appeals shall:

(1) Hear and determine appeals from and review any order, requirement, decision or determination made by an administrative official or board charged with the enforcement of any ordinance or rule and regulation adopted pursuant to Chapter 8, Article 24, Sections 39-49 of the WV State Code.

(2) Permit and authorize exceptions to the district rules and regulations only in the classes of cases or in particular situations, as specified in the ordinance.

(3) Hear and decide special exceptions to the terms of the ordinance upon which the board is required to act under the ordinance; and

(4) Authorize upon appeal in specific cases such variance from the terms of the ordinance as will not be contrary to the public interest, where owing to special conditions, a literal enforcement of the provisions of the ordinance will result in unnecessary hardship, and so that the spirit of the ordinance shall be observed and substantial justice done.

In exercising its powers and authority, the board of zoning appeals may reverse or affirm, in whole or in part, or may modify the order, requirement, decision or determination appealed from as in its opinion ought to be done in the premises, and to this end, shall have all the powers and authority of the official or board from whom or which the appeal is taken.

SECTION 40 - ENFORCEMENT AGENCY

The city council shall adopt ordinances regulating the repair, alteration or improvement, or the vacating and closing or removal or demolition, or any combination thereof, of any dwellings or other buildings unfit for human habitation due to delapidation, defects increasing the hazard of fire, accidents or other calamities, lack of ventilation, light or sanitary facilities or any other conditions prevailing in any dwellings or building, whether used for human habitation or not, which would cause such dwellings or other buildings to be unsafe, unsanitary, dangerous or detrimental to the public welfare.

The city council, in formally adopting such ordinances, shall designate the enforcement agency, which shall consist of the city manager, mayor, building inspector, and two members at-large, to be selected by, and to serve, at the will and pleasure of the mayor. The ranking county health officer and fire chief shall serve as ex-officio members of such enforcement agency.

Any ordinance adopted pursuant to the provisions of this section shall provide fair and equitable rules of procedure and any other standards deemed necessary to guide the enforcement agency, or its agents, in the investigation of dwelling or building conditions, and in conducting hearings. Provided, that any entrance upon premises for the purpose of making examinations shall be made in such manner as to cause the least possible inconvenience to the persons in possession.

Any ordinance adopted pursuant to the provisions of this section shall provide for the assessment of the cost of such repairs, alterations or improvements or such vacating and closing or removal or demolition, or combination thereof, by order of the enforcement agency, and said costs, after the sale for any and all salvaged material is credited to the account, shall be a lien against the real property upon which such costs were incurred.

All complaints or orders issued by the enforcement agency shall be served with due process and in accordance with the laws of this State.

However, no ordinance shall be adopted without providing therein for the right to apply to the Circuit Court for a temporary injunction restraining the enforcement agency pending final disposition of the case. In the event such application is made, a hearing thereon shall be held within twenty (20) days or as soon thereafter as possible, and the court shall enter such final order or decree as the law and justice may require. Cost shall be imposed in such manner as in the discretion of the court shall deem proper. The enforcement agency shall meet regularly once each month.

SECTION 41 - CITY HOSPITAL BOARD

There shall be a City Hospital Board, which shall consist of not less than six (6) members and not more than twelve (12) members, who shall be residents of Taylor County, said board to be non-partisan in character and the members of said board to serve without compensation. At all times, at least fifty percent (50%) of said board members must reside within the City limits.

The mayor of the City of Grafton shall be an ex-officio member without vote, except in case of a tie of said board, and his term of office as an ex-officio member shall run concurrent with his term of office as mayor. The members of said hospital board were appointed by the mayor of the City of Grafton by Ordinance No. 160 and shall serve for an indefinite period.

In case of vacancies created by any cause whatsoever, that vacancy shall be filled by a majority vote of the City Hospital Board. In case said vacancy or vacancies are not filled by the board within a period of ninety days, said vacancy or vacancies shall be filled by the mayor, ex-officio member of said hospital board.

The City Hospital Board shall hold at least monthly meetings and at times specified in the by-laws. Special meetings may also be called by a majority of the board members. Officers of the board shall be elected or appointed in accordance with the current by-laws.

The hospital board shall have complete management of the Grafton City Hospital and, subject to the Laws of West Virginia, shall fix a schedule of rates to be charged for service to patients and all other services rendered by said hospital, and shall examine from time-to-time such practices with a view to making necessary adjustments.
The said City Hospital Board shall employ an administrator of said hospital and shall fix the salary of said administrator and prescribe the duties thereof, and shall employ all necessary nurses, employees and agents to conduct said hospital and shall fix the schedule of salaries to be paid said employees.

All powers and duties of said City Hospital Board as hereinbefore set forth shall be exercised and performed subject to, and in conformity with, the provisions and requirements of existing Bond Ordinance Numbers 309 & 339, and amendments thereto, and providing for the rights of the bondholders thereof.

ARTICLE V - BUDGET: BUDGET MESSAGE: COUNCIL ACTION

SECTION 42 - FISCAL BUDGET

The fiscal year of the City shall begin on the first day of July and end on the last day of June.

SECTION 43 - SUBMISSION OF BUDGET AND BUDGET MESSAGE

On or before the 15th day of February of each year, the city manager shall submit to the council a budget for the ensuing fiscal year and an accompanying message.

SECTION 44 - BUDGET MESSAGE

The manager's message shall explain the budget both in fiscal terms and in terms of the work programs. It shall outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the City's debt position and include such other material as the manager deems desirable.

SECTION 45 - BUDGET

The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or this charter, shall be in such form as the manager deems desirable or the council may require. In organizing the budget, the manager shall utilize the most feasible combination of expenditure classification by fund, organization unit, program, purpose of activity and object. It shall begin with a clear, general summary of its contents; shall show in detail all estimated income, indicating the proposed tax levy and all proposed expenditures, including debt service for the ensuing fiscal year shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. It shall indicate in separate sections:

(a) Proposed expenditures for current operations during the ensuing fiscal year, detailed by offices, departments and agencies in terms of their respective work programs, and the method of financing such expenditures;

(b) Proposed capital expenditures during the ensuing fiscal year, detailed by offices, departments and agencies when practicable, and the proposed method of financing each such capital expenditure.

The total of proposed expenditures shall not exceed the total of estimated income.

SECTION 46 - CAPITAL PROGRAM

(a) Submission to council. The manager shall prepare and submit to the council a five-year capital program prior to the final date for submission of the budget.

(b) Contents. The capital program shall include:

1. A clear, general summary of its contents
2. A list of all capital improvements which are proposed to be undertaken during the five fiscal years next ensuing, with appropriate supporting information as to the necessity for such improvements.
3. Cost estimates, method of financing and recommended time schedule for each such improvement, and
4. The estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

The above information shall be revised and extended each year with regard to capital improvements still pending or in process of construction or acquisition.

SECTION 47 - COUNCIL ACTION ON BUDGET

(a) Notice and hearing. At the meeting of the council at which the budget is submitted, the council shall determine the time and place of a public hearing. The council shall publish in one or more newspapers of general circulation in the City a notice stating:

1. The times and places where copies of the message and budget are available for inspection by the public, and
2. The time and place for a public hearing on the budget.

(b) Amendment before adoption. After the public hearing, the council may adopt the budget with or without amendment.

(c) Adoption. The council shall adopt the budget on or before the 28th day of March of the fiscal year currently ending. Adoption of the budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated. The budget shall be adopted by ordinance not later than the third Tuesday in April.

SECTION 48 - COUNCIL ACTION ON CAPITAL PROGRAM

(a) The council shall make known, no less than one month prior to adoption of the capital program, the times and places where copies of the capital program are available for inspection by the public.

(b) Adoption. The council, by resolution, shall adopt the capital program with or without amendment on or before the 28th day of March of the current fiscal year.

SECTION 49 - PUBLIC RECORDS

Copies of the budget and the capital program as adopted shall be public record and shall be made available to the public at suitable places in the City.

SECTION 50 - AMENDMENT AFTER ADOPTION

(a) Supplemental appropriations. If during the fiscal year the manager certifies that there are available for appropriation revenues in excess of those estimated in the budget, the council, by ordinance, may make supplemental appropriations for the year up to the amount of such excess.

(b) Emergency appropriations. To meet a public emergency affecting life, health, property or the public peace, the council may make emergency appropriations. Such appropriations may be made by emergency resolution.

(c) Reduction of appropriations. If at any time during the fiscal year it appears probable to the manager that the revenues available will be insufficient to meet the amount appropriated, he shall report to the council without delay, indicating the estimated amount of the deficit, any remedial action taken by him and his recommendations as to any other steps to be taken. The council shall then take such further action as it deems necessary to prevent or minimize any deficit and for that purpose it may, by ordinance, reduce one or more appropriations.

(d) Transfer of appropriations. At any time during the fiscal year, the manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the manager, the council may, by resolution, transfer part or all of any encumbered appropriation balance from one department, office or agency to another.

(e) Limitations. Effective date. No appropriations for debt service may be reduced or transferred and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance thereof. The supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this section may be made effective immediately upon adoption.

SECTION 51 - LAPSE OF APPROPRIATIONS

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

SECTION 52 - ADMINISTRATION OF BUDGET

(a) Work programs and allotments. At such time as the manager shall specify, each department, office or agency shall submit work programs for the ensuing fiscal year showing the requested allotments of its appropriation by periods within the year. The manager shall review and authorize such allotments with or without revision as early as possible in the fiscal year. He may revise such allotments during the year if he deems it desirable and shall revise them to accord with any supplemental, emergency, reduced or transferred appropriations made pursuant to Section 50, subsection (b).

(b) Payment and obligations prohibited. No payments shall be made or obligation incurred against any allotment or appropriation except in accordance with the appropriations duly made, and unless the manager or his designee first certifies that there is a sufficient unencumbered balance in such allotment or appropriation and that sufficient funds therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable.

Any authorization of payment or incurring of obligation in violation of the provisions of this charter shall be void, and any payment so made illegal; such action shall be cause for removal of any officer who knowingly authorized or made such payment or incurred such obligation, and he shall be liable to the City for any amount so paid. However, except where prohibited by law, nothing in this charter shall be construed to prevent the making or authorizing of payments or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds.

ARTICLE VI - DEPARTMENT OF FINANCE

SECTION 53 - FINANCE DIRECTOR - QUALIFICATIONS: APPOINTMENT

The city manager shall appoint a director of finance, who shall be a person experienced in accounting and budgeting to serve for an indefinite term.

SECTION 54 - FINANCE DIRECTOR - POWERS AND DUTIES

Under the direction and control of the city manager and subject to the provisions of this charter, the director of finance shall be responsible for the proper administration of the financial affairs of the City, and except as otherwise provided by this charter, or by general law, shall have the power and shall be required to:

(1) Collect all taxes, special assessments, license fees and other revenues of the City and receive all other monies payable to the City.

(2) Responsible for the billing of all monies due the City for providing police, fire, sewer, water and garbage services. The finance director shall also be responsible for the billing of surcharges, present and future. The finance director shall be responsible for the billing and collection of monies due the City for any other purpose not mentioned above.

(3) Have custody of all funds of the City or of any office, department or agency thereof, and deposit such funds in the financial institution or financial institutions designated by the council.

(4) Supervise the purchase, storage and distribution of all equipment and supplies used by any office, department or agency of the City.

(5) Supervise the receipt and disbursement of all monies and control all expenditures to ensure that budget appropriations are not exceeded. No proposed expenditure shall be made unless the director of finance shall certify that there is available for the purpose an unencumbered balance in the proper item of appropriation.

(6) Maintain a general accounting system for the City and each of its offices, departments and agencies, and keep a separate account for each item of appropriation in the budget, showing the total appropriation, the amounts paid therefrom, the unpaid obligations charged thereto, and the unencumbered balance.

(7) Prepare for submission to the council by the city manager, a cumulative monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the City and each of its offices, departments and agencies.

(8) Prepare for submission to the council by the city manager a complete financial statement and report as of the end of each fiscal year.

(9) Compile for use by the city manager in the preparation of the budget, an estimate of anticipated revenues during the coming year and an estimate of probable expenditures for current expenses and capital improvements.

(10) Perform such other duties as may be required of him by this charter, by general law, or by City ordinance or order of the city manager not inconsistent with this charter or with general law.

(11) The finance director, within 90 days after the beginning of each year, shall prepare on a form to be prescribed by the State Tax Commissioner and cause to be published a sworn statement revealing: (1) the receipts and expenditures of the City during the previous fiscal year arranged under descriptive headings; (2) the name of each person who received more than $50.00 from any fund during the previous fiscal year, together with the amount received and the purpose for which paid, and (3) all debts of the City, the purpose for which each debt was contracted, its due date, and to what date the interest thereon has been paid. Such statement shall be published as a Class I legal advertisement in compliance with the provisions of Article 3, Chapter 59 of the Code of West Virginia, and the publication area for such publication shall be the City.

Editor Note - For state law and penalties for failure of City officers to perform their prescribed duties thereunder, see WV Code 8-13-23.

SECTION 55 - FINANCE DIRECTOR: SALARY

The salary of the director of finance shall be set by the council.

SECTION 56 - CONTRACT AND PURCHASES

All contracts and purchases by any City officer, department or agency shall be void unless made in conformity with all applicable provisions of general law and of this charter and with all rules and regulations made as provided in this section.

Sealed competitive bidding shall be required in the case of:

(1) All contracts for any improvement costing twenty-five hundred dollars or more.

(2) All purchases of supplies or materials costing fifteen hundred dollars or more.

(3) All purchases of equipment costing five hundred dollars or more.

(4) All contracts for personal services involving the expenditure of five hundred dollars or more.

In the case of contracts for the construction of any improvement, sealed competitive bids shall be obtained by notice published at least once each week for two successive weeks in two newspapers in the local area. The notice shall refer to necessary specifications and plans, shall invite the submission of bids, and shall specify the date on which the bids will be opened. In the case of contracts and purchases covered by subsections 2, 3 and 4 above, sealed competitive bids shall be obtained either (a) by published notice inviting bids as in the case of contracts for the construction of improvements or (b) by mailed notice stating the necessary specifications, inviting submission of bids, and stating the date on which the bids will be opened. The first of these methods shall be used unless the council shall enter an order of record authorizing the use of the second method and stating the reasons why such method was authorized. Whether or not it is so stated in the published notice, all bids may be rejected. No city officer, department or agency shall subdivide any contract or purchase for the purpose of evading the requirements of this section with respect to competitive bidding.

The city council, with respect to any improvements, extensions or additions to the water system, and the council, with respect to City improvements, under its jurisdiction, shall cause to be prepared accurate and complete maps, plans and specifications therefor, and shall have the authority to cause such work to be done either by the employment of labor and the furnishing of material, or by entering into a contract for the performance of the labor and for the material. If a contract is let for any improvement, the council shall require the contractor to give sufficient bond with corporate surety to guarantee the faithful performance of the contract and the payment for all labor performed and all materials furnished in the performance of the contract,

as provided in Section 39, Article 2, Chapter 38 of the Official Code of West Virginia, as amended. Any change or alteration in the contract after it is entered into shall be made only upon resolution passed by the council, and shall not be effective until the price to be paid for the work and material or both under the altered or modified contract, shall have been agreed upon in writing and such agreement signed by the contractor and the general manager with the approval of the city manager with the council, as the case may be.

The city council, with respect to contracts and purchases of the Water Department, and with respect to contracts and purchases of other city offices, departments and agencies, may by resolution prescribe additional rules and regulations governing the making of contracts and purchases, not inconsistent with general law or with the provisions of this charter.

In the case of an emergency, the city council may by special resolution setting forth the facts constituting the emergency dispense with the requirement of competitive bidding and with the requirements of its rules and regulations governing contracts and purchases.

Any officer or employee of the City who shall be directly or indirectly interested in any contract with the City or in the profits to be derived therefrom, shall forthwith forfeit his office or employment, and in addition thereto, any such contract shall be void and unenforceable against the City. The acceptance by any officer or employee of any interest in such contract or of any gift or gratuity from any person, firm or corporation dealing with the City which might influence the officer or employee and in the discharge of his duties shall forever disqualify such officer or employee from holding any office or employment in the City government, and in addition, he shall be subject to criminal prosecution as provided by general law or by City ordinance.

ARTICLE VII - ELECTIONS: INITIATIVE: REFERENDUM & RECALL

SECTION 57 - CITY ELECTIONS

Regular City elections shall be held on the first Tuesday in May, one-thousand nine hundred eighty-six, and on the first Tuesday in May of every second year thereafter. Special elections shall be held at such times as may be fixed by the council in accordance with the provisions of this charter and of general law.

The ballot to be used in City elections shall be prepared by the council and shall have set forth thereon in one division the names of all properly nominated candidates for election to membership on the council. In the printing of the ballots, the position of the names of the candidates shall be changed in like manner as is provided by general law for the printing of official primary ballots. The ballots shall state that the election is non-partisan and shall clearly indicate the number of candidates for each office for whom the voter is entitled to vote. At least ten days before the election, a sample ballot showing the names of all properly nominated candidates shall be published once in two newspapers published in the City in the same manner as provided by law for the publication of the list of nominations in a general election.

Except as otherwise provided in this charter, City elections shall be conducted and the result determined and certified in accordance with the provisions of general law with respect to primary, general and special elections, so far as they are applicable, except that the duties devolving upon the County Court and the clerk thereof under the general laws for conducting elections shall be performed by the city council and the city clerk. The council shall appoint three commissioners and two clerks to serve as election officials in each precinct in the City. At least three days before the date of the election, the city clerk shall procure from the clerk of the County Court the necessary registration records and other election supplies and shall deliver them, together with the ballots, to the election officials. The election officials shall, as soon as possible after the closing of the polls on election day, return to the city clerk the ballots, tally sheets, certificates of the result of the election, registration records, ballot boxes and other election supplies. On the first Monday following the election, the council shall canvass the returns of the election and declare the result. In the case of a contest, the council shall be the judge of the election and qualifications of all city officials.

The cost incurred in holding and conducting regular City elections, after deducting all nomination fees received in connection therewith, shall be paid out of the General City Revenues. The cost of conducting special elections shall be paid out of General City Revenues.

SECTION 58 - NOMINATION OF CANDIDATES: FILING OF PETITIONS: NOMINATION FEE

Any person eligible to hold the office of councilman may be nominated as a candidate therefor by petition of not less than twenty-five nor more than fifty qualified voters of the ward in which they reside. The councilmember at-large shall present the same type of petition but the signatures shall be from the city at large. If a petition is signed by more than fifty persons, the last

signatures in excess of that number shall be disregarded even though some of of the other signatures are void.

The petition, substantially in the form set forth in the following section, shall be personally signed by each of the voters, shall give his home address and the date on which he signed, shall state that he is a qualified voter of the City, and shall state that he has signed no other petition nominating a candidate for the same office in the coming election. If a voter signs petitions for more than one candidate for the same office, his signature shall be invalid, except as to the first such petition signed by him. Any signature made earlier than the first day of Feb. next preceding the election shall be void. The signatures to a nominating petition need not be appended to one paper but to each separate paper there shall be attached the affidavit of the circulator thereof stating that each signature thereon was made in his presence, that to the best of his knowledge and belief each signer is a qualified voter of the City and that no signature was made earlier than the first day of February preceding.

The complete petition, including the necessary affidavits, together with a nomination fee of twenty-five dollars and a signed statement of the candidate that he is a qualified voter of the City and has resided therein for at least one year and that he accepts the nomination and will serve if elected, shall be filed with the city clerk not earlier than the first day of March nor later than 5:00 PM on the fifteenth day of March preceding the election. The clerk shall make a record of the exact time each petition was filed and the name and address of the person by whom it was filed.

Each petition so filed shall, within ten days thereafter, be submitted by the clerk to the council for its immediate determination as to its sufficiency. If a petition or any of its accompanying papers is found by the council to be insufficient because of a failure to meet any of the requirements of this section, the clerk shall, within three days thereafter, return the petition to the person who filed it with a statement setting forth the reason for its return. At any time not later than the fifth day of April preceding the election, the petition may be amended and filed again as a new petition or a different petition may be filed for the same candidate.

In case there shall not be nominated by petition a number of candidates for any office equal to the number of persons to be elected to such office at any election, then the council, for the office of councilman, shall on or before the twenty-fifth day preceding the election make by appropriate resolution such additional nominations of candidates for the office as may be necessary

to provide the number of candidates to be elected to such office. The nomination of any person by such resolution shall, however, not be complete unless the person so nominated pay to the city clerk a nomination fee of twenty-five dollars and file with the clerk a signed statement that he is a qualified voter of the City and has resided therein for at least one year before his nomination and that he accepts the nomination and will serve if elected.

All nomination fees shall be deposited by the clerk in the General Fund of the City and used to help defray the costs of the election.

In the case of the first election held under this charter, all duties of the council and city clerk, with respect thereto, shall be performed by the existing city council and city clerk.

SECTION 59 - FORM OF NOMINATING PETITION AND ACCEPTANCE OF NOMINATION: BLANK FORMS TO BE FURNISHED BY CITY CLERK

The city clerk shall prepare and furnish printed forms for nominating petitions and for the acceptance of nominations, substantially in the form set forth in this section.

(see next page for sample)

NOMINATING PETITION

We, the undersigned qualified voters of the City of Grafton, West Virginia, hereby nominate _____, whose residence is _____, Grafton, West Virginia, as a candidate for the office of member of the city council of the City of Grafton, West Virginia, to be voted for at the election to be held on the _____ day of May, 19___.

We individually certify that we are qualified voters of the City of Grafton, that we have not signed any other petition nominating a candidate for the office of member of the city council to be voted for at such election. We further certify that we have each affixed opposite our signature, the correct address of our residence in the City of Grafton.

_____	_____	_____
(NAME)	(STREET & NUMBER)	(DATE)

(SPACES FOR SIGNATURES & REQUIRED DATA)

_____, residing at _____ in the City of Grafton, being duly sworn, deposes and says that he is the circulator of this paper, being part of a nominating petition, that the signatures appended thereto were made in his presence and are the genuine signatures of the persons who signed the petition, that, to the best of his knowledge and belief, such persons are qualified voters of the City, and that no signature was made before the first day of February of this year.

_____
Signature of Circulator

Taken, subscribed and sworn to before me this _____ day of _____ 19 ___.

_____
Notary Public

My Commission Expires: _____

ACCEPTANCE OF NOMINATION

I, _____, whose residence is _____

_____, Grafton, West Virginia, hereby accept nomination as a candidate for the office of member of the city council of the City of Grafton, and I agree to serve if elected to the office at the election to be held on the _____ day of May, 19 _____.

I further certify that I am a qualified voter of the City of Grafton, and that I have resided therein for at least one year prior to this date.

Given under my hand this _____ day of _____, 19 _____.

_____
Signature of Candidate

SECTION 60 - POWER OF RECALL

The qualified electors shall have the power to recall any member of council, whether elected by popular vote or selected to fill a vacancy, and may exercise such power by filing with the city clerk a petition signed by qualified electors of the City equal in number to at least twenty percent of the registered voters at the last general municipal election. The petition shall be signed and verified in the manner required for an initiative petition, shall contain a demand for the removal of the councilmembers or members, and shall contain a general statement of the reasons for which the removal is sought.

SECTION 61 - ELECTION UNDER RECALL PETITION

The city clerk shall, in the manner hereinafter provided for initiative and referendum petitions, certify to council the sufficiency of the recall petition. Thereafter, council shall cause a special election to be held in not less than forty-five days nor more than ninety days from the date of such certification. The published notice of such special election shall contain the reasons for demanding the recall in not more than two hundred words and a justification by the councilmember within the same limits; however, if the petition seeks to recall more than one councilmember, each councilmember may provide a justification of not more than one hundred words. Ballots shall be in the format:

"Shall _____ be removed from
the council of the City of Grafton?
_____ "for" the recall of _____
_____ "against" the recall of _____

Upon notification by council of the results of the election, if a majority of those voting on the question have favored recall, the office of the councilmember so recalled shall be vacant. Provisions of this charter with respect to general municipal elections shall determine election procedure insofar as applicable.

SECTION 62 - FILLING COUNCIL VACANCY CAUSED BY RECALL

When a vacancy occurs as the result of a recall election or when a councilmember resigns after a recall petition certified by the city clerk to be sufficient is presented to council, the vacancy shall be filled in accordance with the provisions of Section 14 of this charter.

SECTION 63 - POWERS OF INITIATIVE

The electors shall have power to propose any ordinance, except an ordinance appropriating money or authorizing the levy of taxes, and to adopt or reject the same at the polls, such power being known as the initiative. Any initiated ordinance may be submitted to the council by a petition signed by qualified electors of the City equal in number to at least ten percentum of the registered voters at the last regular municipal election.

SECTION 64 - POWER OF REFERENDUM

The electors shall have power to approve or reject at the polls any ordinance passed by the council or submitted by the council to a vote of the electors, such power being known as the referendum. Ordinances submitted to the council by initiative petition and passed by the council without change shall be subject to the referendum in the same manner as other ordinances. Within twenty days after the enactment by the council of any ordinance which is subject to a referendum, a petition signed by qualified electors of the City equal in number to at least ten percentum of the registered voters at the last preceding regular municipal election may be filed with the city clerk requesting that any such ordinance be either repealed or submitted to a vote of the electors.

SECTION 65 - FORM OF PETITIONS: COMMITTEE OF PETITIONERS

All petition papers circulated for the purpose of an initiative or referendum shall be uniform in size and style. Initiative petition papers shall contain the full text of the proposed ordinance. The signatures to initiative or referendum petition need not all be appended to one paper but to each separate petition there shall be attached a statement of the circulator thereof as provided by this section.

Each signer of any such petition paper shall sign his name in ink or indelible pencil and shall indicate after his name his place of residence by street and number or other description sufficient to identify the place. There shall appear on each petition the names and addresses of the same five electors, who, as a committee of the petitioners, shall be regarded as responsible for the circulation and filing of the petition. Attached to each separate petition paper, there shall be an affidavit of the circulator thereof that he, and only he, personally circulated the foregoing paper, that it bears a stated number of signatures, that all the signatures appended thereto were made in his presence, and that he believes them to be the genuine signatures of the persons whose names they purport to be.

SECTION 66 - PETITIONS - EXAMINATION AND CERTIFICATION

All petition papers comprising an initiative or referendum petition shall be assembled and filed with the city clerk as one instrument. Within twenty days after petition is filed, the city clerk shall determine whether each paper of the petition has a proper statement of the circulator and whether the petition is signed by a sufficient number of qualified electors. The city clerk shall declare any petition paper entirely invalid which does not have attached thereto an affidavit signed by the circulator thereof. If a petition paper is found to be signed by more persons than the number of signatures certified by the circulator, the last signatures in excess of the number certified shall be disregarded. If a petition paper is found to be signed by fewer persons than the number certified, the signatures shall be accepted unless void on other grounds. After completing his/her examination of the petition, the city clerk shall certify the result thereof to the council at its next regular meeting. If he/she shall certify that the petition is insufficient he/she shall set forth in his/her certificate the particulars in which it is defective and shall at once notify the committee of the petitioners of his/her findings.

SECTION 67 - SAME - AMENDMENTS

An initiative or referendum petition may be amended at any time within ten days after the notification of insufficiency has been sent by the city clerk, by filing a supplementary petition upon additional papers signed and filed as provided in case of an original petition.

The city clerk shall, within five days after such an amendment is filed, make examination of the amended petition and, if the petition be still insufficient, he/she shall file his/her certificate to that effect in his/her office and notify the committee of the petitioners of his/her findings and no further action shall be had on such insufficient petition. The findings of the insufficiency of the petition shall not prejudice the filing of a new petition for the same purpose.

SECTION 68 - SAME - EFFECT

When a referendum petition or amended petition, as defined in Section 67 of this charter has been certified as sufficient by the city clerk, the ordinance specified in the petition shall not go into effect or further action thereunder shall be suspended if it shall have gone into effect until and unless approved by the electors, as hereinafter provided.

SECTION 69 - SAME - CONSIDERATION BY COUNCIL

Whenever council receives a certified initiative or referendum petition from the city clerk, it shall proceed at once to consider such petition. A proposed initiative ordinance shall be read and provision shall be made for a public hearing upon the proposed ordinance. The council shall take final action on the ordinance not later than sixty days after the date on which such ordinance was submitted to the council by the city clerk. A referred ordinance shall be reconsidered by the council and its final vote, upon such reconsideration, shall be upon the question, "Shall the ordinance specified in the referendum petition be repealed?"

SECTION 70 - SAME - SUBMISSION TO ELECTORS

If the council shall fail to pass an ordinance proposed by initiative petition or shall pass it in a form different from that set forth in the petition therefor, or if the council fails to repeal a referred ordinance, the proposed or referred ordinance shall be submitted to the electors not less than thirty days nor more than one year from the date the council takes its final vote thereon. The council may, if no regular election is to be held within such period, provide for a special election.

ARTICLE VIII - GENERAL PROVISIONS

SECTION 75 - GENERAL PROVISIONS FOR SERVICES

The City of Grafton shall at all times provide adequate police and fire protection, water and sewage service, and garbage collection for all City residents.

SECTION 76 - RIGHT OF CITY MANAGER AND OTHER OFFICERS IN COUNCIL

The city manager, the heads of all departments, and such other officers of the City as may be designated by vote of the council, shall be entitled to seats in the council but shall have no vote therein. The city manager shall have the right to take part in the discussion of all matters coming before the council, and the directors and other officers shall be entitled to take part in all discussions of the council relating to their respective offices, departments or agencies.

SECTION 77 - INVESTIGATION BY COUNCIL OR CITY MANAGER

The council, the city manager or any person or committee authorized by either of them, shall have power to inquire into the conduct of any office, department, agency or officer of the City and to make investigations as to municipal affairs and do any and all things in the conduct of such inquiry as may be prescribed by law.

SECTION 78 - CITY RECORDS TO BE PUBLIC

All records and accounts of every office, department or agency of the City shall be open to inspection by any citizen, any representative of a citizens' organization or any representative of the press at all reasonable times and under reasonable regulations established by the city council, except records and documents the disclosure of which would tend to defeat the lawful purpose which they are intended to accomplish.

SECTION 79 - BONDS OF OFFICERS AND EMPLOYEES AND MEMBERS OF COUNCIL

All officers, employees and members of city council shall give bond in such amounts and with such surety as may be approved by the council. The premiums on such bonds shall be paid by the City.

SECTION 80 - OATH OF OFFICE

Every officer of the City shall, before entering upon the duties of his/her office, take and subscribe to the following oath or affirmation, to be filed and kept in the office of the city clerk.

> "I solemnly swear (or affirm) that I will support the constitution and will obey the laws of the United States and the State of West Virginia, that I will, in all respects, observe the provisions of this charter and ordinances of the City of Grafton and will faithfully discharge the duties of the office of _____."

SECTION 81 - EFFECT OF CHARTER

(a) This charter shall entirely supersede the present charter of the City of Grafton. All legislative and administrative acts or rules theretofore adopted by the governing body and administrative agencies of the City of Grafton which are inconsistent or in conflict with this charter, shall continue in force for sixty days after the effective date of the charter, unless sooner modified or repealed by competent authority; but at the end of this period, shall be the extent of such inconsistency or conflict, be of no further force or effect.

(b) Insofar as the provisions of this charter are the same in terms in substance and effect as provisions of law in force when this charter shall take effect, relating to or affecting the City of Grafton, the provisions of this charter are intended to be not a new enactment but a continuation of such provisions of law, and this charter shall be so construed and applied.

SECTION 82 - AMENDMENTS TO CHARTER

Amendments of this charter shall be made in accordance with the general laws of this State.

SECTION 83 - SEVERABILITY OF CHARTER PROVISIONS

If any section or part of section of this charter shall be held invalid by a court of competent jurisdiction, such holdings shall not affect the remainder of this charter nor the context in which such section or part of section so held invalid may appear, except to the extent that an entire section or part of section may be inseparably connected in meaning and effect with the section or part of section to which such holding shall directly apply.

SECTION 84 - FUNDING - SERVICES: COMMITTEES: COMMISSIONS

By virtue of this charter, city council is hereby charged with the responsibility of adequately funding all services, committees and commissions of the City of Grafton to the best of their prudent ability. Services including water, police, fire, garbage, etc. shall be budgeted separately (line item) in the annual budget of the City of Grafton.

Council may have created or will create by ordinance other committees, commissions, boards, etc. Council shall also provide adequate funds and support for these groups and budget for them separately (line item) in the annual City budget.

Through the years, the City of Grafton has acquired many valuable assets. Council shall also provide adequate funding for the protection and preservation of all major City assets.

ARTICLE IX - SUCCESSION

SECTION 85 - RIGHTS OF OFFICERS AND EMPLOYEE PRESERVED

Nothing in this charter contained, except as specifically provided, shall affect or impair the rights or privileges of officers or employees of the City or of any office, department or agency existing at the time when this charter shall take effect, or any provision of law in force at the time when this charter shall take effect and not inconsistent with the provisions of this charter in relation to the personnel, appointment, ranks, grades, tenure of office, promotion, removal, pension and retirement rights, civil rights or any other rights or privileges of officers or employees of the City or any office, department or agency thereof.

SECTION 86 - CONTINUANCE OF OFFICERS

All persons holding administrative office at the time this charter takes effect shall continue in office and in the performance of their duties until provision shall have been made in accordance therewith for the performance of such duties or the discontinuance of such office. The powers conferred and the duties imposed upon any office, department or agency of the City by the laws of the State shall, if such office, department or agency, be abolished by this charter, or under its authority, be thereafter exercised and discharged by the office, department or agency designated by the council unless otherwise provided herein.

SECTION 87 - TRANSFER OF RECORDS AND PROPERTY

All records, property and equipment whatsoever of any office, department or agency or part thereof, all the powers and duties of which are assigned to any other office, department or agency by this charter, shall be transferred and delivered to the office, department or agency to which such powers and duties are so assigned. If part of the powers and duties of any office, department or agency or part thereof are by this charter assigned to another office, department or agency, all records, property and equipment relating exclusively thereto shall be transferred and delivered to the office, department or agency to which such powers and duties are so assigned.

SECTION 88 - CONTINUITY OF OFFICES, DEPARTMENTS OR AGENCIES

Any office, department or agency provided for in this charter with a name or with powers and duties the same or substantially the same as those of an office, department or agency heretofore existing shall be deemed to be a continuation of such office, department or agency and shall exercise its powers and duties in continuation of their exercise by the office, department or agency by which the same were heretofore exercised and shall have power to continue any business, proceeding or other matter within the scope of its regular powers and duties commenced by an office, department or agency by which such powers and duties were heretofore exercised. Any provision in any law, rule, regulation, contract, grant or other document relating to such a formerly existing office, department or agency shall, so far as not inconsistent with the provisions of this charter, apply to such office, department or agency provided for by this charter.

SECTION 89 - CONTINUANCE OF CONTRACTS AND PUBLIC IMPROVEMENTS

All contracts entered into by the City or for its benefit prior to the taking effect of this charter shall continue in full force and effect. Public improvements for which legislative steps have been taken under laws or charter provisions existing at the time this charter takes effect may be carried to completion as nearly as practicable in accordance with the provisions of such existing laws and charter provisions.

SECTION 90 - PENDING ACTIONS AND PROCEEDINGS

No action or proceeding, civil or criminal, pending at the time when this charter shall take effect, brought by or against the City or any office, department or agency or officer thereof, shall be affected or abated by the adoption of this charter or by anything therein contained; but all such actions or proceedings may be continued notwithstanding that functions, powers and duties of any office, department or agency or officer party thereto may by or under this charter be assigned or transferred to another office, department or agency or officer, but in that event the same may be prosecuted or defended by the head of the office, department or agency to which such functions, powers and duties have been assigned or transferred by or under this charter.

SECTION 91 - EFFECTIVE DATE OF CHARTER

Upon the adoption of this charter, its provisions shall immediately be in force for the purpose of doing all things required for the nominating and electing of members of the council, the special election to be held on Tuesday, April 30, 1985. The councilmembers in office under the present charter shall continue in office until July 1, 1986.

ARTICLE X - DISORDERLY CONDUCT, ETC.

SECTION 92 - DISORDERLY CONDUCT, ETC. PROHIBITED AT MEETINGS OF COUNCIL, ADMINISTRATIVE BOARDS, AND COUNCIL COMMITTEES

(a) It shall be unlawful for any person to behave in a boisterous or disorderly manner at any meeting of the city council, council committee or administrative board thereof, or to cause a disturbance thereat whether by force, shouting or other words or actions tending to disrupt such meetings, or fail or refuse to obey any ruling or order of the officer presiding at such meetings relative to the orderly procedure thereof.

(b) Boisterous or disorderly behavior within the purview of subsection (a) of this section shall include, but is not limited to, any of the following acts:

1. Contemptuous or insolent behavior towards the presiding officer or any member of the city council, council committee or administrative board of the council or its clerk, sergeant-at-arms or any other officer, while the council, council committee or administrative board is in session.

2. Any breach of peace, willful disturbance or indecent conduct in the presence of such council, committee or administrative board while so engaged or so near as to obstruct its proceedings.

3. Violence or threats of violence to any member of such council, council committee, administrative board or any officer, witness or party going to, attending or returning from any council, council committee or administrative board proceeding in respect to anything done or to be done in the course of such proceedings.

4. Willful resistance to any lawful order of the presiding officer or sergeant-at-arms at any such meeting.

We, the undersigned, being members of the Charter Board of the City of Grafton, West Virginia, hereby approve the foregoing proposed charter and certify that it is a true copy of the final draft of the proposed charter for said City of Grafton, as adopted and approved by the Charter Board.

NAME	DATE
John L. Bord, Chairman	April 11, 1985
Martha J. Bobela, Secretary	April 11, 1985
Clarence E. Paugh, Jr.	April 11, 1985
Fannie F. Garrett	April 11, 1985
Thomas G. Harman	April 11, 1985
Daniel E. Mankins	April 11, 1985
Alan R. DePiano	April 11, 1985

CERTIFICATE OF THE ATTORNEY GENERAL

The Attorney General of the State of West Virginia hereby certifies that the Proposed Charter for the City of Grafton, West Virginia, which was received by the aforesaid Attorney General on the 27th day of February, 1985, is consistent in all respects with the Constitution and the general law of the State of West Virginia.

Given under my hand this 12th day of April, 1985.

CHARLIE BROWN
ATTORNEY GENERAL

By Gene W. Bailey
GENE W. BAILEY, ASSISTANT

STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
CHARLESTON 25305

CHARLIE BROWN
~~XXXXXXXXXXXXXXXX~~
ATTORNEY GENERAL

April 12, 1985

Martha J. Bobela
Secretary
Grafton Charter Board
253 West Washington Street
Grafton, West Virginia 26354

Dear Mrs. Bobela:

Enclosed please find the Certificate of the Attorney General approving the Proposed Charter for the City of Grafton, West Virginia.

Should you or the City need any further assistance, please do not hesitate to contact me.

Very truly yours,

Gene W. Bailey

GENE W. BAILEY
ASSISTANT ATTORNEY GENERAL

GWB/cja

Enclosure

ORDINANCE #551

An Ordinance written to update and change the duly accepted Charter of the City of Grafton, dated April 30, 1985, specifically Article VII, Section 57 - City Elections.

WHEREAS, the City Council of the City of Grafton wishes to update the above mentioned Section of the Charter of the City of Grafton to reflect changes made by the State Legislature in the WV Code:

WHEREAS, the City Council finds it right and necessary to hold the City Election concurrent with the County-State elections whenever it is necessary to have a municipal election,

THEREFORE, be it ordained by the Council of the City of Grafton that the municipal election date will be held concurrent with county-state primary.

This ordinance will take effect ten days after final reading and acceptance.

Bruce L. Miller
Mayor

ATTEST:

Margaret Kraft Cox
Margaret Kraft Cox
City Clerk

FIRST READING	July 5, 1989
SECOND READING	August 15, 1989
PUBLIC HEARING	August 15, 1989
EFFECTIVE DATE	August 15, 1989
LEGALS	July 12, 1989 and July 19, 1989

ORDINANCE NO. 588

AN ORDINANCE AMENDING ARTICLE IV, SECTION 40 OF THE GRAFTON CITY CHARTER AND ABOLISHING THE ENFORCEMENT AGENCY OF THE CITY OF GRAFTON.

WHEREAS, the City of Grafton has heretofore created and established an Enforcement Agency in Article IV, Section 40 of The Grafton City Charter, which agency's responsibilities are the enforcement of dwelling and building codes and against violations thereof; and

WHEREAS, The City of Grafton has subsequently thereto, by duly adopted Ordinance, passed and adopted the more universal and accepted BOCA National Building Codes, as updated and amended from time to time; and

WHEREAS, the BOCA National Building Codes have therein designated and established the Department of Building Inspection and the executive official in charge thereof as the code official charged with and responsible for the enforcement of said codes, with appropriate means of appeal provided therein; and

WHEREAS, the Building Inspector of the City of Grafton is the executive official of the Department of Building Inspection and, therefore, the City of Grafton Code Official pursuant to the BOCA National Building Codes passed and adopted by the City of Grafton aforesaid; and

WHEREAS, the adoption of the said BOCA National Building Codes by the City of Grafton aforesaid has made the Enforcement Agency of the City of Grafton obsolete and in conflict with the provisions of the BOCA National Building Codes and creating a

conflict in the enforcement of said building codes; and

WHEREAS, the Grafton City Council is of the opinion that it is necessary and in the best public interests that the provisions and enforcement of the BOCA National Building Codes prevail and remain in force as the best building codes available at this time, and, therefore, that the conflicting Enforcement Agency, made obsolete by the provisions of the BOCA National Building Codes, be thereby and herein abolished.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF GRAFTON HEREBY ORDAINS:

That Article IV, Section 40 of the Grafton City Charter be amended and that the Enforcement Agency therein created and established be, and the same is hereby, abolished.

That such other provisions, ordinances, etc., making reference to said Enforcement Agency be, and the same are hereby, amended to now refer to the City of Grafton Department of Building Inspection Code Official pursuant to the BOCA National Building Codes.

This Ordinance shall be effective from the date of its adoption.

ADOPTED: November 5, 1991

MAYOR

First Reading: October 1, 1991

ATTEST :

Second Reading: November 5, 1991

CITY CLERK

Publication: October 7, 1991 and October 14, 1991

Public Hearing: November 5, 1991

ORDINANCE NO. 589

AN ORDINANCE AMENDING ARTICLE VII, SECTIONS 57 and 58, OF THE GRAFTON CITY CHARTER, TO SIMPLIFY AND PROVIDE GENERALLY FOR BOTH REGULAR AND SPECIAL CITY ELECTIONS, REGULARLY CONSISTENT AND IN COMPLIANCE WITH STATE LAWS OF THE STATE OF WEST VIRGINIA

WHEREAS, The Grafton City Charter provides specific election time periods, timelines and deadlines for regular city elections and provides for general compliance with State law for special city elections, and

WHEREAS, the City Council of the City of Grafton is advised by the Office of the Secretary of State of West Virginia and by the Grafton City Attorney that, because of changes in the West Virginia Code, not all of the timelines and deadlines provided in the Grafton City Charter are consistent and in compliance with the state statutes and laws of the State of West Virginia, and

WHEREAS, the Grafton City Council is of the opinion that it is both prudent and in the best public interests that the provisions of the Grafton City Charter for regular and special elections be general and consistent and in compliance with the state statutes and election laws of the State of West Virginia on a regular basis, to avoid the necessity of amendments to the City Charter each time the state law is changed by the West Virginia Legislature, and establish in general terms compliance with said state statutes and laws;

NOW, THEREFORE, THE COUNCIL OF THE CITY OF GRAFTON HEREBY ORDAINS:

That Article VII, Sections 57 and 58, of the Grafton City Charter be amended, and the same are hereby amended, to hereinafter read and provide as follows:

SECTION 57 – ELECTIONS

Regular City elections shall be held on the first in May, one thousand nine hundred eighty-six, and on the sec Tuesday in May of every second year thereafter or such other consistent with and concurrent with the county - state elect Special elections shall be held at such times as may be fixe the council in accordance with the provisions of this charte of general law. Both Regular and Special City elections sha held and conducted in accordance and in compliance with the statutes and laws

of the State of West Virginia.

The ballot to be used in City elections shall be prepared by the council and shall have set forth thereon in one division the names of all properly nominated candidates for election on the council. In the printing of the ballots, the position of the names of the candidates shall be changed in like manner as is provided by general law for the printing of official primary ballots. The ballots shall state that the election is non-partisan and shall clearly indicate the number of candidates for each office for whom the voter is entitled to vote.

Except as otherwise provided in this charter, City elections shall be conducted and the result determined and certified in accordance with the provisions of general law with respect to primary, general and special elections, so far as they are applicable, except that the duties devolving upon the County Commission and the clerk thereof under the general laws for conducting elections shall be performed by the city council and the city clerk. The council shall appoint three commissioners and two clerks to serve as election officials in each precinct in the City. The election officials shall, as soon as possible after the closing of the polls on election day, return to the city clerk the ballots, tally sheets, certificates of the result of the election, registration records, ballot boxes and other election supplies. On the first Monday following the election, or at such time as may be consistent with the general law and changes and amendments thereto, the council shall canvass the returns of the election and declare the result. In the case of a contest, the council shall be the judge of the election and qualifications of all city officials.

The cost incurred in holding and conducting regular City elections, after deducting all nomination fees received in connection therewith, shall be paid out of the General City Revenues. The cost of conducting special elections shall be paid out of General City Revenues.

SECTION 58 - NOMINATION OF CANDIDATES: FILING OF PETITIONS: NOMINATION FEE

Any person eligible to hold office of councilperson may be nominated as a candidate therefor by petition of not less than twenty-five nor more than fifty qualified voters of the ward in which they reside. The councilmember at-large shall present the same type of petition, but the signatures shall be from the city at large. If a petition is signed by more than fifty persons, the last

signatures in excess of that number shall be disregarded even though some of the other signatures are void.

The petition, substantially in the form set forth in the following section, shall be personally signed by each of the voters, shall give his home address and the date on which he signed, shall state that he is a qualified voter of the City, and shall state that he has signed no other petition nominating a candidate for the same office in the coming election. If a voter signs petitions for more than one candidate for the same office, his signature shall be invalid, except as to the first such petition signed by him. Signatures must be made in accordance with those dates to be designated for same, and any signature made earlier than the designated dates preceding the election shall be void. The signatures to a nominating petition need not be appended to one paper, but to each separate paper there shall be attached the affidavit of the circulator thereof stating that each signature thereon was made in his presence, that to the best of his knowledge and belief each signer is a qualified voter of the City and that no signature was made earlier than the designated dates preceding the election.

The complete petition, including the necessary affidavits, together with a nomination fee of twenty-five dollars and a signed statement of the candidate that he is a qualified voter of the City and has resided therein for at least one year and that he accepts the nomination and will serve if elected, shall be filed with the city clerk not earlier or later than the dates to be designated for same preceding the election. The clerk shall make a record of the exact time and date each petition was filed and the name and address of the person by whom it was filed.

Each petition so filed shall, within a designated time thereafter, be submitted by the clerk to the council for its immediate determination as to its sufficiency. If a petition or any of its accompanying papers is found by the council to be insufficient because of a failure to meet any of the requirements of this section, the clerk shall, within a designated time thereafter, return the petition to the person who filed it with a statement setting forth the reason for its return. At any time not later than a designated time thereafter and preceding the election, the petition may be amended and filed again as a new petition or a different petition may be filed for the same candidate.

In case there shall not be nominated by petition a number of candidates for any office equal to the number of persons to be elected to such office at any election, then the council, for the office of councilperson, shall on or before a designated date preceding the election make by appropriate resolution such additional nominations of candidates for the office as may be necessary to provide the number of candidates to be elected to such office. The nomination of any person by such resolution shall, however, not be complete unless the person so nominated pay to the city clerk a nomination fee of twenty-five dollars and file with the clerk a signed statement that he is a qualified voter of the City and has resided therein for at least one year before his nomination and that he accepts the nomination and will serve if elected.

All nomination fees shall be deposited by the clerk in the General Fund of the City and used to help defray the costs of the election.

In the case of the first election held under this charter, all duties of the council and city clerk, with respect thereto, shall be performed by the existing city council and city clerk.

Russell L. Rockhold
Mayor

ATTEST:

City Clerk /
Acting City Clerk

First Reading : November 5, 1991
Second Reading : ~~December 3, 1991~~
Published : ~~November 13, 1991 and November~~ 20, 1991
ADOPTED : December 3, 1991

ORDINANCE NO. 615

AN ORDINANCE PROVIDING FOR A PROPOSED CHARTER AMENDMENT, AMENDING SECTION 58 OF THE GRAFTON CITY CHARTER TO ADD AND ADOPT A DEFINITION OF "QUALIFIED VOTERS."

WHEREAS, West Virginia Code Section 8-4-8 provides that whenever the governing body of a municipality shall deem it expedient to amend the charter of a City it shall be done by ordinance; and

WHEREAS, It is deemed necessary and appropriate to amend the City Charter to add and adopt a definition of the phrase "qualified voters"; and

WHEREAS, It is deemed necessary and appropriate to amend the Grafton City Charter as aforementioned to reduce ambiguity and confusion and to provide an explanation of the phrase "qualified voters";

NOW THEREFORE, THE CITY OF GRAFTON HEREBY ORDAINS THAT:

SECTION 1. ADOPTION OF AMENDMENT: The proposed Charter amendment, as hereinafter set forth, be and the same is hereby adopted amending Section 58 of the City Charter. Providing further, that nothing herein shall be construed as affecting any ordinance heretofore adopted.

SECTION 2. PROPOSED CHARTER AMENDMENT: The following provision be, and is hereby adopted, said provision which shall follow the language as set forth in Section 58 of the Grafton City Charter:

> Qualified voters: All citizens qualified by the Constitution and the laws of the State of West Virginia to vote in the City and who satisfy the requirements for registration prescribed by law and who, in fact, are registered to vote, shall be qualified voters within the meaning of the Charter.

SECTION 3: EFFECTIVE DATES: This Ordinance shall be effective as of the date of its passage.

Passed this the 18th day of January, 1994.

Daniel E. Mandino
MAYOR

ATTEST:

Shirley M Dougherty
CITY CLERK

First Reading: January 11, 1994

Second Reading: January 18, 1994

Public Hearing: January 18, 1994

Publication: December 29, 1993; January 3, 1994

January 15, 1994; January 18, 1994

Adoption: January 18, 1994

This instrument prepared by
FRANCES C. WHITEMAN
ATTORNEY AT LAW

ORDINANCE NO. 627

AN ORDINANCE PROVIDING FOR A CHARTER AMENDMENT, AMENDING SECTION 32 OF THE GRAFTON CITY CHARTER REGARDING THE RESIDENCY REQUIREMENT FOR CHIEF OF POLICE

WHEREAS, West Virginia Code Section 8-4-8 provides that whenever the governing body of a municipality shall deem it expedient to amend the charter of a City it shall be done by ordinance; and

WHEREAS, it is deemed necessary and appropriate to amend the Grafton City Charter to modify and amend the residency requirement pertaining to the Chief of Police in Section 32 of said Charter; and

WHEREAS, it is deemed necessary and appropriate to amend the Grafton City Charter as aforementioned in order for the Charter to come into compliance with State and Federal law;

NOW THEREFORE, THE COUNCIL OF THE CITY OF GRAFTON HEREBY ORDAINS:

SECTION 1. ADOPTION OF AMENDMENT: The Charter amendment, as hereinafter set forth, be and the same is hereby adopted amending Section 32 of the Grafton City Charter. Providing further, that nothing herein shall be construed as affecting any ordinance heretofore adopted.

SECTION 2. CHARTER AMENDMENT: The following provision be, and is hereby adopted, said provision which shall hereinafter be and is the language for Section 32 of the Grafton City Charter:

> SECTION 32 - CHIEF OF POLICE: APPOINTMENT - QUALIFICATIONS
> The chief of police shall be appointed by the city manager to serve for an indefinite term. The chief of police shall reside within the County during tenure of office. The chief of police shall be a person of proven executive and administrative ability with experience and training in law enforcement.

SECTION 3. EFFECTIVE DATE: This Ordinance shall be effective as of the date of its passage.

Passed this 15th day of November, 1994.

Daniel E. Martinez
MAYOR

ATTEST:

Shirley McDougherty
CITY CLERK

First Reading: November 1, 1994

Second Reading: November 15, 1994

Public Hearing: November 15, 1994

Publication: November 9, 1994

November 14, 1994

Adoption: November 15, 1994

This instrument prepared by:
FRANCES C. WHITEMAN
ATTORNEY AT LAW

ORDINANCE NO. 740

AN ORDINANCE AMENDING ARTICLE VII, SECTION 58 AND REPEALING ARTICLE VII, SECTION 59 OF THE GRAFTON CITY CHARTER RELATING TO CANDIDATES FOR CITY COUNCIL.

WHEREAS, the City Council of the City of Grafton, West Virginia, does find it necessary, due to changes in the election laws of this State, to amend those portions of the City Charter prescribing procedures for the election of members of City Council;

AND WHEREAS, the Council is authorized by Chapter 8, Article 4, Section 8 of the West Virginia Code, as amended, to make enact such amendments by ordinance;

NOW, THEREFORE, the City Council of the City of Grafton, West Virginia, pursuant to authority granted by the laws of this State, does ordain that the Grafton City Charter be amended as follows:

Section 1: Amendment of Article VII, Section 58:

Section 58, Article VII of the Grafton City Charter shall be amended as follows:

SECTION 58 -- CANDIDATES FOR CITY COUNCIL; DECLARATION OF CANDIDACY; FILING FEE

1. Any resident of the City of Grafton who is otherwise eligible to hold elective office in this State may become a candidate for City Council by filing with the City Clerk a certificate declaring their candidacy therefor. The declaration of candidacy so filed shall be substantially in form as prescribed by the City Clerk for such purpose, shall be signed before a notary public or other officer authorized to give oaths, and shall contain the following information:

a. the date of the election in which the candidate seeks to appear on the ballot;

b. a statement declaring the specific ward which the candidate seeks to represent or declaring an intent to seek election at-large;

c. the legal name of the candidate and the exact name the candidate desires to appear on the ballot;

d. the specific residence address of the candidate at the time of filing, including number and street or rural route and box number;

e. a statement declaring that the candidate is a resident of the City, is legally eligible to hold office, and is a candidate for the office in good faith and will serve in said office if elected.

2. Every person who desires to become a candidate for election to City Council shall, at the time of filing the declaration of candidacy heretofore required, pay to the Clerk a filing fee in the amount of Twenty-Five Dollars ($25.00). All filing fees collected shall be deposited into the General Fund and shall be applied to defray the costs of the election.

3. A person seeking election to City Council who is unable to pay the filing fee required herein may become a candidate by filing with the aforementioned declaration of candidacy a statement declaring that they are unable to pay the filing fee due to a lack of financial resources. Such statement shall be substantially in form as prescribed by the City Clerk for such purpose and shall be signed before a notary public or other officer authorized to give oaths. The statement shall be accompanied by a petition, which shall be substantially in form as prescribed by the City Clerk for such purpose, requesting that the filing fee be waived and that the candidate set forth therein be placed upon the ballot. The petition shall contain the signatures of twenty-five qualified voters residing in the ward from which they seek election or, in the case of a candidate seeking election at-large, twenty-five qualified voters residing in the City. The petition shall further contain the specific residence of address of each signator thereto. A candidate may submit a petition containing a greater number of signatures than required, but the City Clerk shall not be required to determine the validity of a greater number of signatures than that required by this section. No qualified voter shall forfeit their opportunity to participate in any election by signing any such petition, but no voter shall be permitted to sign more than one such petition in any given election.

4. All certificates of candidacy shall be filed with the City Clerk, accompanied by the appropriate filing fee or declaration of impecuniosity and in-lieu-of-filing-fee petition, no earlier than the second Monday of January next preceding the date of the election nor later than midnight, eastern standard time, on the last Saturday in January next preceding said election. If mailed, the certificate of candidacy must be postmarked by the United States Postal Service before that hour.

The Clerk shall, within a reasonable time, examine each declaration and petition so submitted to determine the sufficiency thereof. Any declaration or petition which is found to be insufficient for any reason shall be immediately returned by said Clerk, accompanied by a statement setting forth the reason for its rejection. The deficiencies of any such declaration or petition may be corrected and such declaration or petition may be filed anew during the filing period heretofore prescribed.

Section 2: Repeal of Article VII, Section 59.

Section 59 of Article VII of the Grafton City Charter is hereby repealed.

Section 3: Severability.

Should any provision of this Ordinance be rendered invalid, illegal, or inoperative for any reason whatsoever by a court of competent jurisdiction, such action shall not be deemed to affect the operation or enforcement of any other provision contained herein which may be given effect without benefit the provision so rendered.

Section 4: Effective Date; Preservation of Record.

This Ordinance shall be in effect from the date of adoption. The Clerk is directed, upon adoption of this Ordinance, to cause a copy of these amendments, this Ordinance and a transcript of the related proceedings to be certified to the Clerk of the House of Delegates, as keeper of the rolls, for preservation as an authentic public record. It is further directed that such be recorded in the office of the Clerk of the County Court of Taylor County, West Virginia.

G. Thomas Bartlett III,
Mayor

ATTEST:

Larry M. Richman,
City Clerk

First Reading:	November 15, 2005
First Publication:	November 18, 2005
Second Publication:	November 25, 2005
Second Reading:	December 6, 2005
Public Hearing:	December 6, 2005
Adoption:	December 6, 2005

This instrument prepared by

Lloyd W. Spring III, Attorney at Law
WVSB ID# 5181
1201 West Main Street
Grafton, West Virginia 26354-1033

ORDINANCE NO. 746

AN ORDINANCE SETTING THE SALARIES OF THE
MAYOR AND COUNCIL MEMBERS OF THE CITY OF GRAFTON
AND SPECIFICALLY THE FUNDS FROM WHICH
THE SALARIES ARE PAID.

WHEREAS, Pursuant to Article II, Section 7, of the Grafton City Charter, the Council is desirous of increasing salaries, and;

WHEREAS, the Council believes that the increases are fair and equitable;

NOW THEREFORE THE COUNCIL OF THE CITY OF GRAFTON HEREBY ORDAINS:

ARTICLE 1: Monthly Salaries.

Mayor:	$220.00
Councilperson:	$200.00

ARTICLE 2: Funds used for salaries of Mayor and Council Members.

a) General Fund. The Mayor shall be paid $60.00 per meeting, $120.00 per month, and the Council members shall be paid $50.00 per meeting, $100.00 per month

b) Water Operations and Maintenance Fund. The Mayor shall be paid $25.00 per meeting, $50.00 per month, and the Council members shall be paid $25.00 per meeting, $50.00 per month, from the Water Operations and Maintenance Fund.

c) Sewer Service Fund. The Mayor shall be paid $25.00 per meeting, $50.00 per month, and the Council members shall be paid $25.00 per meeting, $50.00 per month, from the Sewer Service Fund.

The foregoing Ordinance was duly adopted at a meeting of the Council of the City of Grafton, held on the 27th day of June, 2006, after due notice thereof given in the manner prescribed by law.

This ordinance shall take effect upon the date of passage.

HONORABLE G. THOMAS BARTLETT, III
Mayor, City of Grafton

Attest:

LARRY M. RICHMAN
City Clerk

First Reading:	June 6, 2006
Second Reading:	June 27, 2006
Public Hearing:	June 27, 2006
Passage:	June 27, 2006
Publication Dates:	June 9, 2006
	June 16, 2006

Ordinance Prepared By:
Howard M. Ferris,
Grafton City Attorney
Grafton, WV 26354

ORDINANCE NO. 793

AN ORDINANCE AMENDING ARTICLE I SECTION 2 OF THE GRAFTON CITY CHARTER RELATING TO BOUNDARIES AND WARDS FOR CANDIDATES OF THE CITY COUNCIL AND SETTING PROCEDURES OF CANDIDATE ORDER UPON BALLOTS FOR CITY COUNCIL

WHEREAS, the City of Grafton does find it necessary and in the best interests of the citizens to amend that portion of the City Charter that defines individual ward boundaries; and

WHEREAS, Article I Section 2 of the Grafton City Charter sets forth the creation of four (4) wards within the City of Grafton; and

WHEREAS, Article I Section 2 of the Grafton City Charter also defines the boundaries of the aforementioned wards, but does so solely by inclusion of voting precinct rather than by geographical landmarks; and

WHEREAS, Taylor County, West Virginia has recently and/or will in the future merge and/or eliminate various voting precincts; and

WHEREAS, it is in the best interests of the citizens to now define the ward boundaries geographically so as to prevent and eliminate any uncertainty caused by County voting precinct modifications; and

WHEREAS, it is efficient, open to the public, and proper to have candidates for any election to receive their order upon the ballot by blind draw during a regular City Council meeting rather than the date set by the Secretary of State, and whereas West Virginia Code allows for the order of candidates to be set by ordinance.

NOW THEREFORE, THE COUNCIL OF THE CITY OF GRAFTON HEREBY ORDAINS THAT ARTICLE I SECTION 2 OF THE GRAFTON CITY CHARTER SHALL BE AMENDED AND HEREBY SHALL STATE AS FOLLOWS:

ARTICLE I
SECTION 2 – BOUNDARIES AND WARDS

The City boundaries are outlined on the official map of the City, which is maintained on file in the office of the city clerk. The City shall be divided into four wards, and each ward shall include and be defined by the following geographical boundaries:

First Ward – Fetterman Area:

1. All the area in the Fetterman section of Grafton, west of St. Mary's Street and continuing on the upper side of West Main Street where West Main Street intersects at Ethel Street; then continuing west of Ethel Street, intersecting Knotts Avenue and continuing to Rock Street, then continuing west on Rock Street, unto US. Route 50 and ending at the west of Warder Road (Lucas Dairy Road) at the Church of the Good Shepherd United Methodist.

Second Ward – Downtown/area adjacent Bluemont Cemetery/South Side/Lucretia:

1. All of the South Side section of Grafton, north of the Tygart River;
2. All of the Lucretia section of Grafton; and
3. All downtown area east of the St. Mary's Street and continuing the lower side of West Main Street where West Main Street intersects at Ethel Street; then continuing east of Ethel Street, intersecting Knotts Avenue and continuing to Rock Street, then continuing east of Rock Street, unto US. Route 50, and ending at the east of Warder Road (Lucas Dairy Road) at the Church of the Good Shepherd United Methodist; and continuing and containing all the area south of US Route 50, the area of Grafton north of Bluemont Cemetery and the East End area of Grafton.

Third Ward – Blueville - Brownlow area:

1. All of the Blueville - Brownlow section of Grafton north of US Route 50 and continuing, and including the Walmart Store property, to the Grafton municipal limits at US Route 119 north of Grafton.

Fourth Ward – West Side:

1. All of the West Side section of Grafton, south of the Tygart River.

A map(s) of said wards shall be attached to any ordinance defining ward boundaries and the same will be maintained in the office of the city clerk. Said map(s) shall be for illustrative purposes only and in the event of any discrepancy between said maps and the geographical definition of the wards written in this section, the written geographical boundaries in this section shall control.

NOW THEREFORE, THE COUNCIL OF THE CITY OF GRAFTON HEREBY FURTHER ORDAINS:

That the order of candidates written upon the official voting ballot for City Council or for any regular election shall be determined by blind draw of the City Council during its first regular meeting following the close of the election candidate filing/registration deadline, should this not be possible due to a change in the deadlines of the Secretary of State, the same may occur by special meeting of the City Council.

The foregoing Ordinance was duly and regularly adopted at a meeting of the Council of the City of Grafton held on the 6th day of Decemer, 2011, publication, and hearing thereon in the manner prescribed by law.

This Ordinance shall take effect upon the date of passage.

G. THOMAS BARTLETT, III
Mayor

ATTEST:

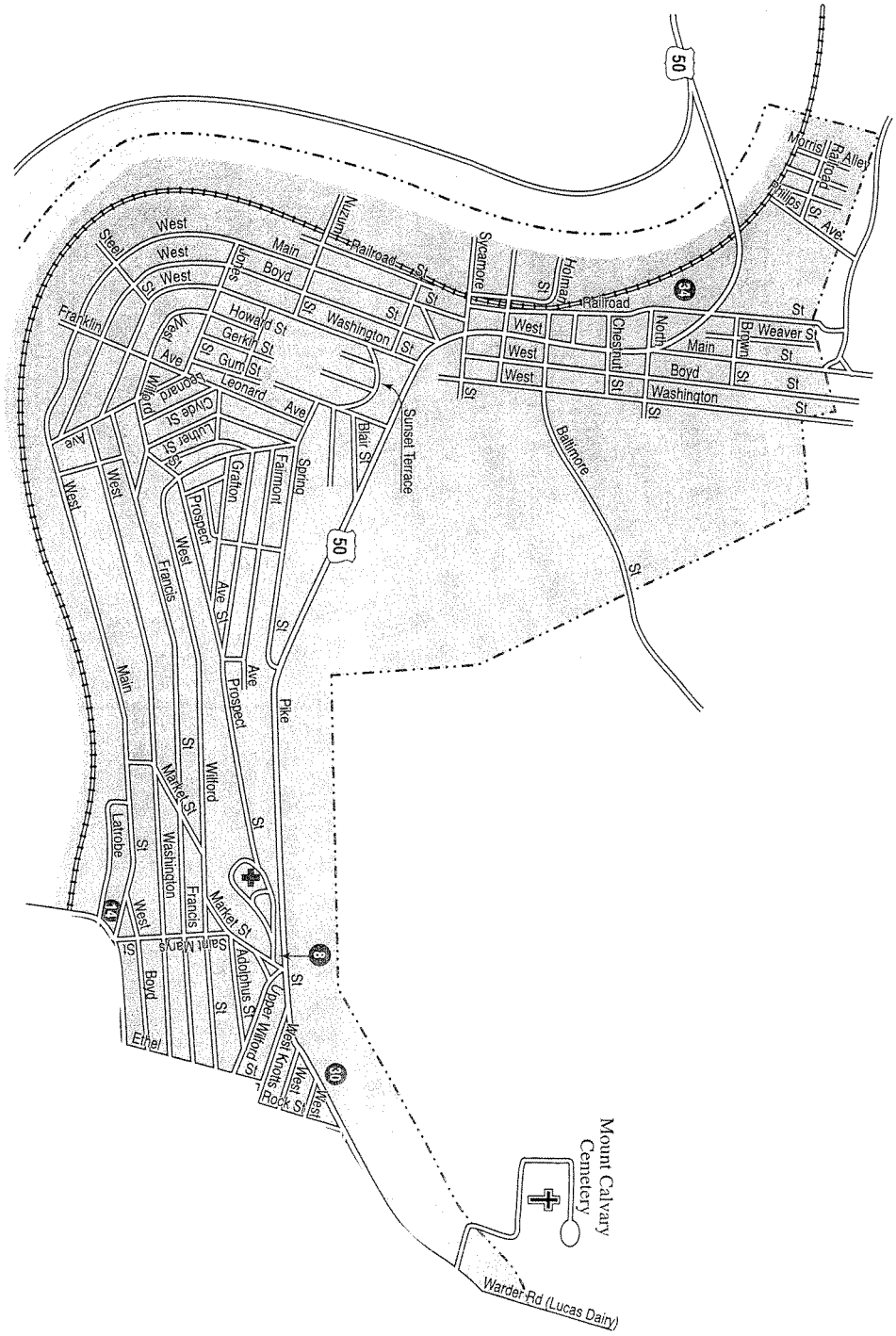
LARRY M. RICHMAN
City Clerk

First Reading:	November 15, 2011
Second Reading:	December 6, 2011
Public Hearing:	December 6, 2011
Adopted:	December 6, 2011
Publication:	November 18, 2011
	November 25, 2011

Ordinance Prepared By:
Shawn D. Nines,
City Attorney
222 West Main Street
Grafton, WV 26354

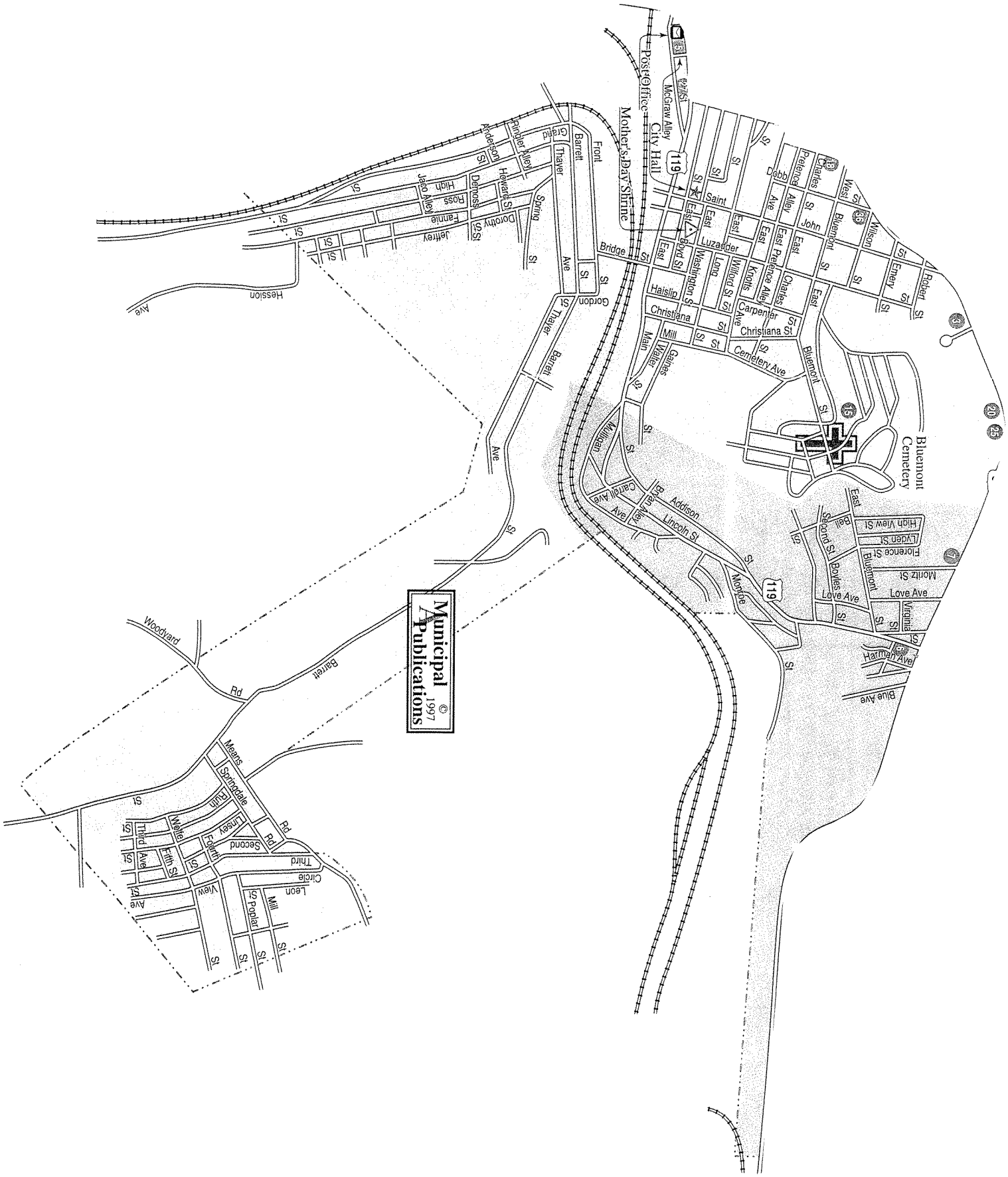
FIRST WARD

FETTERMAN AREA



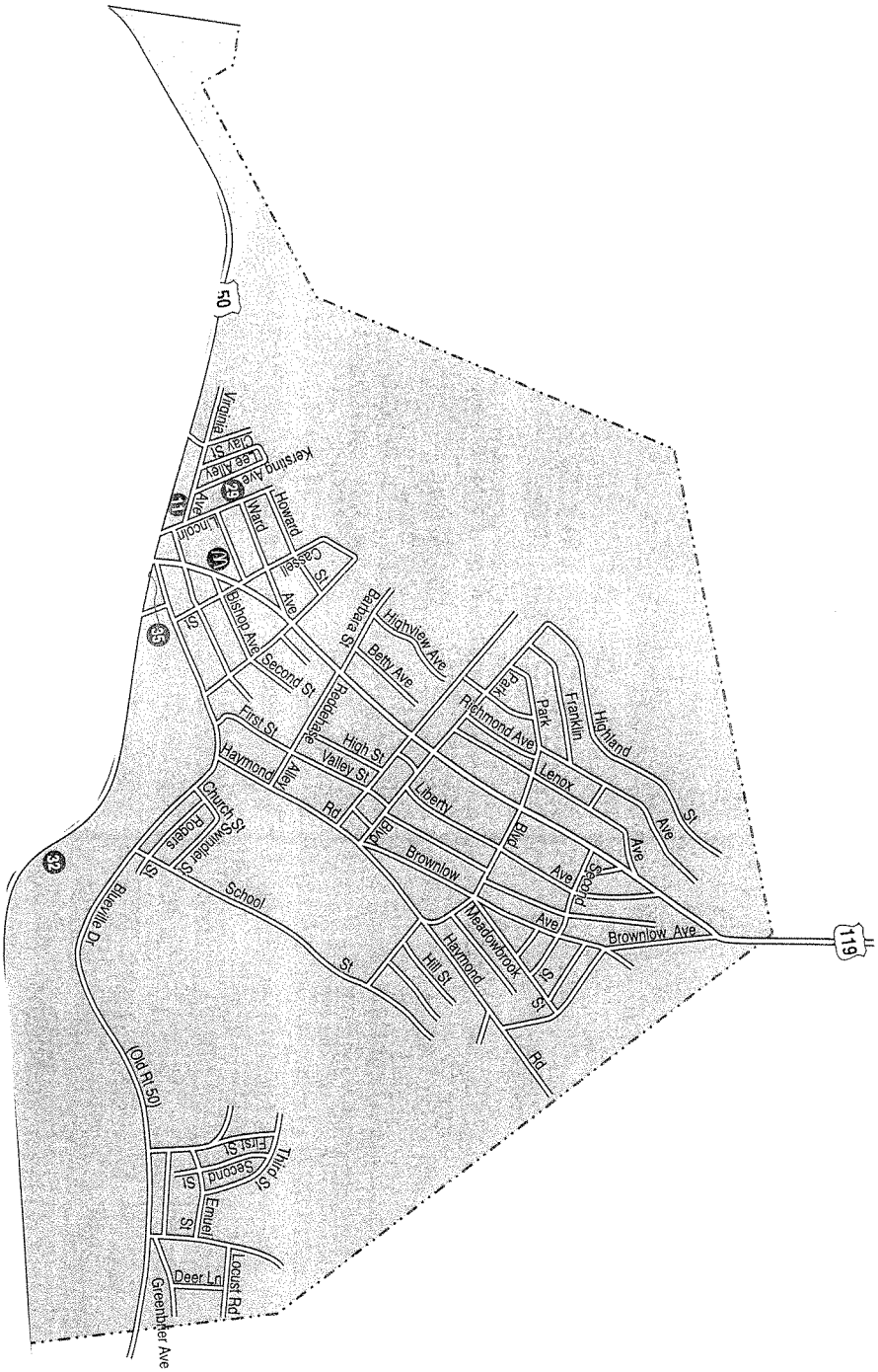
SECOND WARD

DOWNTOWN/AREA ADJACENT BLUEMONT CEMETERY/SOUTH SIDE/LUCRETIA



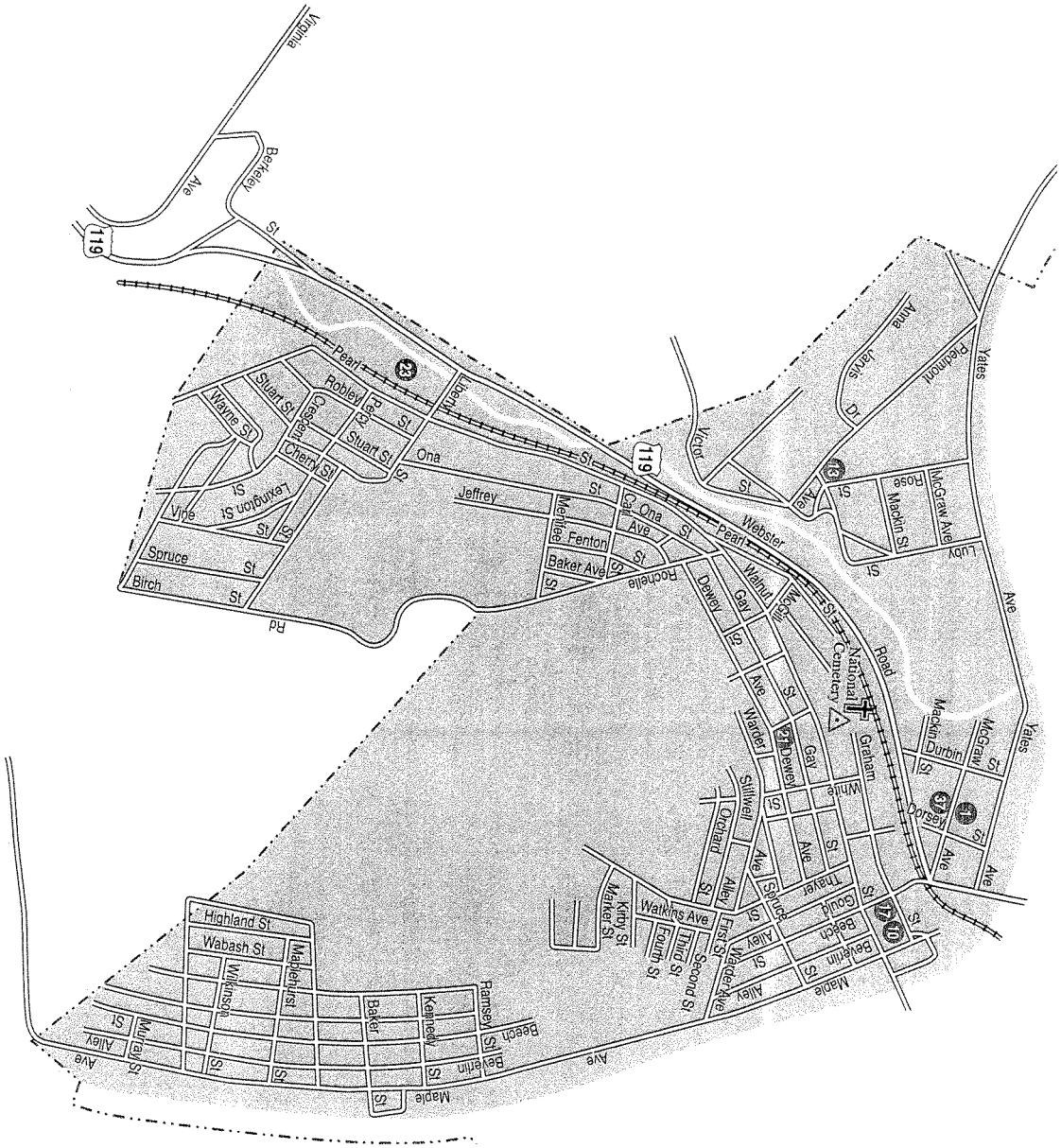
THIRD WARD

BLUEVILLE - BROWNLOW



FOURTH WARD

WEST SIDE



OATH OF OFFICE

STATE OF WEST VIRGINIA)
TAYLOR COUNTY) TO WIT:
CITY OF GRAFTON)

I, Jerold P. Isner, do solemnly swear (or affirm) that I will support the Constitution of the United States and the State of West Virginia. That I will faithfully discharge the duties as a member of the Grafton City Council, representing Ward 1, to the best of my skill and judgement so help me God.

Jerold P. Isner

Taken, subscribed and sworn before me this 3rd day of July, 2012.

Larry M. Richman
City Clerk

OCTOBER 21, 2014:
A TRUE COPY FROM THE RECORD: CERTIFICATE OF OATH OF OFFICE
LARRY M. RICHMAN - GRAFTON CITY CLERK

Grafton City Council
Jerold P. Isner (Ward 1) (H) 304.265-1895
5 Phillips Avenue
RR 5, Box 570
Grafton, West Virginia 26354
Term: July 1, 2012 – June 30, 2016

OATH OF OFFICE

STATE OF WEST VIRGINIA)
TAYLOR COUNTY) TO WIT:
CITY OF GRAFTON)

I, Earl C. Bartlett, do solemnly swear (or affirm) that I will support the Constitution of the United States and the State of West Virginia. That I will faithfully discharge the duties as a member of the Grafton City Council, representing Ward II, to the best of my skill and judgement so help me God.

Earl C. Bartlett

Taken, subscribed and sworn before me this 1st day of July, 2014.

Larry M. Richman
City Clerk

OCTOBER 21, 2014:
A TRUE COPY FROM THE RECORD: CERTIFICATE OF OATH OF OFFICE
LARRY M. RICHMAN – GRAFTON CITY CLERK

Grafton City Council
Earl C. Bartlett (Ward II) (H) 304.265-0534
64 Susan Street
Grafton, West Virginia 26354
Term: July 1, 2014 – June 30, 2018

OATH OF OFFICE

STATE OF WEST VIRGINIA)
TAYLOR COUNTY) TO WIT:
CITY OF GRAFTON)

I, Peggy Knotts Barney, do solemnly swear (or affirm) that I will support the Constitution of the United States and the State of West Virginia. That I will faithfully discharge the duties as a member of the Grafton City Council, representing Ward III, to the best of my skill and judgement so help me God.

Peggy Knotts Barney
Peggy Knotts Barney

Taken, subscribed and sworn before me this 1st day of July, 2014.

Larry M. Richman
Larry M. Richman
City Clerk

Grafton City Council
Peggy Knotts Barney (Ward III) (H) 304.265-5405
615 Haymond Road
RR 1, Box 86
Grafton, West Virginia 26354
Term: July 1, 2014 – June 30, 2018

OCTOBER 21, 2014:
A TRUE COPY FROM THE RECORD: CERTIFICATE OF OATH OF OFFICE
LARRY M. RICHMAN – GRAFTON CITY CLERK

OATH OF OFFICE

STATE OF WEST VIRGINIA)
TAYLOR COUNTY) TO WIT:
CITY OF GRAFTON)

I, G. Thomas Bartlett, III, do solemnly swear (or affirm) that I will support the Constitution of the United States and the State of West Virginia. That I will faithfully discharge the duties as a member of the Grafton City Council, representing Ward IV, to the best of my skill and judgement so help me God.

G. Thomas Bartlett, III

Taken, subscribed and sworn before me this 1st day of July, 2014.

Larry M. Richman
City Clerk

Grafton City Council
G. Thomas Bartlett, III (Ward IV) (H) 304.265-0531
302 McGraw Avenue
Grafton, West Virginia 26354
Term: July 1, 2014 – June 30, 2018

OCTOBER 21, 2014:
A TRUE COPY FROM THE RECORD: CERTIFICATE OF OATH OF OFFICE
LARRY M. RICHMAN – GRAFTON CITY CLERK

OATH OF OFFICE

STATE OF WEST VIRGINIA)
TAYLOR COUNTY) TO WIT:
CITY OF GRAFTON)

I, Brenda K. Thompson, do solemnly swear (or affirm) that I will support the Constitution of the United States and the State of West Virginia. That I will faithfully discharge the duties as a member of the Grafton City Council, At Large, to the best of my skill and judgement so help me God.

Brenda K Thompson
Brenda K. Thompson

Taken, subscribed and sworn before me this 3rd day of July, 2012.

Larry M. Richman
Larry M. Richman
City Clerk

Grafton City Council
Brenda K. Thompson (At Large) (H) 304.265-4188
199 Florence Street
Grafton, West Virginia 26354
Term: July 1, 2012 – June 30, 2016

OCTOBER 21, 2014:
A TRUE COPY FROM THE RECORD: CERTIFICATE OF OATH OF OFFICE
LARRY M. RICHMAN – GRAFTON CITY CLERK

OATH OF OFFICE

STATE OF WEST VIRGINIA)
TAYLOR COUNTY) TO WIT:
CITY OF GRAFTON)

I, G. Thomas Bartlett, III, do solemnly swear (or affirm) that I will support the Constitution of the United States and the State of West Virginia. That I will faithfully discharge the duties as Mayor of the City of Grafton, to the best of my skill and judgement so help me God.

G. Thomas Bartlett, III

Taken, subscribed and sworn before me this 1st day of July, 2014.

Larry M. Richman
City Clerk

Grafton City Council
G. Thomas Bartlett, III (Mayor) (H) 304.265-0531
302 McGraw Avenue
Grafton, West Virginia 26354
Term: July 1, 2014 – June 30, 2016

OCTOBER 21, 2014:
A TRUE COPY FROM THE RECORD: CERTIFICATE OF OATH OF OFFICE
LARRY M. RICHMAN – GRAFTON CITY CLERK

OATH OF OFFICE

STATE OF WEST VIRGINIA)
TAYLOR COUNTY) TO WIT:
CITY OF GRAFTON)

I, Peggy Knotts Barney, do solemnly swear (or affirm) that I will support the Constitution of the United States and the State of West Virginia. That I will faithfully discharge the duties as Vice Mayor of the City of Grafton, to the best of my skill and judgement so help me God.

Peggy Knotts Barney
Peggy Knotts Barney

Taken, subscribed and sworn before me this 1st day of July, 2014.

Larry M. Richman
Larry M. Richman
City Clerk

Grafton City Council
Peggy Knotts Barney (Vice Mayor) (H) 304.265-0007
615 Haymond Road
Grafton, West Virginia 26354
Term: July 1, 2014 – June 30, 2016

OCTOBER 21, 2014:
A TRUE COPY FROM THE RECORD: CERTIFICATE OF OATH OF OFFICE
LARRY M. RICHMAN – GRAFTON CITY CLERK

ORDINANCE NO. 160

AN ORDINANCE amending and reinacting ordinance No. 150, and creating a hospital board, the function of which will be to construct, equip, maintain and operate the Grafton City Hospital located on Finnigan's Rock.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRAFTON:

Section 1. Pursuant to Section 20, Chapter 68, Laws of West Virginia, 1935, there shall be and is hereby created a City Hospital Board which shall consist of six members, in addition to the Mayor of the City of Grafton, who shall be citizens of the City of Grafton, said board to be non-partisan in character, and the members of said board to serve without compensation.

Section 2. The Mayor of the City of Grafton shall be exofficio chairman without vote, except in case of a tie of said board, and his term of office as exofficio chairman shall be co-extensive with his term of office as mayor. The members of said Hospital Board shall be appointed by the Mayor of the City of Grafton and shall serve for an indefinite period. The Mayor shall appoint the members of the Hospital Board within two weeks after this Ordinance takes effect.

Section 3. In case of vacancies created by any cause whatsoever, the same shall be filled by a majority vote of the City Hospital Board. In case said vacancy or vacancies are not filled by the Board within a period of thirty days said vacancy or vacancies shall be filled by the Mayor as ex-officio chairman of said Hospital Board.

Section 4. The City Hospital Board shall hold a meeting within ten days after the first board is appointed and at intervals there after to be agreed upon by the board. At the first meeting of the board there shall be elected a secretary from the board membership whose duty it shall be to keep a record of all proceedings.

Section 5. The City Collector and Treasurer shall be exofficio treasurer of the said Hospital Board.

COPY

Section 6. The Hospital Board shall have complete management of the Grafton City Hospital and, subject to the provisions of Section 17, Chapter 68, Laws of West Virginia, 1935, shall fix a schedule of rates to be charged for service to patients and all other services rendered by said hospital, and shall examine from time to time such practices with a view of making necessary adjustments.

Section 7. The said City Hospital Board shall employ a superintendent of said hospital, and shall fix the salary of said superintendent and prescribe the duties thereof, and shall employ all necessary nurses, employees and agents to conduct said hospital and shall fix the salaries to be paid said employees.

Section 8. All employees provided for in Section 7, shall hold the term of employment at the pleasure of the City Hospital Board and may be dismissed without notice, and the salaries of such persons may be changed at any time.

Section 9. All powers and duties of said City Hospital Board as herein before set forth shall be exercised and performed subject to, and in conformity with the provisions and requirements of "An Ordinance authorizing the issuance of $160,000 principal amount of Hospital Revenue Bonds of the City of Grafton, West Virginia, and providing for the rights of the holders thereof, "which ordinance was adopted January 14, 1943."

Section 10. This ordinance is hereby declared necessary for the immediate construction, efficient management of said hospital, and preservation of the health, safety and public confidence, and shall therefore, in accordance with Section 24 of the chapter, embraced in Chapter 70 of the Acts of the Legislature of West Virginia, 1913, take effect from passage.

Adopted at a [illegible] meeting of the Council of the City of Grafton, held at Grafton, West Virginia, on the 20 day of April 19[illegible].

Dorsey G. Bolyard
Mayor

Attest:

Dorothy R. Beavers
City Clerk.

4/20/1945

Statesman Classifieds
914 West Main Street, Grafton
304-265-333

LEGAL

September 16, 2015

September 23, 2015

NOTICE OF TRUSTEE'S SALE

To: Joseph A. D'Amico and
JoAnn D'Amico

Notice is hereby given that pursuant to the authority of that certain Deed of Trust executed by Joseph A. D'Amico and JoAnn D'Amico, to the Trustee as therein named for said Lender, said Deed of Trust bearing date of the 5th day of April, 2013; and of record in the Office of the Clerk of the County Commission of Taylor County, West Virginia, in Trust Deed Book No. 314, at Page 79, and default having been made in the payment of the indebtedness secured by the aforesaid Deed of Trust, and further, said Lender having executed that certain Appointment of Substitute Trustee appointing and substituting Keith J. Pappas as the Trustee of the aforereferenced Deed of Trust instrument, and that the said Trustee has been formally instructed by said Lender, the owner and holder of the Note evidencing said indebtedness, to advertise and sell the property as hereinafter described, on the terms and provisions as more particularly set forth in said Deed of Trust. Therefore, I, Keith J. Pappas, the Undersigned Trustee, will on Thursday, the 1st day of October, 2015, at 11:00 a.m., offer for public sale to the highest bidder, for cash, at the main entrance of the Taylor County Courthouse, situate at 214 W. Main Street, Grafton, West Virginia, the real estate as conveyed by said Deed of Trust and therein described as follows, to wit:

All those certain parcels of real estate, together with the buildings and improvements thereon and the appurtenances thereunto belonging, situate, lying and being in Fetterman District, Taylor County, West Virginia, with a known address of 130 Cara Marita Drive, Grafton, West Virginia, more particularly bounded and described as follows, to-wit:

Beginning at the centerline of Cara Marita Drive, at the centerline of a waterline crossing, and proceeding along the centerline of the roadway S. 72° 48' 06" W. 174.49 feet to the southeast corner of Lot No. 22, thence following the lines of Lot No. 22 for the following two (2) calls: N. 00° 07' 24" W. 140.48 feet, N. 28° 26' 16" E. 167.89 feet to an iron pin; thence S. 80° 22' 02" E. 159.00 feet to the center of the waterline right-of-way; thence along the centerline of the waterline right-of-way for the following three (3) calls: S. 29° 07' 23" W. 108.53 feet S. 11° 21' 04" W. 38.75 feet S. 07° 48' 17" W. 50.40 feet to the beginning, containing a total of 1.00 acres.

A 20-foot wide right-of-way is reserved along the southern side of this tract from the center of Cara Marita Drive to provide access to adjacent lands. A 10-foot wide right-of-way from the center of the waterline is reserved for maintenance of the waterline passing along the eastern side of the property.

Being all the same parcel of real estate conveyed to Joseph A. D'Amico and JoAnn D'Amico, from Kimberly J. Bryan and Robert W. Bryan, by Deed dated the 11th day of September, 2001, and recorded in the Office of the Clerk of the County Commission of Taylor County, West Virginia in Deed Book 275, at Page 461.

PERSONAL PROPERTY TO BE CONVEYED:
Manufactured Home
2013 Clayton

THIS SALE is made subject to any prior liens, assessments or mortgages, persons in possession and the rights of any tenants therein and said property is being sold "as is," and "where is," without any representation or warranty, express or implied, as to the condition of the improvements, the availability of utilities, whether latent or patent defects may exist therein or thereon, the existence of any defect respecting the quality or marketability of the title thereof, matters which would be revealed by an accurate survey or visual inspection of the premises, the improvements thereon and its boundaries.

TERMS OF SALE: Said real estate will be sold for cash in hand on the day of the sale or other terms as may be acceptable to Lender on said day and date. All persons intending to be present at said time and place of sale, and intending to bid, must register with Trustee, showing a valid proof of identity and letter of credit from source of funds or bank in amounts equivalent to any proposed bid, plus costs. All bids may be freely assigned to qualified parties or entities, subject to Lender's consent. Purchaser shall pay all transfer tax stamps, property taxes, advertising, recording costs, deed preparation and closing costs incurred pursuant to said bid, purchase and transfer. The undersigned Trustee reserves the right to continue said sale from time to time and to reject any and all bids or offers at any time.

DATED this 10th day of September, 2015.

Keith J. Pappas, Trustee
175 Fayette Street
Morgantown, WV 26505
Phone: (304) 292-0621
Fax: (304) 292-0514
[illegible]

Legal 2769
9/16, 9/23/15

LEGAL

COMMISSIONER'S NOTICE

To the Creditors and Beneficiaries of the Estates of Elmira Sipes Hanyiek, Ann Rosyn Johnson, and/or Joseph Robert Jones, whether due, or not, are notified to exhibit same, with the voucher thereof, legally verified, to the undersigned at his office at 222 West Main Street, Grafton, West Virginia, on or before the expiration of the claims period, as set forth in West Virginia Code Chapter 44 as amended; otherwise they may by law be excluded from all benefit of said estate. All creditors and beneficiaries of said estates may appear on or before said day to examine said claims and otherwise protect their interest.

Given under my hand this day 21st day of September, 2015.

Shawn D. Nines, Esq.
Fiduciary Commissioner

Taylor County, West Virginia
Legal 2775
9/23, 9/30/15

DID YOU KNOW?

(NAPSA) Each year, there are over 25 million free credit reports provided to consumers, said Stuart K. Pratt, president and CEO of the Consumer Data Industry Association. To get a free annual copy of your credit report from Equifax, Experian or TransUnion, go to www.annualcreditreport.com.

You can now get a highly effective new treatment for splitting, peeling nails or white spots. For best results, apply CND RescueRXx Daily Keratin Treatment to bare natural nails twice daily for up to four weeks. Learn more at www.cnd.com.

LEGAL

The notes are an integral part of the financial statements, however, for economy included in the publication, but are available for review at the board office.

TAYLOR COUNTY BOARD OF EDUCATION

SUPPLEMENTAL SCHEDULE OF DEBT

"AT JUNE 30, 2015"

"Bond Refunding Issue of $8,130,000, Series 2012".

- Issue Date - September 25, 2012"
- Maturity Date - May 1, 2019"
- Interest Rate - 3.0%
- Amount Issued - $8,130,000"
- Amount Retired - $2,450,000"
- Amount Outstanding - $3,680,000"

General Provisions of the bond agreement(s) are as follows:

"Bond Refunding Issue of $8,130,000, Series 2012"

"This refunding issue was approved by the Taylor County Board of Education o the purpose of realizing savings through lower interest rates and releasing sur projects at the locations determined in the Series 2003 and Series 2004 gener The bonds bear interest at the rate(s) of 3.0% payable semi-annually on the first November 1st of year."

LEGAL

ORDINANCE NO. 824

AN ORDINANCE AMENDING ORDINANCE NO. 271 REZONING PROPERTY BEING PARCEL 125 TAX MAP 29 (0.462 ACRES) LOCATED ON VICTORY AVENUE FROM RESIDENTIAL TO COMMERCIAL

Grafton City Council will conduct the second reading and public hearing on Ordinance No. 824 at the regular council meeting on Tuesday, October 6, 2015, at 7:00 p.m. in the Council Chambers, Grafton Municipal Building, 1 West Main Street, Grafton, WV 26354.

Interested parties may appear and be heard at such time with respect to the passage of the proposed ordinance. Copies of the proposed ordinance are available at the Office of the City Clerk/Finance Director, Grafton Municipal Building, 1 West Main Street, Grafton, WV 26354.

Larry M. Bishman
City Clerk

Legal 2771
9/23, 9/30/15

LEGAL

(Cert No. 460209 George A. Simpson)

To: JOSHUA BRIAN MCNEMAR, JOSHUA BRIAN MCNEMAR, ALLEN RAY MCNEMAR, ALLEN RAY MCNEMA MCNEMAR – REGULAR MAIL, JOSHUA BRIAN MCNEMAR – REGULAR MAIL, ALLEN RAY MCNEMAR – REG RAY MCNEMAR – REGULAR MAIL, JOSHUA BRIAN MCNEMAR – PERSONAL SERVICE, JOSHUA BRIAN MCNE SERVICE, ALLEN RAY MCNEMAR – PERSONAL SERVICE, ALLEN RAY MCNEMAR – PERSONAL SERVICE, or h creditors, representatives, successors, assigns, all unknown heirs, guardians, conservators, fiduciaries, administrat

You will take notice that George A. Simpson, the purchaser of the following real estate, Certification No. 460209, i District, Assessment 125/250 Irregular, which was returned delinquent or nonentered in the name of McNemar Allen Ray J Brian, and was sold by the deputy commissioner of delinquent and nonentered lands of Taylor County at the sale for 09/29/2014, George A. Simpson requests that you be notified a deed for such real estate will be made on or after 10/ by law, unless before that day you redeem such real estate. The amount needed to redeem on or before 10/29/2015

Amount equal to the taxes and charges due on the date of the sale, with interest, to 10/29/2015.	$1104.
Amount of taxes paid on the property, since the sale, with interest to 10/29/2015.	$0.00
Amount paid for Title Examination and preparation of the list to be served and for preparation and service of notice with interest from 10/29/2015.	$561.2
Additional Statutory Fees with interest to 10/29/2015.	$0.00
Total Amount Payable to Sheriff – cashier check, money order, certified or personal check must be made payable to The Honorable Terring Skinner, Sheriff of Taylor County.	$1665.

You may redeem at any time before 10/29/2015, by paying the above total less any unearned interest.

Given under my hand 09/14/2015

G. Russell Rollyson Jr.
Deputy Commissioner of Delinquent and Nonentered Lands of Taylor County, State of West Virginia.

Please return payment to the West Virginia State Auditor's Office, County Collections Division, 1900 Kanawha Boul , Room W-118, Charleston, West Virginia 25305. Questions please call 1-888-509-6568.

Legal 2774
9/23, 9/30, 10/7/15

LEGAL

CITY OF GRAFTON

NOTICE OF PUBLIC HEARING ON
GRAFTON CITY HOSPITAL
REFUNDING AND IMPROVEMENT REVENUE BOND
ORDINANCE

A public hearing will be held on the following entitled Ordinance at a regular meeting of the Council of the City of Grafton (the "City") to be held on October 6, 2015 at 7:00 p.m. prevailing time in the Council Chambers of the Grafton Municipal Building, 1 West Main Street, Grafton, West Virginia, and at such hearing any person interested may appear before the Council and present protests, comments and suggestions, and all protests, comments and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2002 (GRAFTON CITY HOSPITAL), THE REFINANCING OF A LOAN OBLIGATION OF GRAFTON CITY HOSPITAL AND THE PAYMENT OF OTHER OBLIGATIONS OF GRAFTON CITY HOSPITAL; THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE EXISTING FACILITIES OF GRAFTON CITY HOSPITAL AND THE ACQUISITION OF CERTAIN PERSONAL PROPERTY, FIXTURES AND EQUIPMENT FOR GRAFTON CITY HOSPITAL; THE SALE AND ISSUANCE OF NOT TO EXCEED $9,700,000 CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS (GRAFTON CITY HOSPITAL), IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND SECURITY OF SUCH BONDS, THE REFUNDING AND REFINANCING OF SUCH OBLIGATIONS OF GRAFTON CITY HOSPITAL AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO GRAFTON CITY HOSPITAL; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

The above-entitled Ordinance has been read by title by the Council of the City at two meetings of council, held on September 15 and September 22, 2015, respectively.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the issuance of the Bonds described in said Ordinance. The proceeds of the Bonds will be used to provide financing of the costs of refunding the outstanding Hospital Refunding Revenue Bonds, Series 2002, of the City, to refinance certain borrowings undertaken with respect to Grafton City Hospital, to finance the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital and to pay other obligations with respect to Grafton City Hospital. The Bonds are payable solely from revenues to be derived from the ownership and operation of Grafton City Hospital and from certain funds and accounts which will be established and maintained in connection with the issuance of the Bonds. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-entitled Ordinance is on file with the City Council at the office of the City Clerk of the City for review by interested parties during regular office hours.

Following said public hearing, the Council intends to vote on the adoption of said Ordinance upon final reading.

Dated: September 22, 2015

s/s Larry M. Bishman
City Clerk

Legal 2773
9/23, 9/30/15

THURSDAY EVENING

C: Comcast Morgantown S - Suddenlink Buckhannon — SEPTEMBER

C	S		7:00	7:30	8:00	8:30	9:00	9:30	10:00	10:30	11:0
2	4	4 ABC	Inside Edition (N) (In Stereo)	Entertainment Tonight	Grey's Anatomy "Sledgehammer" (In Stereo)		Scandal "Heavy Is the Head" (Season Premiere) (N) (In Stereo)		How to Get Away With Murder "It's Time to Move On" (In Stereo)		Action News at 11
5	5	5 CBS	Entertainment Tonight	NFL Thursday Night Kickoff (N)	NFL Thursday Night Kickoff (N)	NFL Football Washington Redskins at New York Giants. MetLife Stadium. (N) (Live)					News (N)
12	12	12 NBC	Jeopardy! (In Stereo)	Wheel of Fortune (N) (In Stereo)	Heroes Reborn "Brave New World; Odessa" (Series Premiere) (N) (In Stereo) (DVS)				The Player "Pilot" A man searches for his ex-wife's killer. (In Stereo)		12 News at 11pm (N)
		24 PBS	PBS NewsHour (N) (In Stereo)		Midsomer Murders "Things That Go Bump in the Night" The murder of an undertaker.		Midsomer Murders "Things That Go Bump in the Night" The murder of an undertaker.				Charlie R (Stereo)
		46 FOX	Judge Judy (In Stereo)	Judge Judy (In Stereo)	Scream Queens "Pilot; Hell Week" A killer wreaks havoc on campus. (In Stereo) (DVS)				WVFX News at 10:00PM (N)	Hot in Cleveland (In Stereo)	Inside Edition (N) (In Stereo)
CABLE CHANNELS											
		A&E	The First 48 A man is gunned down in his car.		Behind Bars: Overtime "The Drug Trade"		Behind Bars: Overtime "Sink or Swim" (N)		Behind Bars: Rookie Year "Moving On" (In Stereo)		Behind B "The Drug
		AMC	(5:30) Movie: Predator 2 (1990) Gary Busey		Movie: Uncle Buck (1989) John Candy. An easygoing relative takes care of three children.				Movie: True Lies (1994, Action) A double life of a spy and a family man.		
		ANPL	To Be Announced		To Be Announced		To Be Announced		To Be Announced		To Be An
		CELEB	Paid Program.	Paid Program	ACTV Fine Art With Barry Chappell Enjoy the exciting world of fine art.						
		CNBC	The Profit Marcus tries to resolve a family feud.		Shark Tank Mark Cuban upsets the other sharks.		Shark Tank The sharks share favorite memories.		West Texas Investors Club		Blue Coll Millionair
		CNN	Erin Burnett OutFront (N)		Anderson Cooper 360 (N)		Anderson Cooper 360 (N)		CNN Tonight With Don Lemon (N)		Anderson
		COM	Brian Regan: Standing Up The comic performs.		Jim Gaffigan	Brian Regan: The Epitome of Hyperbole		South Park	Review (N)	South Park	At Midnig With Chri
		CW	Family Guy (In Stereo)	Family Guy (In Stereo)	The Flash "Rogue Air" (In Stereo)		Arrow Oliver must complete two final tasks.		Seinfeld (In Stereo)	Seinfeld "Pilot"	Cougar Town
		DISN	Jessie (In Stereo)	Liv and Maddie	Dog With a Blog	Dog With a Blog	Dog With a Blog	Dog With a Blog	K.C. Undercover	Best Friends	(N) Meets World
		DSC	Naked and Afraid (In Stereo)		Naked and Afraid (In Stereo)		Naked and Afraid (In Stereo)		Naked and Afraid (In Stereo)		Naked an Stereo)
		E!	E! News (N)		Dash Dolls		Keeping Up With the Kardashians		Kardashian	Total Divas "Find Love"	E! News (
		ESPN	Football Countdown	College Football Cincinnati at Memphis. Liberty Bowl Memorial Stadium. (N) (Live)						SportsCenter (N) (Live)	
		ESPN2	WNBA Basketball Conference Final, Game 1: Teams TBA. (N) (Live)				WNBA Basketball Conference Final, Game 1: Teams TBA. (N) (Live)				Summer Chall.
		EWTN	(4:45) Pope Francis in America (N)		EWTN News Nightly	Pope Francis in America "Address to Congress" Pope Francis' address to Congress.				Kenosis	World Ma in Americ
		FAM	(6:00) Movie: Journey to the Center of the Earth		Movie: National Treasure (2004, Adventure) Nicolas Cage, Diane Kruger, Justin Bartha. A man tries to steal the Declaration of Independence.						The 700 C
		FNC	On the Record With Greta Van Susteren (N)		The O'Reilly Factor (N)		The Kelly File (N)		Hannity (N)		The O'Rei
		FOOD	Chopped Hummus chips and ground bison.		Chopped Four returning team winners compete.		Chopped Lump meat crab; nostalgic candy. (N)		Beat Bobby Flay	Beat Bobby Flay	Beat Bobl Flay
			MLB Whiparound (N)		UFC Reloaded "UFC 184: Ronda Rousey vs. Cat Zingano"						FOX Spor

THE MOUNTAIN STATESMAN
PO BOX 218
GRAFTON, WV 26354
(304) 265-3333
FEIN NO. 363672215

STEPTOE & JOHNSON PLLC
400 WHITE OAKS BLVD
BRIDGEPORT WV 26330

LEGAL ADVERTISEMENT INVOICE

ACCT# 8880 **LEGAL#** 2772

DESCRIPTION Notice of Public Hearing City of Grafton Hospital Refunding & Improvement Revenue Bond Ordinance

PUBICATION DATES			PUBLICATION COST
9/23/2015			$ 137.66
9/30/2015			$ 103.25
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
	AFFIDAVIT FEE		$ 2.00
		TOTAL	$ 242.91

Legal Rate: .11 1/5 cents per word space for the first publication
75% of the first cost for each additional publication

AFFIDAVIT

STATE OF WEST VIRGINIA, COUNTY OF TAYLOR,
TAMMY A LYONS, PUBLISHER of the MOUNTAIN STATESMAN
a Newspaper Published in Grafton in said county,
do hereby certify that the annexed

Was published once a week for two
weeks in said Mountain Statesman a Newspaper as aforesaid,
commencing on the 23rd day of September 2015

Publisher : Tammy A Lyons

WEST VIRGINIA, TAYLOR COUNTY, TO WIT:
Subscribed and sworn before me this 9th
day of October, 2015

Notary Public: Monica G Robinson
My commission expires: May 22, 2024

OFFICIAL SEAL
Notary Public, State of West Virginia
Monica G Robinson
19 Rogers Street
Grafton, WV 26354
My commission expires May 22, 2024

RESOLUTION OF THE CITY OF GRAFTON APPROVING INVOICES RELATING TO SERVICES FOR THE GRAFTON CITY HOSPITAL PROJECT OR THE REFINANCING OF OBLIGATIONS OF GRAFTON CITY HOSPITAL AND AUTHORIZING PAYMENT THEREOF,

WHEREAS, the City Council of the City of Grafton has reviewed the invoices attached hereto and incorporated herein by reference relating to the acquisition of equipment and the design, acquisition, construction and equipping of improvements to the Grafton City Hospital (the "Project"), the payment of a federal tax obligation of the Hospital and the refinancing of certain obligations relating to the Hospital facility funded by the United States Department of Agriculture (USDA) pursuant to its purchase of the City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A and Series 2015 B (Grafton City Hospital) (the "Bonds") and find as follows:

a) That none of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made.

b) That each item for which the payment is proposed to be paid is or was necessary in connection with the repayment of a federal tax obligation and the refinancing of certain obligations of the Hospital facility or is or was necessary in connection with the Project and constitutes a Cost of the Project or a cost of issuance of the Bonds to be paid from the Construction Fund pursuant to Section 5.03 of the Indenture of Trust, dated as of October 28, 2015 (the "Indenture"), by the between the City of Grafton and United Bank, Inc. (the "Trustee").

c) That each of such costs has been otherwise properly incurred.

d) That the payment for each of the items proposed is due and owing.

NOW, THEREFOR, BE IT RESOLVED by the City of Grafton as follows: There is hereby authorized and directed the payment of the attached invoices as follows:

Vendor	Total	USDA
Federal Tax Obligation	$665,315.32	$665,315.32
Series 2002 Bond Refinancing	$647,555.30	$647,555.30
Refinancing of JPMorgan Chase Bank Obligation	$336,079.88	$336,079.88
Costs of the Project	$137,800	$137,800
Costs of Issuance	$45,312.36	$45,312.36
Total	$1,832,062.86	$1,832,062.86

BE IT FURTHER RESOLVED, that the City Council of the City of Grafton authorizes Grafton City Hospital, Inc. to approve future pay requests for costs of the Project and further draws of the principal amount of the Bonds in order to pay costs of the Project and no further approvals from the City of Grafton or its City Council will be necessary in connection therewith.

ADOPTED BY the City of Grafton, at its meeting held on the 3rd day of November, 2015.

CITY OF GRAFTON

By: _____
Its: Mayor

6821258

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Council of the CITY OF GRAFTON on November 3, 2015 at a regularly scheduled open meeting of the City Council of the City duly called and held pursuant to applicable law in which a quorum was present and acting throughout and which Resolution has not been amended in any way or repealed and continues in full force and effect as of the date hereof.

Dated: November 3, 2015.

[SEAL]

By: Larry M. Bickman
City Clerk

6821258

EXHIBIT A

[Copies of Invoices to be Paid]

(Attached Hereto)

THE THRASHER GROUP, INC.
P.O. BOX 940
BRIDGEPORT, WV 26330
304.624.4108

INVOICE

GRAFTON CITY HOSPITAL
ATTN: PAT SHAW
500 MARKET STREET
GRAFTON, WV 26354

Invoice Number:	60584-1
Project #:	101-060-0584
Client #:	01GRA003
Date:	07/24/2015
Thrasher P.M.:	BREAKEY, MATTHEW

Scope of Work:
FACILITY RENOVATIONS AND IMPROVEMENT AT GRAFTON CITY HOSPITAL

Professional Services

Professional Services

	Phase Fee	% Complete	Fee Earned	Prior Billing	Current Fee
SCHEMATIC DESIGN	$34,450.00	100.00%	$34,450.00	$.00	$34,450.00
DESIGN DEVELOPMENT	$43,062.50	100.00%	$43,062.50	$.00	$43,062.50
CONSTRUCTION DOCUMENTS	$51,675.00	100.00%	$51,675.00	$.00	$51,675.00
BIDDING & NEGOTIATIONS	$8,612.50	100.00%	$8,612.50	$.00	$8,612.50
CONSTRUCTION ADMIN	$34,450.00	0.00%	$.00	$.00	$.00
Total Professional Services	**$172,250.00**		**$137,800.00**	**$.00**	**$137,800.00**
Invoice Amount					**$137,800.00**

Huntington
Banking. Investments. Insurance.

Date: 10/20/2015

WEST VIRGINIA MUNICIPAL BOND COMMISSION
900 PENNSYLVANIA AVE SUITE 1117
CHARLESTON WV 25302

Re:
CITY OF GRAFTON WEST VIRGINIA HOSPITAL
REFUNDING REVENUE BOND SERIES 2002
(GRAFTON CITY HOSPITAL)

Corporate Trust Department
JIM SCHULTZ 614-331-8698
Trust Acct No: 6082500150
Account Name: GRAFTNHSP02

Debt Service

Registered interest due	**10/29/2015**	2,588.47
Registered principal due	**10/29/2015**	644,966.83
Issuer Fee Total		0.00
Total		647,555.30

IMPORTANT DEBT OBLIGATION NOTICE
1) Payment by wire transfer should be received no later than one business day prior to the due date.
2) Payment by check should be received five business days prior to the due date.

Failure to pay by the above referenced time frame could result in non-payment to the bondholders on the due date.

Please remit checks to:

The Huntington National Bank
Corporate Trust Department-EA4E63
7 EASTON OVAL
Columbus OH 43219

Please direct wires to:

Huntington National Bank
ABA# 044000024
Columbus OH
Attn: Corporate Trust-Columbus
Acct: 01891662869
Further Credit Acct 6082500150

CHASE

JPMorgan Chase Bank, N.A.
Fax:
Portfolio Management Center
AZ1-1025
P.O. Box 29550
Phoenix, AZ 85038

October 16, 2015

GRAFTON CITY HOSPITAL INC
500 MARKET STREET
GRAFTON, WV 26354

Re: Loan Number Ending In 7002 (the "Loan")

Dear Customer:

As you requested, below is your Loan payoff information as of 10/28/2015. If the payoff date changes, please contact me to obtain an updated payoff amount.

Principal:	Interest:	Int. Per Diem:	Late Fees:
332,786.67	3,235.43	57.78	

Appraisal Fees:	Attorney Fees:	PrePayment:	Payoff Amount:
			336,022.10

If you choose to pay off your Loan, please overnight or wire the funds, payable to "JPMorgan Chase Bank, N.A." ("Chase") as instructed below:

Overnight: JPMorgan Chase Bank, NA
Attn: ROGER SCHROEDER
Portfolio Management Center
AZ1-1025
201 North Central Avenue
17th Floor
Phoenix, AZ 85004

GRAFTON CITY HOSPITAL INC

October 16, 2015

Wire:	Pay To:	Chase Bank
	ABA #	113000609
	WIRE ACCT#	17908221954
	FCT:	Small Buisness Financial Services
	FFCT:	Grafton City Hosp
	FFCT ACCT#	7002

Please note that the Payoff Amount may not account for transactions not yet processed, charged back or returned payments, or unposted fees and charges. Additionally, if you make payments automatically from a Chase deposit account, the Payoff Amount must be received at least 5 days before your next scheduled automatic payment. If your Loan is a line of credit, by submitting the Payoff Amount you authorize Chase to close the line, and no further checks, credit card transactions, or automatic deductions will be honored or applied to the line.

It is important that you send the full Payoff Amount by the payoff date noted above in order for your Loan to be considered paid in full. Any shortage in payment may cause a delay in processing, including, but not limited to, the release of liens, if any.

If you have any questions or if I can be of any further assistance to you in this matter, please don't hesitate to contact me.

Sincerely,

ROGER SCHROEDER
Special Credits Risk
Portfolio Management Center
1-866-343-4079 Ext. 6089
E-Mail:roger.d.schroeder@jpmchase.com

To: GRAFTON CITY HOSPITAL INC 500 MARKET STREET GRAFTON, WV 26354

cc:

FAX TRANSMITTAL COVER SHEET

Date: 10/20/2015

To: Mr. Amon Mail Stop: _____

Address/Organization: _____

FAX Number: 301-933-8183 Office Phone: _____

From: MICA COOPER Mail Stop: _____

Address/Organization: 11 CHENOWETH DRIVE, BRIDGEPORT, WV 26330-1675.

FAX Number: (888)735-2907 Office Phone: (681)456-6124

Number of Pages: 3 *Including cover sheet*

Message:

*Please visit us on the intranet at http://publish.no.irs.gov to obtain information about every nationally numbered product published by the Internal Revenue Service. If you are not an IRS employee, visit the IRS homepage at **www.irs.gov** to obtain current information about the IRS and its services*

This communication is intended for the sole use of the individual to whom it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent for delivering the communication to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify the sender immediately by telephone (collect if necessary), and return the communication to the address above via the United States Postal Service. Thank you.

IRS
Department of the Treasury
Internal Revenue Service
11 CHENOWETH DRIVE
BRIDGEPORT, WV 26330-1675

Notice	Letter 3640
Notice Date	10/20/2015
Payoff Number	
Taxpayer ID number	55-6000526
To contact us	Call MICA COOPER at (681)456-6124
Contact ID#	1000746156

GRAFTON CITY HOSPITAL INC
1 HOSPITAL PLZ
GRAFTON, WV 26354-1283015

The total amount due of your outstanding tax debt is: computed to 10/28/2015.
The amount owed on the tax liabilities included on the notice(s) of federal tax lien is $$665,315.32.

Thank you for contacting us about paying your tax debt and having the lien(s) against you released. We previously filed Notice(s) of Federal Tax Lien on the tax liabilities listed under "Notices of lien on your tax debt" below. You also may owe other tax liabilities not included on a notice of lien. These liabilities are listed under "Other tax debt" below.

You owe a total of including interest and penalties, on all your tax debt. The amount you owe only on the lien(s) filed against your property is $665,315.32, computed to 10/28/2015.

What you need to do immediately

To have the lien(s) released, pay the amount due by the computation date shown. The lien(s) will be released within 30 days after we receive the payment or we receive notification that the funds have been transferred to us. Follow these instructions when making your payment:

- Make your check or money order payable to the United States Treasury.
- Write the full taxpayer identification number in the header of this notice and on the check or money order.
- Send your payment to the address shown above with a copy of this letter, so that we receive it by 10/28/2015. You don't need to send the payment by express or certified mail as it won't affect the processing of the payment.

To expedite processing of the certificate of release of lien, use one of the following payment options when paying the balance owed:

- Certified or cashier's check
- Treasurer's check drawn on a national or state bank or a trust company
- Postal or bank money order

You can receive an immediate certificate of release of the lien by visiting a local IRS office authorized to accept payments and paying the entire balance owed with cash or one of the types of payment listed above. To locate an office near you, visit our website at www.irs.gov.

Department of the Treasury
Internal Revenue Service
11 CHENOWETH DRIVE
BRIDGEPORT, WV 26330-1675

Notice	Letter 3640
Notice Date	10/20/2015
Payoff Number	
Taxpayer ID number	55-6000526
To contact us	Call MICA COOPER at (681)456-6124
Contact ID#	1000746156

Department of the Treasury
Internal Revenue Service
11 CHENOWETH DRIVE
BRIDGEPORT, WV 26330-1675

Notice	Letter 3640
Notice Date	10/20/2015
Payoff Number	
Taxpayer ID number	55-6000526
To contact us	Call MICA COOPER at (681)456-6124
Contact ID#	1000746156

Next steps

After you've paid your tax debt, see the enclosed Publication 1450, Instructions on How to Request a Certificate of Release of Federal Tax Lien, for more information on the lien release process.

If we receive your payment without a copy of this letter or in a method other than the ones listed, we'll issue Form 668(Z), Certificate of Release of Federal Tax Lien, within 30 days of receiving payment or notification of transferred funds.

You can contact the person identified at the top of this notice if you have questions.

What you should know

A tax lien generally attaches to all property you currently own and to all property you may acquire in the future. The notice of lien is a public record. It may damage your credit rating or negatively affect your ability to get credit. The notice of lien remains in effect until the tax liability is satisfied or is no longer enforceable.

Additional Information

- Visit www.irs.gov for general lien information and search "Federal Tax Lien".
- For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).
- Keep this notice for your records.

If you need assistance, please don't hesitate to contact us.

Notices of lien on your tax debt

We filed notices of lien on the following tax liabilities:

Statutory Additions to: 10/30/2015

Type of Tax	MFT	Tax Period	Identifying Number	Name Control	Unpaid Balance	Interest	Penalty	Total
941	01	201309	55-6000526	GRAF	$474,303.92	$14,558.30	$35,601.96	$524,464.18
941	01	201412	55-6000526	GRAF	$135,678.04	$3367.80	$1,805.30	$140,851.14
							Sub-Total	$665,315.32

IN ACCOUNT WITH

STEPTOE & JOHNSON PLLC
Attorneys at Law
P. O. Box 247
BRIDGEPORT, WV 26330

FEIN 55-0286140
PAYABLE UPON RECEIPT

October 28, 2015

City of Grafton
Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

City of Grafton
Attn: Kevin M. Stead, City Manager
1 West Main Street
Grafton, West Virginia 26354

Fees and Costs for Services as Bond Counsel to the City of Grafton	$28,500
TOTAL DUE	$28,500

Please Remit to:
Steptoe & Johnson PLLC
P. O. Box 247
Bridgeport, WV 26330
Apply to Account: 345720.00005

The Honorable G. Thomas Bartlett, III
Mayor of the City of Grafton
1 West Main Street
Grafton, West Virginia 26359

Through and including October 28, 2015

In Account With
Steptoe & Johnson
Attorneys at Law
FEIN No. 550286140

Re: Grafton City Hospital / Revenue Bonds – Series 2015
Real Estate and Title Matters
Our File No.: 345720/00005

SUMMARY:

Title Insurance Premium	$4,447.50
Title Examination and Document Preparation Fees	$4,781.04
Recording Fees (Estimated)	$ 100.00
Costs and Expenses	$ 171.46
Total Due	**$9,500.00**

Please Remit to:
Steptoe & Johnson PLLC
Attention: Davin L. Seamon
400 White Oaks Boulevard
Bridgeport, WV 26330

BOWLES RICE LLP
ATTORNEYS AT LAW
P. O. BOX 1386, CHARLESTON, WV 25325-1386
FEDERAL EMPLOYER ID #55-0394186
PAYABLE UPON RECEIPT

UNITED BANK, INC.
CORPORATE TRUST DEPARTMENT
P. O. BOX 393
PARKERSBURG, WEST VIRGINIA 25322

CLIENT NO.: U0212.00071
ATTORNEY CONTACT:
CAMDEN P. SIEGRIST

DATE: OCTOBER 28, 2015

CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND
SERIES 2015 A (UNITED STATES DEPARTMENT OF AGRICULTURE)
AND
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND
SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE)

FOR SERVICES RENDERED AND EXPENSES INCURRED AS COUNSEL TO UNITED BANK, INC., AS BOND TRUSTEE FOR THE ABOVE-REFERENCE BONDS	$ 1,050.00
TOTAL AMOUNT DUE	$ 1,050.00

WIRE TRANSFER INFORMATION:

Bowles Rice Account number to which money should be deposited:

Client Account	# 04319 0810
Routing number:	ABA 051900395
Bank name and address:	United Bank Inc. 500 Virginia Street, East Charleston, WV 25301

UNITED BANK
WEST VIRGINIA'S BANK

INVOICE

Date:	October , 2015
To:	Grafton City Hospital 1 Hospital Plaza Grafton, WV 26354
Re:	City of Grafton Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) Series 2015
Amount Due:	$ 4,000.00

Acceptance Fee		$2,000.00
Annual		$2,000.00
	Total:	$4,000.00

Please remit to	United Bank, Inc. Corporate Trust Department P. O. Box 393 Charleston, WV 25322

Thomas Aman

From: Rogers, Sara L [Sara.L.Rogers@wv.gov]
Sent: Friday, October 23, 2015 9:46 AM
To: Thomas Aman
Subject: RE: Grafton City Hospital

$1,489.38

Sara Rogers
Executive Director
Municipal Bond Commission
304-558-3971

-----Original Message-----
From: Thomas Aman [mailto:Thomas.Aman@Steptoe-Johnson.com]
Sent: Friday, October 23, 2015 9:43 AM
To: Rogers, Sara L
Subject: RE: Grafton City Hospital

Can you provide an amount for the Huntington Payoff fee as well. The payoff amount is $647,555.30.

Thanks, Tom

Tom Aman
Steptoe & Johnson PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330
O: 304-933-8136 F: 304-933-8183 C: 304-677-5338

thomas.aman@steptoe-johnson.com
www.steptoe-johnson.com

-----Original Message-----
From: Rogers, Sara L [mailto:Sara.L.Rogers@wv.gov]
Sent: Friday, October 23, 2015 9:35 AM
To: Thomas Aman
Subject: RE: Grafton City Hospital

The Chase payoff fee is $772.98

I have attached wiring instructions,

Sara Rogers
Executive Director
Municipal Bond Commission
304-558-3971

-----Original Message-----
From: Thomas Aman [mailto:Thomas.Aman@Steptoe-Johnson.com]
Sent: Thursday, October 22, 2015 2:00 PM
To: Rogers, Sara L

Cc: Regina Pickens
Subject: FW: Grafton City Hospital

Sara,

Could you please compute the Bond Commission fees that need to be paid in connection with the Bond closing based upon the attached Chase payoff and the payoff provided for the Series 2002 Bonds yesterday? The attached amount will need to have added one day of prorated interest accrual since the payoff is for 10/28 rather than 10/29.

Thanks, Tom

Tom Aman
Steptoe & Johnson PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330
O: 304-933-8136 F: 304-933-8183 C: 304-677-5338

thomas.aman@steptoe-johnson.com
www.steptoe-johnson.com

Steptoe & Johnson PLLC Note:
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SWEEP RESOLUTION

City of Grafton

WHEREAS, the City of Grafton (the "Issuer") is a municipal corporation and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes or will make monthly debt service payments on and transfer reserve funds for the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer, thereby eliminating delay in payments and lost checks;

WHEREAS, pursuant to Chapter 13, Article 3, Section 5a, the MBC has established fees for its services (the "MBC Fee");

WHEREAS, the Issuer finds and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic funds transfer with the State Treasurer sweeping the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on and reserve funds for the Bonds, as set forth in Exhibit A, shall be made to the MBC by electronic transfer by the State Treasurer from the account set forth in Exhibit A in such form and at such directions as are provided by the MBC.

2) The Mayor and City Manager of the Issuer and the Chairman of the Board of Trustees and Chief Executive Officer of Grafton City Hospital, Inc. are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 6th day of October, 2015.

CITY OF GRAFTON

Mayor

City Manager

CITY OF GRAFTON

Grafton City Council – Grafton, West Virginia
Grafton Municipal Building Council Chambers
Tuesday, September 15, 2015 – 1:00 p.m.

AGENDA

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Set Council Agenda
6. Approval of Minutes
   A. Regular Council Meeting August 11, 2015
7. Citizens Voice
8. City Manager's Report
9. Communications, Board, Project and Conference Reports
   A. August 2015 Water Loss Report
   B. August 2015 Water Meter Replacement Report
   C. August 2015 Police Department Report
   D. August 2015 Fire Department Report
   E. August 2015 Code Enforcement Department Report
   F. July 2015 Financial Report
   G. Grafton City Hospital Minutes 7/27/15, 8/19/15
   H. Taylor County Public Service District Minutes 7/7/15, 7/23/15, 8/4/15, 8/20/15
   I. Taylor County Public Library Audit Report June 30, 2014
   J. Grafton Home Rule Update/City Manager
10. Appointments
    A. City of Grafton Housing Authority
    B. Grafton-Taylor County Board of Health
11. Proclamations and Resolutions
    A. Patriot Day Proclamation
    B. Constitution Week Proclamation
    C. POW/MIA National Remembrance Day Proclamation
    D. Military Suicide Awareness Month Proclamation
    E. Taylor County Association of Retired School Employees Week Proclamation
    F. Drug Enforcement Administration Tactical Diversion Squad Northern District of West Virginia Resolution
12. Unfinished Business
    A. Public Hearing Ordinance 833 Abandoning 111 Foot Section of an Unopened Portion of Fletcher Street Between Piedmont Avenue and Victor Street
    B. Second Reading Ordinance 833 Abandoning 111 Foot Section of an Unopened Portion of Fletcher Street Between Piedmont Avenue and Victor Street
    C. Open Bids Purchase New Garbage Truck
    D. Award Bid Purchase New Garbage Truck

A TRUE COPY FROM THE RECORD: GRAFTON CITY COUNCIL MINUTES, SEPTEMBER 15, 2015, TWENTY-ONE PAGES (MINUTE BOOK NO. 24, PAGES 97-117).

LARRY M. RICHMAN – CITY CLERK

13. New Business
    A. Payment of the Bills
        1. Regular Budgetary Bills September 15, 2015
    B. Setting Date/Hours 2015 Halloween Trick or Treat
    C. First Reading Ordinance No. 834
       Amending Ordinance No. 271 Rezoning Property
       Parcel 175, Tax Map 29 (3.439 Acres) Located on Victory Avenue
       From "R1" to Commercial.
    D. Grafton City Hospital
       To consider for approval by the City of Grafton of an amended Letter of Conditions and related Resolutions and documents of the United States Department of Agriculture and the execution and delivery of such documents with respect to the commitment of additional funds by the USDA for measures being financed pursuant to the issuance by the City of its Revenue Bonds for Grafton City Hospital.
    E. First Reading Ordinance No. 835
       To consider for adoption on first reading of an Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs.
    F. Presentation 2014-2015 Pension Funds Financial Reports
        1. Policemen's Pension & Relief Fund
        2. Firemen's Pension & Relief Fund
    G. City of Grafton Strategic Plan Preparation
       Bid Authorization Consideration
    H. Grafton City Hospital Long-Term Bed Sale Process
       Discussion/Consideration
14. Council Member's Hearing
15. Adjournment

City Clerk
September 9, 2015

Grafton City Council
2015-2016 Year: Regular Meeting Number 4
Tuesday, September 15, 2015
Grafton Municipal Building Council Chambers

1. CALL TO ORDER

Mayor Bartlett called the meeting to order at 1:00 p.m.

2. INVOCATION

The invocation was given by Councilman Isner.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance, led by Mayor Bartlett, was recited by all in attendance.

4. ROLL CALL

The roll call was taken, answering: Mayor G. Thomas Bartlett, III, Councilman Jerold P. Isner, Councilwoman Brenda K. Thompson, and Councilman Earl C. Bartlett. Administrative staff present: City Manager Kevin M. Stead, Deputy Police Chief Michael D. Kochka, Building Inspector R. Wayne Beall, Code Enforcement Officer Glenn H. Bartlett, II, and City Clerk/Finance Director Larry M. Richman. Also attending: Patrick D. Shaw, CEO-Grafton City Hospital. Vice Mayor Peggy Knotts Barney arrived at 1:43 p.m.

5. SET COUNCIL AGENDA

Motion was made by Councilwoman Thompson, second by Councilman Isner, to approve the September 15, 2015 meeting agenda as submitted. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; and G. Bartlett: Yes. Motion carried.

6. MINUTES OF REGULAR COUNCIL MEETING AUGUST 11, 2015

Motion was made by Councilman Isner, second by Councilwoman Thompson, to approve the Augusts 11, 2015 Regular Council Meeting minutes. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; and G. Bartlett: Yes. Motion carried.

7. CITIZENS VOICE

1. Mary Ellen Sevier, 68 Mulligan Avenue, Grafton:

Discussed and requested permission to continue keeping two chickens on her property on Mulligan Avenue. Grafton City Ordinance No. 340, adopted November 9, 1971, prohibits the care of chickens in the City Limits of Grafton. Issued discussed.

8. CITY MANAGER'S REPORT

No written report submitted.

9. COMMUNICATIONS/COMMISSION, COMMITTEE, BOARD, REPORTS

A. Water Loss Report:
August 2015 Water Loss Report submitted.

B. Water Meter Report:
August 2015 Water Meter Replacement Report submitted.

C. Police Department:
August 2015 Police Department Report submitted.

D. Fire Department Report:
August 2015 Fire Department Report submitted.

E. Code Enforcement Department Report:
August 2015 Code Enforcement Report submitted.

F. Financial Report:
July 2015 Financial Report submitted.

G. Grafton City Hospital Minutes:
July 27, 2015 Board of Trustees minutes submitted.
August 19, 2015 Board of Trustees minutes submitted.

H. Taylor County Public Service District Minutes:
July 7, 2015 minutes submitted.
July 23, 2015 minutes submitted.
August 4, 2015 minutes submitted.
August 20, 2015 minutes submitted.

I. Taylor County Public Library Audit Report:
July 1, 2013-June 30, 2014 Audit Report submitted.

J. Grafton Home Rule Update/City Manager:
City Manager announced the City of Grafton's application to be included as a *Municipal Home Rule City* in West Virginia was approved Monday, September 14, 2015, by the West Virginia Municipal Home Rule Board, meeting held in Charleston. Copy of the news release, September 14, 2015, published from the Charleston, is recorded as part of the minutes, page eleven.

10. APPOINTMENTS

A. City of Grafton Housing Authority:
Patricia "Pat" M. White – 209 McGraw Avenue, Grafton, WV 26354.
Unexpired five (5) year term – September 15, 2015 to September 30, 2018.

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson, to appoint Patricia M. White for the unexpired five (5) year term (September 15, 2015-September 30, 2018) to the City of Grafton Housing Authority. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

B. Grafton-Taylor County Board of Health:
Jeffrey W. Isner – 224 McGraw Avenue, Grafton, WV 26354.
Unexpired five (5) year term – September 15, 2015 to June 30, 2016.

Motion was made by Councilwoman Thompson, second by Vice Mayor Barney, to appoint Jeffrey W. Isner for the unexpired five year term (September 15, 2015-June 30, 2016) to the Grafton-Taylor County Board of Health. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

11. PROCLAMATIONS, RESOLUTIONS, CERTIFICATES

A. Patriot Day Proclamation:

PATRIOT DAY PROCLAMATION
September 11, 2001-September 11, 2015
WHEREAS, twelve years ago more than 3,000 innocent people lost their lives when a calm September morning was shattered by terrorists driven by hatred and obsession for destruction; and
(Recorded in Proclamation/Resolution Book No. 3, Page 310)

Mayor Bartlett read the 2015 Patriot Day Proclamation to those in attendance and affixed his signature to the document and presented it to Brenda K. Thompson, VFW Memorial City Post 3081 Auxiliary President; Barbara Robison, VFW Memorial City Post 3081 Auxiliary Americanism Chairman; and Peggy Knotts Barney, VFW Memorial City Post 3081 Auxiliary member.

B. Constitution Week Proclamation:

PROCLAMATION
Constitution Week
September 17-23, 2015
WHEREAS, September 17, 2015 marks the 228th anniversary of the drafting of the Constitution of the United States of America by The Constitutional Convention; and
(Recorded in Proclamation/Resolution Book No. 3, Page 311)

The Mayor affixed his signature to the 2015 Constitution Week Proclamation and he will read the Proclamation at the annual community observance, which will be held at the International Mother's Day Shrine, Wednesday, September 16, 2015, 7:00 p.m.

C. POW/MIA National Remembrance Day Proclamation:

PROCLAMATION
POW/MIA National Remembrance Day
September 19, 2015
No American could cherish our Country's freedom more dearly than those who have defended it and have paid the price of capture and imprisonment. Solemn inspiration and resolve is taken from the Americans who have sacrificed and endured their captivity for their allegiance to our land and ideals. Dignity, valor and faith shown by these true Americans remind us of the love and allegiance we owe our defenders and this great Nation.
(Recorded in Proclamation/Resolution Book No. 3, Page 312)

Mayor Bartlett read the 2015 POW/MIA National Remembrance Day Proclamation to those in attendance, affixed his signature to the document and presented it to Brenda K. Thompson, VFW Memorial City Post 3081 Auxiliary President.

D. Military Suicide Awareness Month Proclamation:

PROCLAMATION
MILITARY SUICIDE AWARENESS MONTH PROCLAMATION
September 2015
WHEREAS, the Auxiliary to the Veterans of Foreign Wars of the United States is celebrating its 102nd year of volunteer service to those who have and are serving in America's military, and
WHEREAS, suicides by veterans have reached alarming rates in the United States and in West Virginia; and
(Recorded in Proclamation/Resolution Book No. 3, Page 313)

Mayor Bartlett read the 2015 Military Suicide Awareness Month Proclamation to

those in attendance, affixed his signature to the document, and presented it to Brenda K. Thompson, VFW Memorial City Post 3081 Auxiliary President and Polly Forman, VFW Memorial City Post 3081 Auxiliary Secretary.

E. Taylor County Association of Retired School Employees Week Proclamation:

PROCLAMATION
Taylor County Association of Retired School Employees And
West Virginia Association of Retired School Employees Week
September 21-25, 2015

WHEREAS, The Taylor County Association of Retired School Employees was founded in 1967 as an autonomous, self-governing volunteer membership organization that promotes the interests of all retired school employees; and,

(Recorded in Proclamation/Resolution Book No. 3, Page 314)

Mayor Bartlett read the 2015 Taylor County Association of Retired School Employee/West Virginia Association of Retired School Employees Week Proclamation to those in attendance, affixed his signature to the document, and presented it to Linda Sharp, member of the Taylor County Association of Retired School Employees.

F. Drug Enforcement Administration
Tactical Diversion Squad
Northern District of West Virginia Resolution:

Letter from the City of Bridgeport, August 12, 2015, requesting for the City of Grafton, to execute a resolution in support of Bridgeport and other towns/cities in Northern West Virginia, for the assignment of a DEA Tactical Diversion Squad (TDS) to the Northern District of West Virginia, to assist in combatting the prescription drug abuse problem.

RESOLUTION

WHEREAS, in July 2014, the Center for Disease Control (CDC) reported that forty six (46) deaths occur each day in the United States from prescription painkiller overdoes, and

(Recorded in Proclamation/Resolution Book No. 3, Page 315)

Motion was made by Councilwoman Thompson, second by Councilman E. Bartlett, to approve the Drug Enforcement Administration Tactical Diversion Squad Northern District of West Virginia Resolution. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; and G. Bartlett: Yes. Motion carried.

12. UNFINISHED BUSINESS

A. Public Hearing Ordinance No. 833
Abandoning 111 Foot Section of an Unopened
Portion of Fletcher Street Between
Piedmont Avenue and Victor Street:

The mayor opened the floor for anyone from the public attendance wishing to speak for or against the passage of Ordinance No. 833. No one spoke and the Mayor closed the public hearing.

B. Second Reading Ordinance No. 833
Abandoning 111 Foot Section of an Unopened
Portion of Fletcher Street Between
Piedmont Avenue and Victor Street:

ORDINANCE NO. 833

AN ORDINANCE VACATING, ABANDONING AND ANNULLING
APPROXIMATELY 111 FOOT SECTION OF AN
UNOPENED PORTION OF FLETCHER STREET
ADJACENT AND BETWEEN THE
INTERSECTION OF ROSE STREET AND PIEDMONT STREET
AND VICTOR STREET
SITUATE IN THE CITY OF GRAFTON,
TAYLOR COUNTY, WEST VIRGINIA

(Recorded in Ordinance Book No. 6, Page 71)

Motion was made by Councilwoman Thompson, second by Councilman Isner, to approve the second reading and passage of Ordinance No. 833. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

C. Open Bids Purchase New Garbage Truck:

Only one bid received, Mayor Bartlett opened the bid package and was as follows:

1. Tom's Truck Sales, LLC
   8620 Quarry Road
   Manassas, Virginia 20110 $ 128,782.00

D. Award Bid Purchase New Garbage Truck:

Consideration to award bid was deferred until the October 6, 2015 Council Meeting to give time for the Public Works Director and City Manager to review bid.

13. NEW BUSINESS

A. Payment of Bills:

1. Regular 2015-2016 Budgetary Bills - Year Listing No. 4

Bluemont Cemetery Fund	$	11,541.39
General Fund	$	120,989.99
Water Operations Fund	$	70,099.34
Sewer Service Fund	$	102,981.49
Total	$	305,612.21

Motion was made by Councilman E. Bartlett, second by Vice Mayor Barney, to pay the Regular Bills, September 15, 2015, in the amount of $305,612.21. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

B. Setting Date/Hours 2015 Halloween Trick or Treat:

Motion was made by Councilwoman Thompson, second by Councilman Isner, to set Halloween Trick or Treat for *one hour* to be held on Saturday, October 31, 2015, from 6:00 p.m. to 7:00 p.m. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

C. First Reading Ordinance No. 834
Amending Ordinance No. 271 Rezoning Property
Parcel 175, Tax Map 29 (3.439 Acres) Located on Victory Avenue
From Residential 1 to Commercial:

ORDINANCE NO. 834

AN ORDINANCE AMENDING ORDINANCE NO. 271 REZONING PROPERTY BEING PARCEL 125 TAX MAP 29 (3.439 ACRES) LOCATED ON VICTORY AVENUE FROM RESIDENTIAL 1 TO COMMERCIAL

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson to approve the first reading of Ordinance No. 834. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

D. Grafton City Hospital
To consider for approval by the City of Grafton of an amended Letter of Conditions and related Resolutions and documents of the United States Department of Agriculture and the execution and delivery of such documents with respect to the commitment of additional funds by the USDA for measures being financed pursuant to the issuance by the City of its Revenue Bonds for Grafton City Hospital:

1. RD 1942-47 Loan Resolution
2. RD 1940-1 Request for Obligation of Funds
3. RD 1942-46 Letter of Intent to Meet Conditions
4. SF-424 Application for Federal Assistance
5. SF-424D Assurance Construction Programs Agreement

Patrick D. Shaw-Grafton City Hospital-CEO, Thomas L. Aman, Jr.-Bond Council from Steptoe & Johnson, Attorneys At Law, Bridgeport, West Virginia, and Paula A. Moeller-Community Facilities Specialist United States Department of Agriculture (USDA) explained the above listed documents, relating the Grafton City Hospital Project Funding, $2,999,930.00 Rural Development Community Facilities Loan, which will be administered by the staff of USDA-Rural Development, which needs to be executed and approved by the Grafton City Council with the signature authorization from the Grafton City Council.

Motion was made by Councilman Isner, second by Councilwoman Thompson, to authorize the approval to execute (with the signature of the Mayor) the following documents relating the Grafton City Hospital Project Funding, $2,999.930.00 Rural Development Community Facilities Loan: (1) RD 1942-47 Loan Resolution (document #1 Recorded in Proclamation-Resolution Book 3, page 316-317), (2) RD 1940-1 Request for Obligation of Funds, (3) RD 1942-46 Letter of Intent to Meet Conditions, (4) SF-424 Application for Federal Assistance, and (5) SF424D Assurance Construction Programs Agreement (documents #2 through #5 recorded as part of the minutes, page twelve through page ninteen). Roll call vote: E. Bartlett: Abstained; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

E. First Reading Ordinance No. 835

To consider for adoption on first reading of an Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs:

ORDINANCE NO. 835

AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2002 (GRAFTON CITY HOSPITAL) AND THE REFINANCING OF CERTAIN CAPITAL LEASES AND BORROWINGS OF GRAFTON CITY HOSPITAL; THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE EXISTING FACILITIES OF GRAFTON CITY HOSPITAL AND THE ACQUISITION OF CERTAIN PERSONAL PROPERTY, FIXTURES AND EQUIPMENT FOR GRAFTON CITY HOSPITAL; THE SALE AND ISSUANCE OF NOT TO EXCEED $3,700,000 CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, (GRAFTON CITY HOSPITAL), IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND SECURITY OF SUCH BONDS, THE REFUNDING AND REFINANCING OF SUCH OBLIGATIONS OF GRAFTON CITY HOSPITAL AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO GRAFTON CITY HOSPITAL; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson, to approve the first reading of Ordinance No. 835. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

F. Presentation 2014-2015 Pension Funds Financial Reports:

1. Police Pension & Relief Fund

The 2014-2015 Financial Report/Statement for the City of Grafton Police Pension & Relief Fund, was submitted by the City Clerk/Finance Director, a requirement of the State of West Virginia Municipal Pension Oversight Board, for review before the release of the allocated funds from the State to the City. The City of Grafton Police Pension & Relief Fund will receive $54,118.16 from the West Virginia State Insurance Premium Tax Fund for fiscal year 2015-2016.

2. Firemen's Pension & Relief Fund

The 2014-2015 Financial Report/Statement for the City of Grafton Firemen's Pension & Relief Fund, was submitted by the City Clerk/Finance Director, a requirement of the State of West Virginia Municipal Pension Oversight Board, for review before the release of the allocated funds from the State to the City. The City of Grafton Firemen's

Pension & Relief Fund will receive $29,467.10 from the West Virginia State Insurance Premium Tax Fund for fiscal year 2015-2016.

G. City of Grafton Strategic Plan Preparation
Bid Authorization Consideration:

Motion was made by Councilman E. Bartlett, second by Vice Mayor Barney, to authorize the procurement - required bidding - to obtain professional services to prepare an appropriate Strategic Planning for the City of Grafton. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

H. Grafton City Hospital Long-Term Bed Sale Process
Discussion/Consideration:

Grafton City Hospital CEO Patrick D. Shaw, submitted two (2) page report regarding bid guideline for the Grafton City Hospital long-term bed sale process which is being proposed by the Board of Trustees of the hospital. Said two page report is recorded as part of the minutes, page twenty and page twenty-one.

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson, to support the Grafton City Hospital Long-Term Bed Sale Process bidding document as submitted to the Grafton City Council. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

14. COUNCIL MEMBER'S HEARING

Councilman Jerry Isner:

Recommended for the installation of lighting at the *Clark Center-Leer Plaza-Toad Hall* main street park for security.

Vice Mayor Peggy Knotts Barney:

Suggested council needs to schedule a planning workshop. No date was set.

Mayor G. Thompson Bartlett:

Discussed the possible usage of the former B.P.O. Elks building, located on East Main Street.

15. ADJOURNMENT

Mayor Bartlett adjourned the meeting at 4:34 p.m.

G. Thomas Bartlett, III
Mayor

ATTEST:

Larry M. Richman
City Clerk

FOR RELEASE: Sept. 14, 2015
Media contact: Hoy Murphy, 304-957-9365 hoy.r.murphy@wv.gov

Municipal Home Rule Board approves six additional cities

CHARLESTON, W.Va. – Six more West Virginia municipalities have been granted home rule authority. At its Sept. 14, 2015, meeting in Charleston, the Municipal Home Rule Board reviewed and approved applications from six cities which now join the 20 that have already been granted home-rule status.

Applications for Beckley, Grafton, Princeton and St. Albans were approved as submitted, while applications from Moundsville and Oak Hill were approved with modifications.

In addition, the board approved amendments to plans previously approved by Morgantown and Weirton.

Earlier this year, the West Virginia Legislature approved an expansion of the pilot program, permitting the addition of 14 more municipalities, with the requirement that four of the new approvals be given to Class IV municipalities, a designation for those with populations of less than 2,000. No Class IV municipalities have applied for home rule status this year, and there are still four more openings for municipalities with populations of 2,000 or more. Applications for those openings are still being accepted.

The Municipal Home Rule Board will meet again Nov. 16, 2015, at 10 a.m. at the West Virginia Development Office in Building 6 at the Capitol.

The Municipal Home Rule Pilot Program was created in 2007 and began with four cities: Charleston, Huntington, Wheeling and Bridgeport. The initial pilot program lasted five years and granted those cities authority to enact ordinances, acts, resolutions, rules and regulations without regard to state law with several exceptions. Home-rule municipalities must still comply with the constitutions of the United States and West Virginia, and some state laws, such as criminal and controlled substance laws, are still off-limits.

Based on its initial success, the 2013 Legislature moved to continue and expand the program to 16 more cities. In October 2014, the Home Rule Board accepted the following cities into the pilot program: Bluefield, Buckhannon, Charles Town, Clarksburg, Dunbar, Fairmont, Martinsburg, Milton, Morgantown, Nitro, Parkersburg, Ranson, Shinnston, South Charleston, Vienna and Weirton.

On March 14, 2015, the West Virginia Legislature expanded the program for a second time when it passed Senate Bill 323. Municipalities seeking home-rule authority may submit applications to the board any time, and there is no deadline to apply. The application must include a written plan outlining which state laws, policies, acts, resolutions, rules or regulations are preventing the municipality to carry out duties in the most cost-effective, efficient and timely manner, as well as specific problems created by the laws and proposed solutions.

The application as well as guidelines and a checklist are now available online at www.wvcommerce.org/homerule. More information about the program is also available there, as well as applications submitted by existing home-rule municipalities.

USDA
Form RD 1940-1
(Rev. 06-10)

REQUEST FOR OBLIGATION OF FUNDS

FORM APPROVED
OMB No. 0570-0062

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ( )
Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.

1. CASE NUMBER ST CO BORROWER ID 57-046-*****0182	LOAN NUMBER 02	FISCAL YEAR 2015
2. BORROWER NAME Grafton, City of	3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
	4. STATE NAME West Virginia	
	5. COUNTY NAME Taylor	

GENERAL BORROWER/LOAN INFORMATION

6. RACE/ETHNIC CLASSIFICATION	7. TYPE OF APPLICANT	8. COLLATERAL CODE	9. EMPLOYEE RELATIONSHIP CODE
1 - WHITE 4 - HISPANIC 2 - BLACK 5 - A/PI 3 - AI/AN	1 - INDIVIDUAL 6 - ORG. OF FARMERS 2 - PARTNERSHIP 7 - NONPROFIT-SECULAR 3 - CORPORATION 8 - NONPROFIT-FAITH BASED 4 - PUBLIC BODY 9 - INDIAN TRIBE 5 - ASSOC. OF FARMERS 10-PUBLIC COLLEGE/UNIVERSITY 11-OTHER 4	1- REAL ESTATE SECURED 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 2-REAL ESTATE AND CHATTEL 6 - CROPS ONLY 7 - SECURED BY BONDS 3 - NOTE ONLY OR CHATTEL ONLY 8 - RLF ACCT 7	1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.

10. SEX CODE	11. MARITAL STATUS	12. VETERAN CODE	13. CREDIT REPORT
6 1 - MALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 2 -FEMALE 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	1 - MARRIED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED) 2 - SEPARATED	1 -YES 2 -NO	2 1 -YES 2 -NO

14. DIRECT PAYMENT	15. TYPE OF PAYMENT	16. FEE INSPECTION	
3 (See FMI)	1 1 - MONTHLY 3 - SEMI-ANNUALLY 2 - ANNUALLY 4 - QUARTERLY	2 1 -YES 2 - NO	

17. COMMUNITY SIZE	18. USE OF FUNDS CODE
1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000	(See FMI)

COMPLETE FOR OBLIGATION OF FUNDS

19. TYPE OF ASSISTANCE	20. PURPOSE CODE	21. SOURCE OF FUNDS	22. TYPE OF ACTION
075 (See FMI)			1 1 -OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION

23. TYPE OF SUBMISSION	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT
2 1 - INITIAL 2 -SUBSEQUENT	$650,000.00	

26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL	28. INTEREST RATE	29. REPAYMENT TERMS
	MO DAY YR	3.6250 %	30

COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS

30. PROFIT TYPE	
1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT	

COMPLETE FOR EM LOANS ONLY	COMPLETE FOR CREDIT SALE-ASSUMPTION
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 -CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 -CREDIT SALE WITH SUBSEQUENT LOAN 4 -ASSUMPTION WITH SUBSEQUENT LOAN
FINANCE OFFICE USE ONLY	**COMPLETE FOR FP LOANS ONLY**
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0062. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CERTIFICATION APPROVAL

For All Farmers Programs — EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL
In accordance with the Letter of Conditions Amendment 1 dated 9/15/2015.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. ✓ YES _____ NO

WARNING: **Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."**

Date September 15, 20 15 — MAYOR

(Signature of Applicant)

Date _____, 20 ___ _____

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance. _____

(Signature of Approving Official)

Typed or Printed Name: _____

Date Approved: _____ Title: _____

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

Position 3

Form RD 1942-46
(Rev. 6-10)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

FORM APPROVED
OMB NO. 0575-0015
OMB NO. 0570-0062

LETTER OF INTENT TO MEET CONDITIONS

Date 09-15-2015

TO: United States Department of Agriculture

Rural Development

(Name of USDA Agency)

1550 Earl Core Road, Suite 101
Morgantown, WV 26505

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 09-15-2015. It is our intent to meet all of them not later than 09-15-2016.

Grafton, City of

(Name of Association)

BY G. Thomas Bradley III

MAYOR

(Title)

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Form RD 1942-46 (Rev. 6-10)

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424

Version 02

* 1. Type of Submission:
- [ ] Preapplication
- [x] Application
- [ ] Changed/Corrected Application

* 2. Type of Application:
- [ ] New
- [x] Continuation
- [ ] Revision

* If Revision, select appropriate letter(s):

* Other (Specify)

* 3. Date Received:

4. Applicant Identifier:

5a. Federal Entity Identifier:

* 5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: City of Grafton

* b. Employer/Taxpayer Identification Number (EIN/TIN): 55-6000182

* c. Organizational DUNS: 042517177

d. Address:

* Street 1: 1 West Main Street
Street 2:
* City: Grafton
County: Taylor
* State: West Virginia
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 26354

e. Organizational Unit:

Department Name: Grafton City Hospital

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:
* First Name: Patrick
Middle Name:
* Last Name: Shaw
Suffix:

Title: CEO

Organizational Affiliation: Grafton City Hospital

* Telephone Number: (304) 265-7152
Fax Number: (304) 265-3926

* Email: pshaw@graftonhospital.com

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

9. Type of Applicant I - Select Applicant Type:

Municipality

Type of Applicant 2- Select Applicant Type:

N/A

Type of Applicant 3- Select Applicant Type:

N/A

* Other (specify):

N/A

*** 10. Name of Federal Agency:**

NGMS Agency - USDA, RURAL DEVELOPMENT

11. Catalog of Federal Domestic Assistance Number:

10-766

CFDA Title:

Community Facilities Loans & Grants

*** 12. Funding Opportunity Number:**

MBL-SF424 FAMILY-ALL FORMS -N/A

* Title:

MBL-SF424 FAMILY - ALL FORMS

N/A

13. Competition Identification Number:

N/A

Title:

N/A

14. Areas Affected by Project (Cities, Counties, States, etc.):

Grafton, West Virginia (Taylor County)

*** 15. Descriptive Title of Applicant's Project:**

To amend the GCH project cost by increasing refinancing portion by $650,000

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

16. Congressional Districts Of:

* a. Applicant: WV-1
* b. Program/Project: WV-1

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 11-01-2015
* b. End Date: 11-01-2015

18. Estimated Funding ($):

* a. Federal	$650,000.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	
* g. TOTAL	$650,000.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on ____.

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☐ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (if "Yes", provide explanation.)**

☐ Yes ☑ No Explanation

21. *By signing this application, I certify (1) to the statements contained in the list of certifications- and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances **and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

☑ **** I AGREE**

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: | * First Name: G.

Middle Name: Thomas

* Last Name: Bartlett, III

Suffix:

* Title:

*Telephone Number: (304) 265-1412 | Fax Number: (304) 265-0119

* Email: GRAFTON-CF@comcast.net

* Signature of Authorized Representative: [signature] * Date Signed: 15 SEP 2015

Authorized for Local Reproduction

Standard Form 424 (Revised 10/2005)
Prescribed by OMB Circular A-1 02

OMB Approval No. 0348-0042

ASSURANCES - CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property aquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.

4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.

5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.

6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Standard Form 424D (Rev. 7-97)

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11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.

14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE Mayor
APPLICANT ORGANIZATION City of Grafton	DATE SUBMITTED September 14, 2015

SF-424D (Rev. 7-97) Back

Grafton City Hospital Long-Term Bed Sale Process

I. The City of Grafton (the "City") enacts an ordinance under WV Code §8-11-3(6) and §8-16-5(a) directing Grafton City Hospital, Inc., as the board of, or through its board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital ("Grafton City Hospital") to undertake a public auction process on terms outlined below for the sale of specified assets (the "Assets") of Grafton City Hospital's 76-licensed bed long-term care facilities (the "Nursing Facilities") and authorizing Grafton City Hospital to award the sale to highest responsible bidder (the "Purchaser") as determined by Grafton City Hospital, under WV Code §8-12-18(b), and approving such sale and agreements relating thereto.

II. City simultaneously passes a resolution, following public hearing, notice of which having been published as a Class I legal advertisement, authorizing a lease from the City to the Purchaser, and joined in by Grafton City Hospital for certain designated purposes, of the space for the Nursing Facilities, at an established fair market rate, for term not to exceed ___ years, with _____ successive renewal period(s), pursuant to WV Code §8-12-18(c). The form of lease agreement will be available for inspection, in advance, by potential bidders on the purchase of the Assets.

III. Grafton City Hospital adopts a resolution approving these items, as appropriate.

IV. Terms of the sale/bidding, along with the Assets and the time and place of the sale, are to be advertised as Class II legal advertisement pursuant to WV Code §8-12-18(b) and _____. The terms of the sale will include the following:

A) The sale will be pursuant to a purchase agreement between Grafton City Hospital and the Purchaser, joined in by the City for limited purposes, in a form that will also be available for inspection, in advance, by potential bidders, and which will provide, among other things:

1) No indemnity from the City or Grafton City Hospital will be provided and the Assets will be sold on as-is basis.

2) The Purchaser must agree employ all employees primarily working at the Nursing Facilities who meet the Purchaser's criteria for employment, for a period of at least _____.

3) The Purchaser must accept assignment of Grafton City Hospital's Medicare provider agreement and provider number with respect to the Nursing Facilities, and must also assume various contracts of Grafton City Hospital and obligations regarding patient deposits and personal needs allowances relating to the Nursing Facilities as set forth in the purchase agreement.

4) Upon the closing, the Purchaser will become the licensee and operator of the Nursing Facilities.

5) The closing will occur following a 60-day due diligence period and receipt of required or necessary regulatory approvals. The results of the due diligence must be reasonably satisfactory to the Purchaser.

6) The closing is further conditioned on approval of United States Department of Agriculture, as lender to Grafton City Hospital, receipt of releases or terminations of all necessary liens and security interests, receipt or giving of all required notices and consents, and other typical conditions as set forth in the purchase agreement.

B) The Purchaser must provide Grafton City Hospital with a _____ deposit in the amount of $_____ (the "Deposit"), by wire transfer, immediately following selection by Grafton City Hospital as highest responsible bidder, and which will be applied against the purchase price at closing or _____.

C) Payment of the balance of the purchase price, after application of the Deposit, must be made in full at closing; in the alternative, bidders may bid based upon a seller financing of the balance of the purchase price and for a term of not more than ____ years at an interest rate of ____% per annum, which must be secured by _____.

D) The Purchaser must enter into the lease on the terms set forth in, and otherwise in accordance with, II above.

E) The Purchaser must execute a confidentiality agreement in a form also made available to potential bidders, in advance, prior to any due diligence materials being provided.

F) The Purchaser must agree to build a replacement long-term care facility within the corporate limits of the City, or in an annexable area and in which case the Purchaser must agree to be annexed by the City.

G) _____ ***[Services agreement? Charity care requirements? Other?]***

H) Minimum bid: $2,000,000.

I) Grafton City Hospital reserves the right to reject any and all bids.

CITY OF GRAFTON

Grafton City Council – Grafton, West Virginia
Grafton Municipal Building Council Chambers

AGENDA

Tuesday, September 22, 2015 – 1:00 p.m.

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Set Council Agenda
6. Proclamations and Resolutions
   A. Memorial City Post 3081 Veterans of Foreign Wars
      Buddy Poppy Proclamation
7. Unfinished Business
   A. Second Reading Ordinance No. 835
      To consider for adoption on second reading of an Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs.
8. Adjournment

Larry M. Richman
City Clerk
September 16, 2015

A TRUE COPY FROM THE RECORD: GRAFTON CITY COUNCIL MINUTES, SEPTEMBER 22, 2015, THREE PAGES (MINUTE BOOK NO. 24, PAGES 118-120).

Larry M. Richman
LARRY M. RICHMAN – CITY CLERK

Grafton City Council
2015-2016 Year: Regular Meeting Number 5
Tuesday, September 22, 2015
Grafton Municipal Building Council Chambers

1. CALL TO ORDER

Mayor Bartlett called the meeting to order at 1:00 p.m.

2. INVOCATION

The invocation was given by Vice Mayor Barney.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance, led by Mayor Bartlett, was recited by all in attendance.

4. ROLL CALL

The roll call was taken, answering: Mayor G. Thomas Bartlett, III, Vice Mayor Peggy Knotts Barney, Councilman Jerold P. Isner, and Councilwoman Brenda K. Thompson. Administrative staff present: City Manager Kevin M. Stead and City Clerk/Finance Director Larry M. Richman. Also attending: Patrick D. Shaw, CEO-Grafton City Hospital. Prior to the meeting Councilman Earl C. Bartlett requested to be excused from the September 22, 2015 council meeting.

Motion was made by Councilwoman Thompson, second by Vice Mayor Barney, to excuse Councilman E. Bartlett from the September 22, 2015 council meeting. Roll call vote: Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

5. SET COUNCIL AGENDA

Motion was made by Vice Mayor Barney, second by Councilman Isner, to approve the September 22, 2015 meeting agenda as submitted. Roll call vote: Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

6. PROCLAMATIONS, RESOLUTIONS, CERTIFICATES

A. Veterans of Foreign Wars "Buddy Poppy" Proclamation:

PROCLAMATION
Veterans of Foreign Wars "Buddy Poppy"
Saturday, October 3, 2015

WHEREAS, The annual distribution of Buddy Poppies by the Veterans of Foreign Wars of the United States has been officially recognized and endorsed by governmental leaders since 1922, and

(Recorded in Proclamation/Resolution Book No. 3, Page 318)

Mayor Bartlett affixed his signature to the 2015 Veterans of Foreign Wars "Buddy Poppy" Proclamation. Councilwoman Brenda K. Thompson, Department President of the Grafton Veterans of Foreign Wars Memorial City Post #3081 Auxiliary, accepted the proclamation on behalf of the Grafton Veterans of Foreign Wars Memorial City Post #3081.

7. UNFINISHED BUSINESS

A. Second Reading Ordinance No. 835

To consider for adoption on second reading of an Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs:

ORDINANCE NO. 835

AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2002 (GRAFTON CITY HOSPITAL) AND THE REFINANCING OF CERTAIN CAPITAL LEASES AND BORROWINGS OF GRAFTON CITY HOSPITAL; THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE EXISTING FACILITIES OF GRAFTON CITY HOSPITAL AND THE ACQUISITION OF CERTAIN PERSONAL PROPERTY, FIXTURES AND EQUIPMENT FOR GRAFTON CITY HOSPITAL; THE SALE AND ISSUANCE OF NOT TO EXCEED $3,700,000 CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, (GRAFTON CITY HOSPITAL), IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND SECURITY OF SUCH BONDS, THE REFUNDING AND REFINANCING OF SUCH OBLIGATIONS OF GRAFTON CITY HOSPITAL AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO GRAFTON CITY HOSPITAL; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

Motion was made by Councilman Isner, second by Councilwoman Thompson, to approve the second reading of Ordinance No. 835. Roll call vote: Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

8. ADJOURNMENT

Mayor Bartlett adjourned the meeting at 1:22 p.m.

G. Thomas Bartlett, III
Mayor

ATTEST:

Larry M. Richman
City Clerk

CITY OF GRAFTON

Grafton City Council – Grafton, West Virginia
Grafton Municipal Building Council Chambers

AGENDA

Tuesday, October 6, 2015 – 1:00 p.m.

A TRUE COPY FROM THE RECORD: GRAFTON CITY COUNCIL MINUTES, OCTOBER 6, 2015, TEN PAGES (MINUTE BOOK NO. 24, PAGES 123-132).

LARRY M. RICHMAN – CITY CLERK

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. Roll Call
5. Set Council Agenda
6. Approval of Minutes
   A. Regular Council Meeting September 15, 2015
   B. Regular Council Meeting September 22, 2015
   C. Emergency Council Meeting September 29, 2015
7. Citizens Voice
8. City Manager's Report
9. Communications, Board, Project and Conference Reports
   A. September 2015 Water Loss Report
   B. September 2015 Water Meter Replacement Report
   C. September 2015 Police Department Report
   D. September 2015 Fire Department Report
   E. September 2015 Code Enforcement Department Report
   F. August 2015 Financial Report
   G. Taylor County Public Service District Minutes 9/8/15
   H. Grafton-Taylor County Board of Health Minutes 8/26/15
10. Appointments
11. Proclamations and Resolutions
    A. Domestic Violence Awareness Month Proclamation
    B. Breast Cancer Awareness Month Proclamation
12. Unfinished Business
    A. Public Hearing Ordinance No. 834
       Amending Ordinance No. 271 Rezoning Property
       Parcel 175, Tax Map 29 (3.439 Acres) Located on Victory Avenue
       From "R1" to Commercial.
    B. Second Reading Ordinance No. 834
       Amending Ordinance No. 271 Rezoning Property
       Parcel 175, Tax Map 29 (3.439 Acres) Located on Victory Avenue
       From "R1" to Commercial.
    C. Public Hearing Ordinance 835
       To conduct a public hearing on the proposed adoption by the City Council of the City of its Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs.

D. Third Reading Ordinance No. 835

1. To consider for final enactment on third and final reading of an Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs.

2. To consider for adoption by the City Council of the City of a Supplemental Resolution relating to the proposed issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in on or more series in an amount not to exceed $3,700,000.

3. To consider for adoption by the City Council of the City of a Sweep Resolution relating to the proposed issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in on or more series in an amount not to exceed $3,700,000.

E. Award Bid Purchase New Garbage Truck

F. Continuance Turn This Town Around Program
Community Grant Funding Application Requests
Approval Consideration

13. New Business

A. Payment of the Bills

1. Regular Budgetary Bills October 6, 2015

B. Distribution Line Easement-Overhead Agreement
Monongahela Power Company, Ohio Corporation
City of Grafton, West Virginia Municipal Corporation
Install Poles, Wires, Anchors-Distribution Line Circuit
District 1, Map 10, Parcel 408, .34 Acres

C. First Reading Ordinance No. 836
Grafton Home Rule Plan
First Specific Problem/Solution Addressed
Specifically Providing For The Issuance Of
"On-The-Spot" Citations Property Nuisance Violations

D. First Reading Ordinance No. 837
Grafton Home Rule Plan
Fourth Specific Problem/Solution Addressed
Formally Enacting Specifically Providing The
Expansion Maximum Age For Police Officers And
Allowance of Half-Time Police Officers For Period Beyond
Three Months.

14. Council Member's Hearing

15. Adjournment

Penny M. Richman
City Clerk
September 30, 2015

Grafton City Council
2015-2016 Year: Regular Meeting Number 6
Tuesday, October 6, 2015
Grafton Municipal Building Council Chambers

1. CALL TO ORDER

Mayor Bartlett called the meeting to order at 1:00 p.m.

2. INVOCATION

The invocation was given by Vice Mayor Barney.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance, led by Mayor Bartlett, was recited by all in attendance.

4. ROLL CALL

The roll call was taken, answering: Mayor G. Thomas Bartlett, III, Vice Mayor Peggy Knotts Barney, Councilwoman Brenda K. Thompson, and Councilman Earl C. Bartlett. Administrative staff present: City Manager Kevin M. Stead, Building Inspector R. Wayne Beall, Code Enforcement Officer Glenn H. Bartlett, II, and City Clerk/Finance Director Larry M. Richman. Also attending: Patrick D. Shaw, Grafton City Hospital CEO and Thomas L. Aman, Jr., Bond Council from Steptoe & Johnson, Attorneys At Law, Bridgeport, West Virginia. Prior to the meeting Councilman Jerold P. Isner requested to be excused from the October 6, 2015 council meeting.

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson, to excuse Councilman Isner from the October 6, 2015 council meeting. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and Bartlett: Yes. Motion carried.

5. SET COUNCIL AGENDA

Motion was made by Vice Mayor Barney, second by Councilman E. Bartlett, to approve the October 6, 2015 meeting agenda as submitted. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

6. MINUTES OF REGULAR COUNCIL MEETING SEPTEMBER 15, 2015
MINUTES OF REGULAR COUNCIL MEETING SEPTEMBER 22, 2015
MINUTES OF EMERGENCY COUNCIL MEETING SEPTEMBER 29, 2015

Motion was made by Councilwoman Thompson, second by Councilman E. Bartlett, to approve the September 15, 2015 Regular Council Meeting minutes, the September 22, 2015 Regular Council Meeting minutes, and the September 29, 2015 Emergency Council Meeting minutes. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

7. CITIZENS VOICE

No one registered to speak.

8. CITY MANAGER'S REPORT

No written report submitted.

9. COMMUNICATIONS/COMMISSION, COMMITTEE, BOARD, REPORTS

A. Water Loss Report:
September 2015 Water Loss Report submitted.

B. Water Meter Report:
September 2015 Water Meter Replacement Report submitted.

C. Police Department:
September 2015 Police Department Report submitted.

D. Fire Department Report:
September 2015 Fire Department Report submitted.

E. Code Enforcement Department Report:
September 2015 Code Enforcement Report submitted.

F. Financial Report:
August 2015 Financial Report submitted.

G. Taylor County Public Service District Minutes:
September 8, 2015 minutes submitted.

H. Grafton-Taylor County Board of Health Minutes:
August 26, 2015 minutes submitted.

10. APPOINTMENTS

None.

11. PROCLAMATIONS, RESOLUTIONS, CERTIFICATES

A. Domestic Violence Awareness Month Proclamation:

PROCLAMATION
October 2015 Domestic Violence Awareness Month
WHEREAS, domestic violence against the citizens
in the City of Grafton continues; and
(Recorded in Proclamation/Resolution Book No. 3, Page 320)

Mayor Bartlett read the 2015 Domestic Violence Awareness Month Proclamation, affixed his signature to the proclamation and presented it to Carol Moats and Alicia Flynn, Children's Advocate representatives for the Rape and Domestic Violence Information Center (RDVIC).

B. Breast Cancer Awareness Day/Month Proclamation:

PROCLAMATION
Breast Cancer Awareness Month-October 2015
In 2015, an estimated 1,340 West Virginia women will be diagnosed with breast cancer and approximately 289 women will die of the disease. Breast cancer continues to be a leading cause of cancer related deaths among West Virginia women. A woman has a 12% chance of developing breast cancer in her lifetime and a 3% chance of dying from the disease.
(Recorded in Proclamation/Resolution Book No. 3, Page 321)

Mayor Bartlett read the 2015 Breast Cancer Awareness Month Proclamation, affixed his signature to the proclamation and presented it to Representatives Mary Shuttlesworth and Virginia Ellis.

12. UNFINISHED BUSINESS

A. Public Hearing Ordinance No. 834
Amending Ordinance No. 271 Rezoning Property
Parcel 175, Tax Map 29 (3.439 Acres) Located on Victory Avenue
From Residential 1 to Commercial

The mayor opened the floor for anyone from the public attendance wishing to speak for or against the passage of Ordinance No. 834. David L. Jacobs, owner of the property, explained the history of the property, and his appeal to change the zoning from residential to commercial, in order to place said realty on the market to be developed. No one else spoke and the Mayor closed the public hearing.

B. Second Reading Ordinance No. 834
Amending Ordinance No. 271 Rezoning Property
Parcel 175, Tax Map 29 (3.439 Acres) Located on Victory Avenue
From Residential 1 to Commercial:

ORDINANCE NO. 834

AN ORDINANCE AMENDING ORDINANCE NO. 271 REZONING PROPERTY BEING PARCEL 125 TAX MAP 29 (3.439 ACRES) LOCATED ON VICTORY AVENUE FROM RESIDENTIAL 1 TO COMMERCIAL

(Recorded in Ordinance Book No. 6, Page 75)

Motion was made by Councilman E. Bartlett, second by Councilwoman Thompson, to approve the second reading and passage of Ordinance No. 834. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

C. Public Hearing Ordinance 835:
To conduct a public hearing on the proposed adoption by the City Council of the City of its Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs.

The mayor opened the floor for anyone from the public attendance wishing to speak for or against the passage of Ordinance No. 835. No one spoke and the Mayor closed the public hearing.

D. Third Reading Ordinance No. 835

To consider for adoption on third reading of an Amended and Restated Bond Authorizing Ordinance of the City which would authorize the refunding of the City's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), the refinancing of certain loan obligations and payment of other obligations of Grafton City Hospital, the design, acquisition, construction and equipping of improvements to the existing facilities of Grafton City Hospital and the issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) in one or more series, in an amount not to exceed $3,700,000 for the purposes of financing the refunding such prior bonds, refinancing such outstanding obligations, financing costs of such project and the payment of costs of issuance of the Bonds and related costs:

ORDINANCE NO. 835

AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2002 (GRAFTON CITY HOSPITAL) AND THE REFINANCING OF CERTAIN CAPITAL LEASES AND BORROWINGS OF GRAFTON CITY HOSPITAL; THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO THE EXISTING FACILITIES OF GRAFTON CITY HOSPITAL AND THE ACQUISITION OF CERTAIN PERSONAL PROPERTY, FIXTURES AND EQUIPMENT FOR GRAFTON CITY HOSPITAL; THE SALE AND ISSUANCE OF NOT TO EXCEED $3,700,000 CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, (GRAFTON CITY HOSPITAL), IN ONE OR MORE SERIES; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND SECURITY OF SUCH BONDS, THE REFUNDING AND REFINANCING OF SUCH OBLIGATIONS OF GRAFTON CITY HOSPITAL AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS TO GRAFTON CITY HOSPITAL; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

(Recorded In Ordinance Book No. 6, Page 77)

SUPPLEMENTAL RESOLUTION

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B

(Recorded in Proclamation/Resolution Book No. 3, Page 322-328)

SWEEP RESOLUTION

CITY OF GRAFTON

WHEREAS, the City of Grafton (the "Issuer") is a municipal corporation and political subdivision of West Virginia;

(Recorded in Proclamation/Resolution Book No. 3, Page 329-330)

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson, to approve the (1) third reading and passage of Ordinance No. 835, (2) approve the Supplemental Resolution (relating to the proposed issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital); and (3) to approve the Sweep Resolution, relating to the proposed issuance by the City of its Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital). Roll call vote: E. Bartlett: Abstained; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

E. Award Bid Purchase New Garbage Truck:

One only bid to purchase a new Garbage Truck for the Public Works Department was received from Tom's Truck Sales, LLC, 8620 Quarry Road, Manassas, Virginia, for $128,782.00. Bid recorded as part of the minutes, page ten.

Motion was made by Councilman E. Bartlett, second by Councilwoman Thompson, to purchase a new 2016 Kenworth Model T-370 Chassis-Pak-Mor Model R220C Curved Shell Refuse Collection Body Garbage Truck, for the bid amount of $128,782.00. Roll call vote: Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

F. Continuance Turn This Town Around Program
Community Grant Funding Application Requests
Approval Consideration:

Two (2) applications submitted for funding consideration under the City of Grafton Continuance Turn This Town Around Program (authorized by council January 20, 2015, Minute Book No. 24, Page 4) was presented for approval as follows:

1. Taylor County Historical Society
Total Project Cost $2,800.00
200 AMP Electric Service-M&M Bank Building

Application, submitted by project volunteers Darlene Ford, Olive Ricketts, Marvin Gelhausen, and LuAnn Sturms, from the Taylor County Historical & Genealogy Society to install 200 AMP Electric Service in the historic M&M Bank Building, downtown Grafton, was reviewed, discussed, by council for funding approval.

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson, to approve funding of $1,000.00 to the Taylor County Historical & Genealogy Society, to install 200 AMP Electric Service in the M&M Bank Building. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Isner: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

2. Bailey Memorial United Methodist Church
Total Project Cost –Dollar Amount Not Stated
Bailey Memorial United Methodist Church Backpack Program

Application, submitted by project volunteers Susan Christian, Sue Moore, Paul Moore, Betty Marks, and Candis Rivera, to provide funding for the Bailey Memorial United Methodist Church Backpack Program for Taylor County School students, was reviewed, discussed, by council for funding approval. Council tabled the application consideration; determination was made for the need of additional financial information before approval could be made.

13. NEW BUSINESS

A. Payment of Bills:

1. Regular 2015-2016 Budgetary Bills - Year Listing No. 5

Bluemont Cemetery Fund	$	1,234.62
Coal Severance Fund	$	1,045.34
General Fund	$	43,207.30
Water Operations Fund	$	66,755.92
Sewer Service Fund	$	62,335.96
Total	$	174,579.14

Motion was made by Councilwoman Thompson, second by Vice Mayor Barney, to pay the Regular Bills, October 6, 2015, in the amount of $174,579.14. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

B. Distribution Line Easement-Overhead Agreement
Monongahela Power Company, Ohio Corporation
City of Grafton, West Virginia Municipal Corporation
Install Poles, Wires, Anchors-Distribution Line Circuit
District 1, Map 10, Parcel 408, .34 Acres

Motion was made by Vice Mayor Barney, second by Councilwoman Thompson, to approve the Distribution Line Easement-Overhead Agreement, between the Monongahela Power Company, an Ohio Corporation and the City of Grafton, a West Virginia Municipal Corporation, to install poles, wires, anchors-distribution line circuits, on the realty, which is owned by the City of Grafton, and located near the Main Street and Bridge Street locality adjacent to the construction site of the new Bridge Street Bridge in Grafton. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried. Agreement recorded in Agreement Book No. 2.

C. First Reading Reading Ordinance No. 836
Grafton Home Rule Plan
First Specific Problem/Solution Addressed
Specifically Providing For The Issuance
Of "On-The-spot" Citations
Property Nuisance Violations:

ORDINANCE NO. 836

AN ORDINANCE FORMALLY ENACTING THE FIRST "SPECIFIC PROBLEMS AND SOLUTIONS TO BE ADDRESSED BY GRAFTON'S HOME RULE PLAN" THAT WAS PREVIOUSLY APPROVED BY THE STATE OF WEST VIRGINIA'S HOME RULE BOARD, SPECIFICALLY PROVIDING FOR THE ISSUANCE OF "ON-THE-SPOT" CITATIONS

Motion was made by Vice Mayor Barney, second by Councilman E. Bartlett, to approve the first reading of Ordinance No. 836. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

D. First Reading Reading Ordinance No. 837
Grafton Home Rule Plan
Fourth Specific Problem/Solution Addressed
Specifically Providing For The Issuance
Of "On-The-spot" Citations
Property Nuisance Violations:

ORDINANCE NO. 837

AN ORDINANCE FORMALLY ENACTING THE FOURTH "SPECIFIC PROBLEMS AND SOLUTIONS TO BE ADDRESSED BY GRAFTON'S HOME RULE PLAN" THAT WAS PREVIOUSLY APPROVED BY THE STATE OF WEST VIRGINIA'S HOME RULE BOARD, SPECIFICALLY PROVIDING FOR THE EXPANSION OF APPLICANTS' MAXIMUM AGE FOR POLICE OFFICERS AND THE ALLOWANCE OF HALF-TIME POLICE OFFICERS FOR PERIOD BEYOND THREE MONTHS

Motion was made by Councilwoman Thompson, second by Councilman E. Bartlett, to approve the first reading of Ordinance No. 837. Roll call vote: E. Bartlett: Yes; Thompson: Yes; Barney: Yes; and G. Bartlett: Yes. Motion carried.

14. COUNCIL MEMBER'S HEARING

Councilwoman Brenda K. Thompson:

Relayed that Helen Phillips, from Titusville, Florida, who is the great-granddaughter of Grafton Police Chief James E. Phillips (October 29, 1854-February 11, 1919), the only law enforcement officer from Grafton and Taylor County to lose his life in the line of duty, will be visiting Grafton and City Hall on Monday, October 26, 2015, to view the City of Grafton's collection of documents relating to the death of her great-grandfather.

15. ADJOURNMENT

Mayor Bartlett adjourned the meeting at 3:40 p.m.

G. Thomas Bartlett, III
Mayor

ATTEST:

Larry M. Richman
City Clerk

Bid

Tom's Truck Sales, LLC
"The Right Choice for Your Truck & Equipment Needs"

8620 Quarry Road Manassas, VA 20110
Phone 800-361-7305 Fax 703-361-5342
tomstrucksales@aol.com

QUOTE # 083115-III
DATE: AUGUST 31, 2015

TO City of Grafton
1 West Main Street
Grafton, West Virginia 26354

Attention: Larry M. Richman
City Clerk

QTY	STOCK OR MODEL #	SPECIFICATIONS	UNIT PRICE	TOTAL AMOUNT
1		New 2016 Kenworth Model T-370 Chassis PACCAR PX-7 325 HP Engine 3500 RDS Allison transmission 6 Speed 10,000 lb. Front Axle - 23,000 Rear Axle Air ride driver seat - 2 Man passenger seat Painted White Pak-Mor Model R220C Curved Shell Refuse Collection Body Hot shift PTO - 2 Hopper lights - 7" Rear Vision camera; Strobes upper rear light panel: Side Access Door 12,000 Lb. Drum Winch w/ latch kit; Buzzer system both sides Mid body marker/turn lights; LED Lights Painted White Delivered to Grafton, West Virginia		

Note: Delivery 90-180 Days

No State or Local Taxes Included.

No Tags, DMV or Title Fees Included

SUBTOTAL	$128,782.00
TAX EXEMPT	No Tax included
TOTAL	$128,782.00

Bid prepared by: Bruce Armstrong

Please Review and Notify us if there are any changes that need to be made.

To accept this Bid, sign here and return: _____

THANK YOU FOR YOUR BUSINESS!

State of West Virginia

CERTIFICATE

I, A. James Manchin, Secretary of State of the State of West Virginia, hereby certify that the following and hereto attached is a true copy of

Certificate of Incorporation

of

GRAFTON CITY HOSPITAL INC.

Dated the 23rd day of February, 1915, there being amendments or additions thereto; as appears from the records of my said office.

Given under my hand and the Great Seal of the said State at the City of Charleston, this

FOURTH day of

MARCH 19 82

A. James Manchin

Secretary of State.

IV. The names and post office addresses of the incorporators are as follows:

Names.	P. O. Address.
Frederic C. Graham	Grafton, W. Va.
A. E. N. Means	Grafton, W. Va.
John F. Caveney	Grafton, W. Va.
T. P. Kenny	Grafton, W. Va.
W. Merle Watkins	Grafton, W. Va.
A. H. Darr	Grafton, W. Va.
R. H. Powell	Grafton, W. Va.
B. W. Perine	Grafton, W. Va.
R. B. Johnston	Grafton, W. Va.

V. This corporation is to continue perpetually.

Given under our hands this 22nd day of February, 1915.

Frederic C. Graham
A. E. N. Means
John F. Caveney
T. P. Kenny
W. Merle Watkins
A. H. Darr
R. H. Powell
B. W. Perine
R. B. Johnston

WHEREFORE, The corporators named in the said agreement and who have signed the same, and their successors and assigns, are hereby declared to be perpetually a corporation by the name and for the purposes set forth in said agreement.

Given under my hand and the Great Seal of the said State, at the City of Charleston, this Twenty-third day of February, Nineteen Hundred and Fifteen.

(G.S) Stuart F. Reed, Secretary of State.

STATE OF WEST VIRGINIA
CERTIFICATE

I, EDGAR F. HEISKELL III, Secretary of State of the State of West Virginia, hereby certify that

MR. ROBERT F. GERKIN, President of

THE GRAFTON GENERAL HOSPITAL ASSOCIATION,

a corporation created and organized under the laws of the State of West Virginia, was certified to me under his signature and the corporate seal of said corporation, that, at a meeting of the members of said corporation, regularly held in accordance with the requirements of the law of said State, in Grafton, West Virginia, on the 27th day of February, 1974, at which meeting a majority of the members of such corporation being represented, in person, by bodies corporate or by proxy, and voting for the following resolution, the same was duly and regularly adopted and passed, to-wit:

> "RESOLVED, That the name of The Grafton General Hospital Association be changed to read "Grafton City Hospital Inc.", a subsidiary of the City of Grafton Inc., Grafton, West Virginia."

WHEREFORE, I do declare said Change of Name as set forth in the foregoing resolution is authorized by law, and that said corporation shall hereafter be known by the name of GRAFTON CITY HOSPITAL INC.

(G. S.)

Given under my hand and the Great Seal of the said State, at the City of Charleston, this SEVENTH day of MARCH, 1974.

EDGAR F. HEISKELL III,
Secretary of State

FEE: $5.00

NON-STOCK, NON-PROFIT CORPORATION

Application for Amendment

FORM NO. 127-A

I, Dr. Robert P. Gerkin President of The Grafton General Hospital Association ~~Company~~, a corporation created and organized under the laws of the State of West Virginia, do hereby certify to the Secretary of State of West Virginia, that, at a meeting of the members of said corporation, regularly held in accordance with the requirements of the law of said State, at the office of said corporation, in Grafton, West Virginia on the 27th day of February, 1974, at which meeting a majority of the voting members of such corporation being represented, in person, by bodies corporate or by proxy, and voting for the following resolution, the same was duly and regularly adopted and passed, to-wit:

"RESOLVED, That the name of Grafton General Hospital Association ~~Company~~ be changed to read "Grafton City Hospital Inc.", a subsidiary of the City of Grafton Inc., Grafton, West Virginia."

(Affix Corporate Seal)

Given under my hand and the seal of said corporation, this 27th day of February, 1974.

(Signed) Robert P. Gerkin
President

of Grafton City Hospital Inc.

City of Grafton

Grafton, West Virginia

THE GRAFTON GENERAL HOSPITAL ASSOCIATION

I, Stuart F. Reed, Secretary of State of the State of West Virginia, hereby certify that an agreement duly acknowledged and accompanied by the proper affidavits, has been this day delivered to me, which agreement is in the words and figures following:

I. The undersigned agree to become a corporation be the name of

THE GRAFTON GENERAL HOSPITAL ASSOCIATION.

II. The principal place of business of said corporation shall be located in the City of Grafton, in the County of Taylor, and State of West Virginia.

III. The objects and purposes for which this corporation is formed are as follows:

To own, conduct and operate a hospital for the treatment of sick and injured persons and for medical and surgical treatment generally; to conduct a training school for nurses in connection therewith; to establish and conduct a dispensary; to accept and hold and use for its purposes any donations, gifts or endowments; to make proper charges for treatment and services rendered, but all the funds received therefrom and from all sources whatsoever shall be devoted to the purposes of such hospital, dispensary and training school and no profits shall ever be paid to any of the incorporators or members or to their successors; to acquire own, hold and dispose of real estate and personal property for the purposes above mentioned; to borrow money upon the holdings of said corporation and to execute proper deeds or mortgages securing the payment thereof; and generally to do any and all things that may be necessary or proper to fully and effectually do the things above mentioned and to conduct and operate such hospital, dispensary and training school for nurses.

State of West Virginia

CERTIFICATE

I, A. James Manchin, Secretary of State of the State of West Virginia, hereby certify that

duplicate originals of Articles of Amendment to the Articles of Incorporation of GRAFTON CITY HOSPITAL INC.

duly signed and verified pursuant to the provisions of Section 31, Article 1, Chapter 31 of the Code of West Virginia, 1931, as amended, have been received in this office and are found to comform to law.

ACCORDINGLY, I hereby issue this Certificate of Amendment, to the Articles of Incorporation, and attach hereto a duplicate original of said Articles of Amendment.

Given under my hand and the Great Seal of the said State at the City of Charleston, this

THIRD *day of*

SEPTEMBER *19* 82

A. James Manchin

Secretary of State.

Form 102-A

Articles filed in Duplicate Originals

Certificate Fee: $5.00

Filed in the Office of Secretary of State of West Virginia, this date SEP 3 1982

ARTICLES OF AMENDMENT

to

ARTICLES OF INCORPORATION

of

Grafton City Hospital

Pursuant to the provisions of Section 28, Article 1, Chapter 31 of the Code of West Virginia, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is Grafton City Hospital

SECOND: The following Amendments to the Articles of Incorporation were adopted by the members/board of directors of the corporation on August 5th, 19 82, in the manner prescribed by Sections 107 and 147, Article 1, Chapter 31.

(Please type double space. If not sufficient space to cover this point, add one or more sheets of this size.)

The following is added to Article V. of the Articles of Incorporation:

"Upon the dissolution of this corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)3 of the Internal Revenue Code (or corresponding section of any future Federal tax code), or shall be distributed to the Federal Government or State or Local Government for a public purpose."

Dated September 1, 19 82.

Grafton City Hospital, Inc. (note 1)

By Glenn Everly
Its Board President

(note 2)

and William Manley
Its Board Secretary

and Roger Pence
Its Grafton City Hospital Administrator

STATE OF West Virginia
SS
COUNTY OF Taylor

I, Cora June Shoemaker, a notary public, do hereby certify that on this _____ day of September, 19 82, personally appeared before me Roger Pence, who, being by me first duly sworn, declared that he is the Administrator of Grafton City Hospital, Inc., that he signed the foregoing document as Administrator of the corporation, and that the statements therein contained are true.

MY COMMISSION EXPIRES: June 26, 1989

Notary Public
Cora June Shoemaker

(NOTARIAL SEAL)

Notes: 1. Exact corporate name of corporation adopting the Articles of Amendment.

2. Signatures and titles of officers signing for the corporation.

3. This articles of amendment to the articles of incorporation must be filed in duplicate.

Articles of Amendment prepared by:

Name Roger Pence
Administrator
Address Grafton City Hospital
Route #50 & Market Street
Grafton, West Virginia 26354

GRAFTON CITY HOSPITAL
(A CRITICAL ACCESS HOSPITAL)

GOVERNING BODY BY-LAWS

ARTICLE I: AUTHORITY

Section 1. GENERAL

The Grafton City Hospital will be known as the Grafton City Hospital (A Critical Access Hospital).

The Grafton City Hospital (A Critical Access Hospital) has a Governing Body that assumes full legal responsibility for determining, implementing and monitoring policies governing the Grafton City Hospital (A Critical Access Hospital) total operation and for ensuring that those policies are administered so as to provide quality health care in a safe environment. The Governing Authority is the highest authority responsible for the management and control of the Hospital.

The Governing Authority is legally responsible for the management and control of the Hospital. In the discharge of its duties, the Governing Authority exercises its responsibility for the care of patients through the Medical Staff. The Governing Authority is responsible for the establishment of policies and compliance with the requirements of this rule.

The Governing Authority shall adopt By-Laws, subject to Amendment, which require it to, but not limited to,:

a.) Appoint members to the Medical Staff.
b.) Approve the By-Laws and Regulations of the Medical Staff.
c.) Define the committees of the Governing Authority and their functions and responsibilities.
d.) Develop and maintain a formal liaison with the Medical Staff.
e.) Appoint a full-time administrator and delegate to him or her executive authority and responsibility. Appoint a full-time long-term-care administrator, per the Hospital Administrator's recommendation, and who will directly report to the Hospital Administrator.
f.) Maintain an up-to-date file of all medical and ancillary staff licensed, registered, or certified by the appropriate agency of the State of West Virginia.
g.) Provide for the proper control of all assets and funds, including requiring annual audits.
h.) Provide for an assessment of all hospital clinical departments and functions provided directly or under contract through review and approval of the Hospital's Performance Improvement reports at intervals defined by the Governing Body, but at least yearly.
I.) Determine the scope of services to be offered by the Hospital.
j.) Ensure the Hospital is meeting all State and Federal requirements, inclusive of certificate of need, for the addition or termination of services, and notification of the Department of Health and Human Resources, Office of Health Facility Licensure and Certification of the additions or termination of services, and compliance of all Medicare/Medicaid and other certifying agency regulations.

The Grafton City Hospital (A Critical Access Hospital) Board of Trustees derives its authority from the City Charter of Grafton, Taylor County, West Virginia, effective July 1, 1985; adopted April 30, 1985.

The Board of Trustees is additionally subject to all terms as specified in Bond Ordinance Three Hundred and Nine (#309) and Bond Ordinance Three Hundred and Thirty-Nine (#339); adopted by the City of Grafton to finance the costs of improving and renovating the Grafton City Hospital (A Critical Access Hospital).

Non-Discrimination. The Grafton City Hospital (A Critical Access Hospital) shall not discriminate on the basis of race, sex, age, disability, veteran status, religion, color, national origin, financial status, or health care reimbursement

provider in any services or employment matter. The Grafton City Hospital (A Critical Access Hospital) shall not knowingly affiliate with nor grant recognition to any individual, group, or organization having policies that discriminate on the basis of race, sex, age, disability, veteran status, religion, color, national origin, financial status, or health care reimbursement provider, as defined by the applicable laws of the State of West Virginia and the United States.

Section 2. **DEFINITIONS.**

1.) "Governing Body" or "Board of Trustees" means the Grafton City Hospital (A Critical Access Hospital) Board of Trustees having the authority to make decisions for or recommendations on policy or administration to the Grafton City Hospital Critical Access Hospital.

2.) "Hospital" means the Grafton City Hospital (A Critical Access Hospital), a non-profit corporation, owned by the City of Grafton, from the City Charter.

3.) "Meeting" means the convening of the Governing Body for which a quorum is required in order to make a decision or to deliberate toward a decision on any matter.

4.) "Quorum" means a simple majority of the constituent membership of the Governing Body.

5.) "Decision" means any determination, action, vote or final disposition of a motion, proposal, resolution, order or measure on which a vote of the Governing Body is required at any meeting at which a quorum is present.

6.) "Executive Session" means any meeting or part of a meeting of the Governing Body that is closed to the public.

Section 3. **AUTHORITY.**

The administrative powers of the Hospital shall be vested in the Hospital Board of Trustees which shall have the highest authority responsible for the control and management of the property, affairs and funds of the Hospital, shall fill vacancies among the Officers for unexpired terms, employment of a Hospital Administrator (qualified by education and experience), and shall have the power and authority to do and perform all acts and functions not inconsistent with these By-Laws.

Section 4. **MEMBERSHIP.**

The Hospital Board of Trustees shall consist of not less than six (6) members and not more than twelve (12) members, who shall be residents of Taylor County, said Board to be non-partisan in character and the members of said Board to serve without compensation. At all times, at least fifty percent (50%) of said Board of Trustees Members must reside within the City of Grafton limits.

Consumer Representation of the Hospital Board of Trustees. The Board of Trustees shall designate at least forty percent (40%) of its voting members as consumer representatives with an equal number of the representatives in each of the following four (4) consumer categories: small business representatives; organized labor members; elderly persons, and persons whose income is less than the national median income.

Section 5. **PURPOSE.**

The elected members of the Board of Trustees shall be such persons interested in its charitable, educational, scientific and benevolent purposes, and the treatment and care of persons who require medical care or related services, without discrimination as to race, sex, age, color, disability, religion, or financial status.

Section 6. **VACANCIES.**

Nominations to fill any vacancies in the membership of the Board of Trustees shall be submitted at a regular or a special meeting of the Board Members. The person(s) receiving the largest number of votes to fill vacancies shall be declared elected to membership. The vacant position is to be filled within ninety (90) days.

Section 7. **INDEMNIFICATION.**

The Grafton City Hospital (A Critical Access Hospital) shall indemnify any present or former appointee of the Board, Trustees, Officer or Agent, including any staff appointee engaged in Hospital business through committee or other services to the extent and in the manner set forth in these By-Laws. Such indemnity shall be for expenses and costs actually and necessarily incurred by him/her in connection with the defense or settlement of any pending or threatened action, suit or proceeding to which he/she is made a party by reason of his/her being or having been such official, except in relation to matters as to which he/she shall be finally adjudged to be liable of willful misconduct amounting to bad faith. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under these By-Laws or any agreement, vote of the Board or insurance purchased by the Hospital.

ARTICLE II: MEETING PROCEDURES

Section 1. **PUBLIC NOTICE OF MEETINGS.**

All regular meetings of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees shall be open to the public. The Governing Body may make and enforce reasonable rules and regulations for attendance and presentation at any meeting where there is not room enough for all members of the public who wish to attend. The date, time and place of all regularly scheduled meetings and the date, time, place and purpose of all special meetings of the Board of Trustees will be made available, in advance, to the public and the news media, except in the event of an emergency requiring immediate official action.

The Governing Body shall file a notice of any meeting by causing a notice of the meeting to be printed in a local newspaper; provided, that the Governing Body may otherwise provide by rule or regulation an alternative procedure that will reasonably provide the public with notice. Each notice shall state the date, time, place and purpose of the meeting.

Section 2. **BOARD OF TRUSTEES NOTICE OF MEETINGS.**

All regular and special meetings of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees shall be open to the public. The date, time and place of all regularly scheduled meetings and the date, time, place and purpose of all special meetings of the Board of Trustees will be made available, in advance, to all Board of Trustee Members and ex-officio members of the Board of Trustees.

Section 3. **EMERGENCY MEETING NOTIFICATION.**

In the event of an emergency requiring immediate official action, the Governing Body may provide an emergency meeting notice at any time prior to the meeting. The emergency meeting notice shall state the date, time, place and purpose of the meeting, and the facts and circumstances of the emergency.

Section 4. **EXCEPTIONS.**

This article does not prevent the Governing Body of the Grafton City Hospital (A Critical Access Hospital) from holding an Executive Session during a regular, special or emergency meeting, after the presiding officer has identified the authorization for the holding of such Executive Session and has presented it to the Governing Body and to the general public, but no official action(s) shall be made in such Executive Session.

Section 5. **EXECUTIVE SESSION.**

An Executive Session of the Governing Body may be held only upon a majority affirmative vote of the Trustees present of the Governing Body of the Grafton City Hospital (A Critical Access Hospital) as defined in the following:

a.) The appointment, employment, retirement, promotion, demotion, disciplining, resignation, discharge, dismissal or compensation of any officer or employee, or other personnel matters, or for the purpose of conducting a hearing on a complaint against an officer or employee, unless the officer or employee requests an open meeting.

b.) The disciplining, suspension or expulsion or any student or trainee enrolled in a program conducted by the Grafton City Hospital (A Critical Access Hospital), unless the student or trainee requests an open meeting.

c.) Investigations and proceeding involving the issuance, denial, suspension or revocation of the authority or privilege of a medical practitioner to use the Grafton City Hospital (A Critical Access Hospital) and to engage in particular kinds of practice or to perform particular kinds of operations, unless the person seeking the authority or privilege or whose authority or privilege was denied, suspended or revoked requests an open meeting;

d.) Matters concerning the failure or refusal of a medical practitioner to comply with reasonable regulations of the Grafton City Hospital (A Critical Access Hospital) with respect to the conditions under which operations are performed and other medical services are delivered.

e.) To consider the work product of the Hospital's Attorney or Hospital Administration.

f.) The physical or mental health of any person, unless the person requests an open meeting.

g.) Matters which, if discussed in public, would be likely to affect adversely the reputation of any person.

h.) Any official investigation or matters relating to crime prevention or law enforcement.

I.) Matters involving or affecting the purchase, sale or lease of property, advance construction planning, the investment of public funds or other matters involving competition which, if made public, might adversely affect the financial or other interest of the State or any political subdivision or the Hospital.

Section 6. **MINUTES.**

The Grafton City Hospital (A Critical Access Hospital) Governing Body shall provide for the preparation of written minutes of all Board of Trustees Meetings. Minutes of all Board of Trustees Meetings will be taken, except for meetings of Executive Sessions, if any are taken. Sub-Committee meeting minutes, Finance Committee Meeting minutes, special committee meeting minutes and Executive Session meeting minutes (if any are taken) will not be available to the public. Minutes of all regular Board of Trustees Meetings shall be available to the public within a reasonable time after the meeting and shall include, at least, the following information:

1.) The date, time and place of the meeting.

2.) The name of each member of the Governing Body present and absent from the regular meeting.

3.) All motions, proposals, resolutions, orders, ordinances and measures proposed, the name of the person proposing the same and their disposition.

4.) The results of all votes and, upon the request of a member, pursuant to the rules, policies or procedures of the Governing Body for recording roll call votes, the vote of each member, by name.

ARTICLE III: MEETING OF THE BOARD

Section 1. **REGULAR MEETINGS.**

The regular meeting of the Hospital Board of Trustees shall be on the last Monday of each month at the Grafton City Hospital (A Critical Access Hospital). The regular meeting in the month of June shall be the annual meeting of the Board of Trustees. Whenever the date for a regular meeting shall fall on a public holiday, the meeting shall be held on such date as the President may appoint.

Section 2. **SPECIAL MEETINGS.**

Special meetings may be called by the President or Vice-President and shall be called within forty-eight (48) hours of receipt of a written request of at least two (2) members of the Governing Body.

The notice shall state the business for which the special meeting has been called, and no business other than that stated in the Notice shall be transacted at such special meeting.

Section 3. **QUORUM.**

For regular or special meetings of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees, a quorum shall be at least fifty percent (50%) of the voting members. West Virginia Corporate Laws permit Trustees to participate in a Board Meeting by telephone conference so as to avoid rescheduling meetings in the event that a quorum cannot be reached.

Section 4. **CONFLICT OF INTEREST.**

In the event that a member feels they have a conflict-of-interest concerning business conducted by the Board of Trustees, they shall indicate their conflict and refrain from voting on that matter. If there is a question over conflict-of-interest, a majority vote of the unaffected members shall decide if a conflict exists. If a conflict-of-interest is declared, the remaining members present must constitute a quorum.

Section 5. **ATTENDANCE.**

Board of Trustees Members are required to attend at least nine (75%) of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees Meetings per year. The Executive Committee will rule on the continued eligibility of any Board of Trustees Member who fails to meet the attendance standard. Exceptions to this rule will be considered on a case-by-case basis by the Executive Committee of the Board of Trustees; i.e., medical leave, family leave-of-absence, etc....

ARTICLE IV: OFFICERS

Section 1. **OFFICERS.**

The Officers of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees shall be a President, Vice-President and a Secretary, and any such Officers as the Board of Trustees may authorize. All Officers shall be elected by the Board of Trustees from among its own membership and shall hold office for a period of one (1) year or until successors have been duly elected and ratified. The Office of President shall be rotated at least every two (2) years; however, a Board of Trustees Member may be re-elected to the position of President after a one (1) year interim. Term of Office begins on July 1 through June 30 (fiscal year).

Section 2. **ELECTION.**

Officers shall be elected at the Annual Meeting (June) and shall assume office at the next succeeding regular meeting (July). In case any office falls vacant during the period for which the incumbent was elected, such vacancy shall be filled by election of the Board of Trustees at its next regular meeting. The newly elected incumbent shall serve only for the unexpired term of the vacancy he/she is elected to fill, but, shall be subject to nomination and election for that office or any other at the next annual meeting.

Section 3. **DUTIES.**

a.) The President shall preside at all meetings of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees and shall be, ex-officio, a member of all committees.

b.) The Vice-President shall act as President in the absence of the President and, when so acting, shall have the power and authority of the President.

c.) The Administrator (or designee) shall act as the recording secretary at the Board of Trustees Meetings and send appropriate notices and prepare agendas for all meetings of the Board of Trustees, shall act as custodian of all records and reports, and shall be responsible for keeping and reporting of adequate records of all meetings of the Board of Trustees.

ARTICLE V: COMMITTEES OF THE GRAFTON CITY HOSPITAL (A CRITICAL ACCESS HOSPITAL) BOARD OF TRUSTEES

Section 1. **GENERAL.**

Committees of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees shall be standing or special. Standing committees shall be an Executive Committee, Finance Committee, Strategic Planning Committee, Joint Conference Committee, and such other standing committees as the Board of Trustees may authorize. At a committee meeting, a quorum shall be two (2) members of that committee. Each committee shall have an agenda and shall submit minutes of its meeting to the Board of Trustees.

Section 2. **EXECUTIVE COMMITTEE.**

The Executive Committee shall consist of the President as Chairperson and three (3) additional members of the Board of Trustees at its annual meeting. The Executive Committee shall have power to transact all regular business of the Grafton City Hospital (A Critical Access Hospital) during the period between meetings of the Board of Trustees provided any action taken shall not conflict with the policies and procedures of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees, and that it shall refer all matters of major importance to the Board of Trustees.

Section 3. **FINANCE COMMITTEE.**

The Finance Committee shall consist of three (3) members of the Board of Trustees. The Finance Committee shall be responsible for supervising the management of all the endowment and trust funds to be properly invested with one or more trust companies or banks duly authorized to conduct such business in West Virginia. It shall require prompt reports concerning such investments and shall see that the income, after deduction of legitimate expenses, is paid into the proper fund of the Hospital and that both principle and income are used in accordance with the terms of the trust. The Finance Committee shall annually cause to be prepared, and shall submit to the Hospital Board of Trustees at least forty-five (45) days preceding the beginning of each fiscal year, a detailed budget of the expected receipts, income and expenses for the ensuing year. It shall be the further duty of the Finance Committee to examine the monthly financial reports.

Section 4. **STRATEGIC PLANNING COMMITTEE.**

The Strategic Planning Committee shall consist of three (3) members of the Board and two (2) members of the Active Medical Staff elected by the Medical Staff. The primary function of the committee shall be to develop an overall Hospital Plan through examination of the Hospital's mission or purpose, and its goals, policies and current programs. The Grafton City Hospital (A Critical Access Hospital) Board of Trustees shall cause the Hospital Administrator to obtain a Community Needs Assessment of the Hospital service area community at intervals of no more than every five (5) years.

The results of the Community Needs Assessment shall be presented to the Hospital Board of Trustees by the Hospital Administrator and shall be used as a tool to identify essential services needed within the community and to assist in an annual re-evaluation of essential services to be offered by the Hospital, as well as how to improve on the provision of those services.

In order to meet the needs identified, the Hospital Board of Trustees shall direct the Hospital Administrator to develop both a long-term and short-term growth and improvement plan for the Hospital, using both the Community Needs Assessment and Quality Assurance / Performance Improvement findings as a guide to identifying areas for development and improvement and setting performance improvement priorities. The plan shall be evaluated and revised on an annual basis.

Section 5. **JOINT CONFERENCE COMMITTEE.**

The Joint Conference Committee shall be composed of the President, Vice-President and the Secretary of the Board of Trustees, the Chief of the Medical Staff, the President of the Medical Staff and the immediate past President of the Medical Staff, and the Hospital Administrator. This committee shall receive and make recommendations to the Board of Trustees regarding any communications, requests or recommendations presented by the Medical Staff regarding medical affairs and long-range planning. The committee shall create a liaison between the Board of Trustees, Medical Staff and Administration; and shall take up any matters of a medical administrative nature. This committee shall receive and consider all reports on the work of the Medical Staff and make sure recommendations to the Board of Trustees, the Medical Staff and Administration as the committee considers to be in the best interest of the Hospital and its patients.

Section 6. **SPECIAL COMMITTEE's.**

Special committees may be appointed by the President with the concurrence of the Hospital Board of Trustees for such special tasks as circumstances warrant. A special committee shall limit its activities to the accomplishments of the task for which it is appointed and shall have no power to act except as specifically conferred by action of the Hospital Board of Trustees. Upon completion of the task for which appointed, such special committee shall stand discharged.

ARTICLE VI: ADVISORY COUNCIL OF THE BOARD OF TRUSTEES

Section 1. **GENERAL.**

The Hospital Board of Trustees, in an attempt to reach the entire community and receive advice on programs, plans and objectives, may establish an Advisory Council of the Board of Trustees which shall be made up of interested citizens of the community who shall serve in an advisory capacity to the Board of Trustees, the Administrator(s) of the Hospital, and the Medical Staff.

Section 2. **COMPOSITION.**

Composition of the Advisory Council shall be ten (10) interested citizens of the community who shall be selected on a basis of their ability to participate effectively in fulfilling the responsibilities of the Advisory Council.

Section 3. **APPOINTMENT.**

Appointment of members to the Advisory Council shall be made by the President of the Hospital Board of Trustees in concurrence with the rest of the Board of Trustees. Replacements can be made and vacancies filled at any time by the President of the Board of Trustees in concurrence with the rest of the Board of Trustees.

Section 4. **RESPONSIBILITIES.**

The Advisory Council shall act as representatives of the community. Their responsibilities is to inform the Board of Trustees of the needs seen within the community for Hospital services and programs and to act as a liaison between the community and the Hospital Board of Trustees.

Section 5. **MEETINGS.**

The Advisory Council shall meet as needed with the Executive Committee of the Hospital Board of Trustees.

ARTICLE VII: ADMINISTRATION

Section 1. **GENERAL**

The Hospital Board of Trustees shall select the management authority for the Grafton City Hospital (A Critical Access Hospital) and appoint /approve a competent Administrator, qualified by education and experience, who shall be its representative in the management of the Grafton City Hospital (A Critical Access Hospital). The Administrator shall be given the necessary authority and responsibility to operate the Hospital in all its activities and departments, subject only to such policies as may be issued by the Hospital Board of Trustees or by any of its committees to which it has delegated power for such action. He/She shall act as the duly authorized representative of the Hospital Board of Trustees in all matters in which the Hospital Board of Trustees has not formally designated some other person for the specific purpose.

The Administrator shall be evaluated by the Board of Trustees at least annually and serve at the Will and Pleasure of the Board.

The Hospital Board of Trustees also holds authority to appoint/approve a licensed nursing home administrator who will directly report to the Hospital Administrator.

Section 2. **AUTHORITY.**

The authority and responsibility of the Hospital Administrator shall include, but may not be limited to:

a.) Carrying out all directions and control of the Hospital operations according with policies established by the Hospital Board of Trustees and advising on the information of these policies.

b.) Developing and submitting to the Hospital Board of Trustees for approval a plan of organization for the conduct of the Hospital operation and recommended changes when necessary.

c.) Preparing an annual budget showing the expected revenue and expenditures as required by the Hospital Board of Trustees and Finance Committee, and regulatory agencies of the State of West Virginia.

d.) Selecting, employing, controlling and discharging non-contract employees, and developing and maintaining personnel and practices for the Hospital.

e.) Maintaining physical properties in a good and safe state of repair and operating condition.

f.) Supervising business affairs to ensure that funds are collected and expended to the best possible advantage.

g.) Working continually with other health care professionals to the end that high-quality care may be rendered to the patients at all times.

h.) Presenting to the Hospital Board of Trustees, or its authorized committee, periodic reports reflecting the professional services and financial activities of the Hospital and such special reports as may be required by the Hospital Board of Trustees.

I.) Attending all meetings of the Hospital Board of Trustees and serving on committees thereof in an ex-officio capacity.

j.) Serving as the liaison and channel of communication between the Hospital Board of Trustees and any of its committees and the Medical Staff, and assisting the Medical Staff with its organization and medico-administrative problems and responsibilities.

k.) Preparing a plan for the achievement of the Hospital's specific objectives and periodically reviewing and evaluating that plan.

l.) Representing the Hospital in its relationship with other health care agencies.

m.) Performing other duties that may be necessary or in the best interest of the Hospital as directed by the Board of Trustees.

ARTICLE VIII: MEDICAL STAFF

Section 1. **ORGANIZATION**.

Organization, appointments and hearings.

a.) The Hospital Board of Trustees shall organize the physicians and appropriate other persons granted practice privileges in the Hospital into a Medical Staff under Medical Staff By-Laws approved by the Hospital Board of Trustees. The Hospital Board of Trustees shall consider recommendations of the Medical Staff and appoint to the Medical Staff, in numbers not exceeding the Hospital's needs, physicians and others who meet the qualifications for membership as set forth in the By-Laws of the Medical Staff. The President of the Medical Staff and the Chief of the Medical Staff are asked to attend all Board of Trustees Meetings, without a vote, and report on Medical Staff activities, to include Quality Assurance/Performance Improvement activities.

Each member of the Medical Staff shall have appropriate authority and responsibility for the care of his/her patients, subject to such limitations as are contained in these By-Laws and in the By-Laws, Rules and Regulations of the Grafton City Hospital Medical Staff and subject, further, to any limitations attached to his/her appointment.

b.) All applications for appointment to the Medical Staff shall be in writing and addressed to the Administrator of the Hospital. The applications shall contain full information concerning the applicant's education, licensure, practice, previous hospital experience, any unfavorable history with regard to licensure and hospital privileges, verification documentation including disclosure from the National Practitioner Data Bank, AMA Profile, State Licensure Boards, graduate schooling diplomas/certifications, peer recommendations, etc.... This information shall be verified by the Credentials Committee of the Medical Staff.

c.) All appointments to the Medical Staff shall be for two (2) years, renewable as recommended by the Medical Staff and the Hospital Board of Trustees by formal re-application. When an appointment is not to be renewed, or when clinical privileges have been or are proposed to be reduced, altered, suspended or terminated, the Staff Member shall be afforded the opportunity of a hearing before the Credentials AD HOC Committee of the Medical Staff, whose recommendation shall be considered by the Hospital Board of Trustees prior to taking final action. Such hearing shall be conducted under procedure adopted by the Hospital Board of Trustees so as to ensure due process and to afford full opportunity for the presentation of all pertinent information.

Section 2. **MEDICAL CARE EVALUATION.**

Medical care and its evaluation.

a.) The Hospital Board of Trustees shall, in the exercise of its overall responsibilities, assign to the Medical Staff reasonable authority for ensuring appropriate professional care to the Hospital's patients and long-term-care residents.

b.) The Medical Staff shall conduct an on-going review and appraisal of the quality of professional care rendered in the Hospital and shall report such activities and their results to the Hospital Board of Trustees.

c.) The Medical Staff shall make recommendations to the Hospital Board of Trustees concerning the following:
1. Appointments, reappointments and other changes in Medical Staff Members' status.
2. Granting of clinical privileges.
3. Disciplinary actions.
4. All matters relating to professional competency.
5. Such specific matters as may be referred by the Hospital Board of Trustees.

Section 3. **MEDICAL STAFF BY-LAWS, RULES AND REGULATIONS.**

There shall be By-Laws, Rules and Regulations, and/or Amendments thereto, for the Grafton City Hospital Medical Staff that set forth its organization and government. Proposed By-Laws, Rules and Regulations should be recommended by the Medical Staff, subject to approval by the Hospital Board of Trustees. The power of the Hospital Board of Trustees to adopt or amend Medical Staff By-Laws, Rules and Regulations shall not be dependent upon ratification by the Medical Staff.

Section 4. **QUALITY ASSURANCE / PERFORMANCE IMPROVEMENT.**

In order to assure the continued provision of quality care to the patients of the Grafton City Hospital (A Critical Access Hospital) and its divisions, the Board of Trustees shall receive an annual analysis of patient satisfaction evaluations conducted by the Hospital and its divisions. These shall be reviewed with the Hospital Administrator and any additional individuals he/she may designate. A plan of corrective action shall be developed to address any deficiencies.

In order to meet the needs identified, the Hospital Board of Trustees shall direct the Hospital Administrator to develop both a long-term and short-term growth and improvement plan for the Hospital, using both the Community Needs Assessment and Quality Assurance / Performance Improvement findings as a guide to identifying areas for development and improvement and setting performance improvement priorities. The plan shall be evaluated and revised on an annual basis.

In the event of a negative down-turn in patient satisfaction, a sentinel event occurrence, or litigation involving patient care issues, or other indicator that there may be deficiencies in patient care and satisfaction, the Hospital Board of Trustees shall direct the Hospital Administrator(s) to cause or conduct an analysis of the events, identify improvement objectives and present a plan of correction within sixty (60) days.

ARTICLE IX: AMENDMENTS

Section 1. **GENERAL.**

These By-Laws of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees may be amended by affirmative vote of a two-thirds majority of the total membership, either present or represented by proxy, at any duly-called meeting of the Hospital Board of Trustees, provided that a full presentation of such proposed Amendment(s) shall have been published in the notice calling the Board of Trustees Meeting.

ARTICLE X: ADOPTION

Section 1. **GENERAL.**

These By-Laws of the Grafton City Hospital (A Critical Access Hospital) Board of Trustees may be adopted at any regular meeting of the Hospital Board of Trustees, and may become effective when approved by the Governing Body of the Hospital. These By-Laws may be reviewed, revised and approved on an annual basis.

ARTICLE XI: AUXILIARY

Section 1. **ORGANIZATION.**

The Hospital Board of Trustees shall organize any person(s) who are interested in supporting the purpose and needs of the Hospital into the Auxiliary of the Grafton City Hospital (A Critical Access Hospital). The Auxiliary is organized under the approval of the Hospital Board of Trustees and operates under the guidance of the Hospital Administrator.

Section 2. **AUXILIARY BY-LAWS.**

There may be By-Laws, Rules and Regulations, and/or Amendments thereto, for the Auxiliary of the Grafton City Hospital (A Critical Access Hospital) that set forth its organization and government. Proposed By-Laws, Rules and Regulations should be recommended by the Auxiliary, subject to approval by the Hospital Board of Trustees. The power of the Hospital Board of Trustees to adopt or amend the Auxiliary By-Laws, Rules and Regulations may not be dependent upon ratification by the Auxiliary.

Section 3. **FUNDS.**

The proceeds from all fund-raising projects, other than dues, shall be expended only in accordance with request and approval of the Board of Trustees, with recommendation of Hospital Administrator, Medical Staff and Hospital Auxiliary.

ADOPTED BY THE GRAFTON CITY HOSPITAL (A CRITICAL ACCESS HOSPITAL) BOARD OF TRUSTEES ON THIS 19th DAY OF MAY 2008.

Joan Hawkins, Secretary
GCH Board of Trustees

Nancy Virginia Fowler, President
GCH Board of Trustees

GRAFTON CITY HOSPITAL
(A Critical Access Hospital)

Governing Body By-Laws

Adopted by the Grafton City Hospital (A Critical Access Hospital) Board of Trustees on this 15th day of June, 2009.

Joan Hawkins, Secretary
GCH Board of Trustees

John Whitescarver, President
GCH Board of Trustees

Adopted by the Grafton City Hospital (A Critical Access Hospital) Board of Trustees on this 24 day of May, 2010.

Joan Hawkins, Secretary
GCH Board of Trustees

John Whitescarver, President
GCH Board of Trustees

Revised and adopted by the Grafton City Hospital (A Critical Access Hospital) Board of Trustees on this 29 day of July, 2013

Wanda Taylor, Secretary
GCH Board of Trustees

John Whitescarver, President
GCH Board of Trustees

RESOLUTION OF
GRAFTON CITY HOSPITAL, INC.

RESOLUTION APPROVING THE ISSUANCE OF HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 A AND SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE), BY THE CITY OF GRAFTON TO REFUND THE OUTSTANDING CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2002, TO REFINANCE CERTAIN OUTSTANDING BORROWINGS WITH RESPECT TO GRAFTON CITY HOSPITAL, TO PAY EXISTING FEDERAL TAX LIABILITIES, TO PAY COSTS OF THE DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN IMPROVEMENTS TO THE GRAFTON CITY HOSPITAL FACILITY AND THE ACQUISITION OF CERTAIN PERSONAL PROPERTY, EQUIPMENT AND FIXTURES FOR THE HOSPITAL FACILITY AND TO PAY COSTS OF ISSUANCE OF SUCH BONDS AND RELATED COSTS AND THE EXECUTION AND DELIVERY OF ALL DOCUMENTS AND UNDERTAKING OF ALL ACTIONS NECESSARY IN CONNECTION THEREWITH.

WHEREAS, the City of Grafton (the "City") owns and operates in the City of Grafton, Taylor County, West Virginia, a general critical access hospital known as Grafton City Hospital (such hospital, together with the site thereof and all personal property and equipment therefor, now existing, herein called the "Hospital") and has heretofore financed and refinanced the acquisition and construction of the Hospital and certain renovations, improvements and equipment therefor with several series of hospital revenue bonds, of which there are currently outstanding the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds");

WHEREAS, pursuant to Ordinance No. 490 enacted by the City Council of the City on April 30, 1985 (the "Board Establishment Ordinance") and pursuant to Article IV, Section 41 of the Charter of the City (the "City Charter") the City has operated and continues to operate the Hospital through a board known as "The Board of Trustees of Grafton City Hospital" (the "Board") which Board is the governing body of Grafton City Hospital, Inc., a West Virginia not for profit corporation which is exempt from federal income tax under Section 501(c)(3) of the Code (the "Hospital Corporation");

WHEREAS, the Board desires to undertake the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project") and for the City to issue its revenue bonds to finance costs of the design, acquisition, construction and equipping of the Project, to effect the current refunding and redemption in full of the Prior Bonds, to pay existing federal tax liabilities of the Board with respect to the Hospital

pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"), and to effect the refinancing of that certain Promissory Note, dated July 8, 2013 from the Board to JPMorgan Chase Bank, NA in the original aggregate principal amount of $382,205.86 (the "Chase Bank Note");

WHEREAS, the City has agreed to issue its Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and its Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds"), pursuant to Chapter 8, Article 16 (the "Revenue Bond Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act" and collectively with the Revenue Bond Act, the "Act") and an ordinance of the City (Ordinance No. 835, herein called the "Ordinance") and an Indenture of Trust (the "Indenture") by and between the City and United Bank, Inc., as bond trustee (the "Trustee") and agreed to by the Board on behalf of the Hospital Corporation;

WHEREAS, the proceeds of the Bonds will be applied by the City to finance costs of the design, acquisition, construction and equipping of the Project, to currently refund and redeem in full the Prior Bonds, pay the Federal Tax Obligations, refinance the Chase Bank Note and pay costs of issuance of the Bonds and related costs;

WHEREAS, pursuant to the Indenture, the City will be unconditionally obligated to make payments in an amount sufficient to pay when due, the principal of and interest on the Bonds, together with any other amounts required under the Indenture as the same become due, but only from the revenues of the Hospital and certain property of the Hospital as provided pursuant to the Act, the Indenture and the Deed of Trust (hereinafter defined); and

WHEREAS, as a condition to issuance of the Bonds, the City will execute an Escrow Agreement (the "Escrow Agreement") to be dated the date of delivery of the Bonds, by and between the City and the West Virginia Municipal Bond Commission, as escrow agent (the "Escrow Agent").

NOW, THEREFORE, BE IT RESOLVED BY GRAFTON CITY HOSPITAL, INC. AS THE CITY HOSPITAL BOARD OF GRAFTON CITY HOSPITAL OR THE BOARD OF TRUSTEES OF GRAFTON CITY HOSPITAL AS FOLLOWS:

1. The Hospital Corporation hereby authorizes its officers and employees to undertake the design, acquisition, construction and equipping of the Project, including, but not limited to the engagement of an architect for the design and construction inspection of the Project and the Hospital Corporation shall be the party to the construction contract or contracts for the acquisition, construction and equipping of the Project for and on behalf of the City and any action heretofore taken by the Hospital Corporation or the City or any of their officers and employees in connection with the foregoing is hereby ratified and approved.

2. The Hospital Corporation hereby requests that the City undertake and hereby authorizes and approves the City to undertake and effect the current refunding and

repayment in full of the Prior Bonds, the repayment in full and refinancing of the Chase Bank Note, and the payment in full of the Federal Tax.

3. That the issuance of the Series 2015 A Bonds by the City in the aggregate principal amount of $2,999,930 and the issuance of the Series 2015 B Bonds by the City in the aggregate principal amount of $650,000, with a final maturity of not more than 30 years from their date of issuance, and otherwise in conformance with the Letter of Conditions of the United States Department of Agriculture, Rural Development (the "USDA"), dated July 15, 2014 and Amendment No. 1 to Letter of Conditions of the USDA, dated September 15, 2015, together with any closing instructions to be issued by the USDA (collectively, the "Letter of Conditions") on behalf of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture which shall be the purchaser of the Bonds from the City (the "Purchaser") for the purposes of financing costs of the design, acquisition, construction and equipping of the Project, financing the current refunding and repayment in full of the Prior Bonds, the refinancing of the Chase Bank Note, the payment in full of the Federal Tax Obligations, and the payment of the costs of issuance of the Bonds and related costs is hereby approved.

4. That the use of the proceeds of the Bonds for the purposes described in the Ordinance and the Indenture and referred to above is hereby approved.

5. The officers, agents and employees of the Hospital Corporation and the Board are hereby authorized, empowered and directed to execute any instruments and take any action required to carry out the purposes described in this Resolution and the preambles hereto and to apply any funds received by the Hospital Corporation or the Board from the City as proceeds of the Bonds in the manner required by the Indenture.

6. The Indenture is approved in substantially the form presented at the meeting in which this Resolution is adopted, with such changes therein as the President or Vice-President of the Board or the Chief Executive Officer/Administrator of the Hospital Corporation shall approve and the President or Vice-President of the Board and the Chief Executive Officer/Administrator of the Hospital are authorized to execute and deliver the Indenture. The execution and delivery of the Indenture by the President or Vice-President of the Board or the Chief Executive Officer/Administrator of the Hospital shall be conclusive proof of the approval of any changes to the Indenture.

7. That the pledge and/or mortgage of the revenues of the Hospital and such equipment, personal property, fixtures and other assets or properties of the Hospital as are set forth in the Indenture, together with the statutory mortgage lien created upon such assets and properties by the Revenue Bond Act and the lien upon such assets and properties created pursuant to the Credit Line Deed of Trust and Fixture Filing to be executed with respect to the Bonds (the "Deed of Trust"), by and between the City and the trustee named therein for the benefit and security of the Purchaser in the repayment of the Bonds are hereby approved.

8. That the officers and appropriate employees of the Hospital Corporation and the Board be, and hereby are authorized and directed in the name and on behalf of the Hospital Corporation, to execute and file such further instruments, certificates, financing statements and papers and to do any and all other lawful things to effect the design, acquisition, construction and equipping of the Project, the current refunding of the Prior Bonds, the refinancing of the Chase Bank Note, the payment of the Federal Tax Obligations and the costs of issuance of the Bonds, the delivery and sale of the Bonds and matters related to the foregoing.

9. That all orders, resolutions or other action or parts thereof of the Hospital Corporation or the Board of Trustees in conflict herewith are hereby expressly repealed.

10. That this Resolution shall be effective immediately.

[Remainder of Page Intentionally Blank]

Adopted this October 26, 2015.

GRAFTON CITY HOSPITAL, INC., as or its Board as
the City Hospital Board of Grafton City Hospital or
the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

CERTIFICATION

The undersigned, being the duly qualified and acting Secretary of the Board of Trustees of Grafton City Hospital, Inc., does hereby certify that the foregoing Resolution was duly adopted by the Board of the Hospital Corporation at a meeting duly held, pursuant to proper notice thereof, on October 26, 2015, a quorum being present and acting throughout, and which Resolution has not been repealed, rescinded, modified, amended or revoked and is a true, correct and complete copy thereof as of this October 26, 2015.

By: Wanda L Taylor
Secretary, The Board of Trustees of Grafton City Hospital, Inc.

GRAFTON CITY HOSPITAL

BOARD OF TRUSTEES
A G E N D A

October 26, 2015

I.	Call To Order	.....	Ronald Cole, President
II.	Public Comments		
III.	Review of Board of Trustees Minutes A. August 31st, 2015, Board of Trustees Minutes (September 28th, 2015, meeting canceled due to no quorum.)	.....	Ronald Cole, President
IV.	Medical Staff Report A. Medical Staff Officers B. Executive Credentials Committee Report	.....	Dr. Chris Villaraza, Chief of Staff
V.	Board Executive Credentials Committee Report Please see attached Agenda.	.....	Dr. Chris Villaraza, Chairperson
VI.	Finance Committee Report A. August 31st, 2015, Finance Committee Minutes (September 28th, 2015, meeting canceled due to no quorum.) B. August 2015 Financial Report C. September 2015 Financial Report D. Other Financial Correspondence	.....	Nancy Virginia Fowler, Chairperson
VII.	Board Sub-Committee Reports A. Strategic Planning Committee B. Performance Improvement Update C. Hospitality Committee D. Other Committee Reports		
VIII.	Old Business A. On-Going Employment and/or Personnel Items B. Electronic Medical Records (EMR) C. Other Old Business		
IX.	New Business A. New Employment and/or Personnel Items B. Other New Business		
X.	Correspondence		
XI.	Administrative Staff Report A. Acute Nursing Report B. Risk Management Report C. Long-Term-Care Report D. Fiscal Affairs		 Violet Shaw, Acute Care Director of Nursing Tammy Barcus, Director of Quality & Patient Safety Sammi Neason, Long-Term-Care Administrator Regina Pickens, Chief Financial Officer
XII.	Administrator's Report	.....	Patrick D. Shaw, Chief Executive Officer
XIII.	Adjournment		

GRAFTON CITY HOSPITAL

BOARD OF TRUSTEES

EXECUTIVE CREDENTIALS COMMITTEE

October 26, 2015

A. Modification Change:

1.	Mark T. Witkowski, M.D.	General Practitioner	Resignation from Active Staff (effective September 04, 2015)
2.	Christopher Z. Villaraza, M.D.	General Practitioner	Transfer from Active to Courtesy

B. Remove From Provisional Status:

1.	Andrew R. Butcher, D.O.	E.R. Physician	Emergency Room Medical Staff
2.	Paul W. Nielsen, D.O.	E.R. Physician	Emergency Room Medical Staff
3.	Joseph J. Fazalare, M.D.	Orthopedic Surgeon	Consulting Medical Staff

C. **New Appointments:**

1.	Catherine D. Carter, FNP-BC (under the supervision of Dr. Rebecca Schmidt, Nephrologist)	Nurse Practitioner	Health Affiliate Medical Staff
2.	John Thomas Peterson, CRNA	Nurse Anesthetist	Health Affiliate Medical Staff

GRAFTON C.. Y HOSPITAL
GRAFTON, WEST VIRGINIA

BOARD OF TRUSTEES
October 26, 2015

TRUSTEES PRESENT:	Kathy Green	Wanda Taylor	Nancy Virginia Fowler	Sam McDaniel	David 'Rusty' Efaw
	Wayne McDevitt	Dr. Chris Villaraza	John Whitescarver	John L. Bord	
ALSO PRESENT:	Patrick Shaw	Tammy Barcus	Regina Pickens	Violet Shaw	Sammi Neason
	Suzanne Pierson				
ABSENT:	Ronald L. Cole				

AGENDA	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION
CALL TO ORDER	Trustee Vice-President Efaw called the October 2015 Board of Trustees Meeting to order on Monday, October 26th, 2015, at 6:09 p.m. Trustee Bord opened the meeting with prayer.	
	The Board of Trustees and Administrative Staff took this time to publicly express their appreciation to Dr. Christopher Villaraza for his many years of service to GCH and the community, and wish him well in his retirement. A special plaque was presented, along with a cake, dinner and GCH offering to make a donation on behalf of Dr. Villaraza's favorite charity.	Dr. Villaraza's last work day is October 29th; however, we will return to part-time employment in April 2016. The Trustees requested that a special portrait be displayed in the private dining room of Dr. Villaraza; to be mounted near Dr. Santibanez's picture.
PUBLIC COMMENTS	No public comments were brought forward.	None.
REVIEW OF BOARD OF TRUSTEES MINUTES	The Board of Trustees Minutes of August 31st, 2015, were distributed and reviewed by the Board of Trustees.	The Board of Trustees accepted the Board of Trustees Minutes of August 31st, 2015, according to a motion made by Trustee Bord and seconded by Trustee Green. Motion carried.
	It was noted that the September 28th, 2015, Board of Trustees meeting was canceled due to not having a quorum for the meeting.	None.

AGENDA	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION
MEDICAL STAFF REPORT	The Medical Staff met on August 25th, 2015. Dr. Villaraza presented the following report:	The Trustees accepted the Medical Staff Report as presented.
	..... There was no specific issues presented for the Trustees review from the P.I. Committee.	
	..... RPA President Sam Merandi attended the Medical Staff Meeting to present an informative presentation on ICD-10. All GCH providers and appropriate staff have been trained and another Coder has been hired for the Medical Records Department.	
	..... New Medical Staff Officers were elected as follows: Chief of Staff Dr. David B. Bender President of Staff Dr. Joseph H. Duvert Vice-President (open) Secretary (remains the same) Dr. James Woodford	Trustee Bord motioned approval of the Medical Staff Officer nominations as presented with Trustee Taylor seconding. Motion carried.
	The Medical Staff Executive Credentials Committee met and approved the following request:	
	..... Mark T. Witkowski, M.D., resignation from the Active Medical Staff, effective September 04, 2015.	The Committee accepted Dr. Mark Witkowski's resignation as presented. To be forwarded to the Board of Trustees for review and approval.
	..... Christopher Z. Villaraza, M.D., transfer from Active to Courtesy Medical Staff membership.	The Committee approved Dr. Christopher Villaraza's request to transfer from Active to Courtesy Staff status. To be forwarded to the Board of Trustees for review and approval.
	..... Andrew R. Butcher, D.O., Emergency Room Medical Staff, requesting transfer off of provisional status.	The Committee approved Dr. Andrew Butcher's request to transfer off of provisional status. To be forwarded to the Board of Trustees for review and approval.
	..... Paul W. Nielsen, D.O., Emergency Room Medical Staff, requesting transfer off of provisional status.	The Committee approved Dr. Paul Nielsen's request to transfer off of provisional status. To be forwarded to the Board of Trustees for review and approval.

AGENDA	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION
MEDICAL STAFF REPORT (continued)	..... Joseph J. Fazalare, M.D., Orthopedic Surgeon - Consulting Staff, requesting transfer off of provisional status.	The Committee approved Dr. Joseph Fazalare's request to transfer off of provisional status. To be forwarded to the Board of Trustees for review and approval.
	..... Catherine D. Carter, FNP-BC, requesting Health Affiliate Medical Staff membership in the field of Nurse Practitioner under the supervision of Dr. Rebecca Schmidt, Nephrologist.	The Committee approved Catherine Carter, FNP, request for provisional Health Affiliate Medical Staff Membership in the field of Nurse Practitioner. To be forwarded to the Board of Trustees for review and approval.
	..... John Thomas Peterson, CRNA, requesting Health Affiliate Medical Staff membership in the field of Nurse Anesthetist.	The Committee approved John Thomas Peterson, CRNA, request for provisional Health Affiliate Medical Staff Membership in the field of Nurse Anesthetist. To be forwarded to the Board of Trustees for review and approval.
BOARD EXECUTIVE CREDENTIAL COMMITTEE	The Board of Trustees Executive Credentials Committee met. Trustee Villaraza presented the following report:	
	.... Mark T. Witkowski, M.D., resignation from the Active Medical Staff, effective September 04, 2015.	The Committee accepted Dr. Mark Witkowski's resignation as presented according to a motion made by Trustee Bord and seconded by Trustee Green. Motion carried.
	..... Christopher Z. Villaraza, M.D., transfer from Active to Courtesy Medical Staff membership.	The Committee approved Dr. Christopher Villaraza's request to transfer from Active to Courtesy Staff status according to a motion made by Trustee Bord and seconded by Trustee Green. Motion carried.
	..... Andrew R. Butcher, D.O., Emergency Room Medical Staff, requesting transfer off of provisional status.	The Committee approved Dr. Andrew Butcher's request to transfer off of provisional status according to a motion made by Trustee Bord and seconded by Trustee Green. Motion carried.
	..... Paul W. Nielsen, D.O., Emergency Room Medical Staff, requesting transfer off of provisional status.	The Committee approved Dr. Paul Nielsen's request to transfer off of provisional status according to a motion made by Trustee Bord and seconded by Trustee Green. Motion carried.

AGENDA	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION
BOARD EXECUTIVE CREDENTIAL COMMITTEE (continued)	..... Joseph J. Fazalare, M.D., Orthopedic Surgeon - Consulting Staff, requesting transfer off of provisional status.	The Committee approved Dr. Joseph Fazalare's request to transfer off of provisional status according to a motion made by Trustee Bord and seconded by Trustee Green. Motion carried.
	..... Catherine D. Carter, FNP-BC, requesting Health Affiliate Medical Staff membership in the field of Nurse Practitioner under the supervision of Dr. Rebecca Schmidt, Nephrologist.	The Committee approved Catherine Carter, FNP, request for provisional Health Affiliate Medical Staff Membership in the field of Nurse Practitioner according to a motion made by Trustee Bord and seconded by Trustee Green. Motion carried.
	..... John Thomas Peterson, CRNA, requesting Health Affiliate Medical Staff membership in the field of Nurse Anesthetist.	The Committee approved John Thomas Peterson, CRNA, request for provisional Health Affiliate Medical Staff Membership in the field of Nurse Anesthetist according to a motion by Trustee Bord and seconded by Trustee Green. Motion carried.
FINANCE COMMITTEE REPORT	Trustee Fowler presented the Finance Committee Meeting Report as follows:	
	..... The August 31st, 2015, Finance Committee Meeting Minutes were distributed and reviewed. (It was noted that the September 28th, 2015, Finance Committee did not meet due to not having a quorum.)	The Finance Committee Meeting Minutes of August 31st, 2015, were accepted according to a motion made by Trustee Fowler and seconded by Trustee Bord. Motion carried.
	..... August 2015 Financial Report with attachments.	The August 2015 Financial Report with attachments were accepted according to a motion made by Trustee Fowler and seconded by Trustee Bord. Motion carried.
	..... September 2015 Financial Report with attachments.	The September 2015 Financial Report with attachments were accepted according to a motion made by Trustee Fowler and seconded by Trustee Bord. Motion carried.

AGENDA	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION
FINANCE COMMITTEE REPORT (continued)	..... The October 26th, 2015, Finance Committee Minutes will be presented for review and approval at the November 30th, 2015, Board of Trustees Meeting.	None.
	OTHER FINANCIAL CORRESPONDENCE: No other financial correspondence was brought forward for discussion or action at this time.	None.
SUB-COMMITTEES OF THE BOARD OF TRUSTEES	*Strategic Planning Committee.* ..... The USDA pre-closing was held on October 26th with final closing to be October 28th. A revised Board of Trustees Resolution was adopted which reflects the additional loan amount of $650,000 and also allowing the Board of Trustees Vice-President to sign documents in the President's absence. ..... Employee meetings regarding revised employee health insurance changes went well. ..... ICD-10 training sessions have been completed and implemented October 1st.	Trustee Fowler motioned approval to adopt the revised USDA Board Resolution reflecting the additional loan amount of $650,000 and giving approval for the GCH Board of Trustees Vice-President to sign documents. Motion was seconded by Trustee Taylor. Motion carried.
	Performance Improvement Committee. The October Performance Improvement Update Report is attached for the Trustees review. Numbers are remaining status quo.	On-Going.
	Hospitality Committee. ..... Annual pig roast was held on October 2nd. Great food and well attended. ..... Craft Show will be held on November 13th.	None.
	Other Committee Reports. No other committee reports were brought forward for discussion or action at this time.	None.

AGENDA	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION
OLD BUSINESS	*On-Going Employment and/or Personnel Items.* No old business was presented for review at this time.	None
	Electronic Medical Records. No other business to present for review or action at this time.	None.
	Other Old Business. No other old business was brought forward for further review or action at this time.	None.
NEW BUSINESS	*New Employment And/Or Personnel Items.* ..... Dr. Tom Stevens has begun working Monday evenings from 5:00 pm - 9:00 pm in the TVTCC and also covering on-call rounds for the acute-care. ..... Mr. Shaw is continuing recruitment efforts for an additional Family Practitioner.	None.
	Other New Business. No other new business was presented for review at this time.	None.
CORRESPONDENCE	No other correspondence was presented for review or action at this time.	None.
ADMINISTRATIVE STAFF REPORTS	*Violet F. Shaw, R.N., Acute Care Nursing Services.* ..... Semi-Annual Health Fair will be held on Thursday-Friday, November 5th-6th. Also offering flu shots, which is free to all employees and Board Members.	None.
	Tammy Barcus, RN, Director of Quality and Patient Safety. No other business to present for review or action at this time.	None.
	Sammi Neason, NHA, LTC Administrator. ..... No available beds in NCF Unit I. ..... Still in need of additional CNA's, LPN's, RN's.	None.

AGENDA	DISCUSSION / CONCLUSION	RECOMMENDATION / ACTION
ADMINISTRATIVE STAFF REPORTS (continued)	..... The 'Mountaineer' was present for an Activities function on October 26th. He visited every resident. ..... Continuing to aim for our goal of 90% occupancy. ..... We are revising/up-dating the LTC financial policies regarding payment for the Resident's stay. Reviewing Resident/Family Member signing over their Social Security check or having an automatic check withdrawal each month.	None.
	Regina Pickens, Chief Financial Officer. No other business to present for review or action at this time.	None.
ADMINISTRATOR'S REPORT	*Patrick Shaw, CEO, presented the following report:* ..... Provider Tax. Spoke with Palmetto, and they have indicated they will recommend a revised percentage disallowance on the provider tax as presented to them by the CAH's with long-term-care units.	Final decision by CMS is still pending.
	..... GCH Laboratory recently was surveyed by CLIA. We received a few small deficiencies, and our plan of corrections has been submitted for approval.	Appreciation was extended to Nick Jachelski, Clinical Lab Director, and the Laboratory Staff for the passing of this specific CLIA accreditation. Thank you.
ADJOURNMENT	With no further business to discuss at this time, the Board of Trustees meeting adjourned.	The Board of Trustees Meeting adjourned at 6:40 p.m. according to a motion made by Trustee Bord and seconded by Trustee Taylor. Motion carried.

Wanda G. Taylor
Trustee Secretary Wanda Taylor
GCH Board of Trustees

David Efaw
Trustee Vice-President David 'Rusty' Efaw
GCH Board of Trustees

PDS:smp
Attachments

October 2015 Report to CEO & the Board of Directors
OHFLAC POC Monthly Audits/Reports

OHFLAC Audit Report -

LTC Nursing -
Criminal back ground checks q 3 years and new hires – HR will do
Abuse & Neglect complaints – LTC SS will do
Non-Pharmacological interventions before admin of meds & updated on CP= 100%
Complete assessment of Dialysis patient by dialysis – 91%
Proper coding of MDS: New MDS Coord. Beginning – 100%
Correct information on care plans – 31 Care Plans reviewed = 100%
Correct staging of wounds – 68 audited; 1 with wounds = 100%
B & B Assessment on admission and with decline – 68 audited = 100%
Initial weight on admission – policy followed. staff instructed. 2 new admits = 100%
Proper labeling and discarding of information = 3 unmarked vials of insulin.
Pharmacy Cart Audit – On going daily to keep area clean, safe and secure = 100%
Omnicare Pharmacy Consultant: Audit Charts/Medications Review – 32 recommendations, completed – 100%
Falls – July - 14, Aug – 18 and Sept – 9: Falling Star in-service on 8/20/15, Activity hours Rearranged and increased staffing patterns. Meetings were held to help identify factors, including meeting with PT Director. Continuing to work on updating activity level codes.

LTC Social Services Abuse & Neglect Report: 2 cases reported – 100%

HR
Employees hired in October – 3
WV Background Checks – 3
Out of State Background Checks – 0
Compliance – 100%

ER – No Report

Inf. Control – No Report

Name & Title: Tammy Barcus, Dir of Quality + Patient Safety

September 2015 Report to CEO & the Board of Directors
OHFLAC POC Monthly Audits/Reports

OHFLAC Audit Report -

LTC -

Criminal back ground checks q 3 years and new hires – see HR
Abuse & Neglect complaints – 4 reports filed
Non-Pharmacological interventions before admin of meds = 100%
Complete assessment of Dialysis patient by dialysis – 55%
Proper coding of MDS: New MDS Coord. = 100%
Correct information on care plans – 36 residents audited = 100%
Correct staging of wounds – 67 audited; 4 with wounds and 2 resolved = 100%
B & B Assessment on admission and with decline – 67 audited = 100%
Initial weight on admission – policy revised. 1 new admit = 100%
Proper labeling and discarding of information = 100% on spot audit. OmniCare was here in August 2015. = 100%

LTC Social Services Abuse & Neglect Report: 4 submitted = 100%

HR – Employees hired in September – 2
WV Background Checks – 2
Out of State Background Checks – 0
Compliance – 100%

Maintenance – dropped this measure

Housekeeping – dropped this measure

ER – No Report

Infection Control – No Report

Name & Title: Tammy Barcus, Dir of Quality + Patient Safety

STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Office of Inspector General
Office of Health Facility Licensure and Certification
408 Leon Sullivan Way
Charleston, West Virginia 25301-1713
Telephone: (304) 558-0050 Fax: (304) 558-2515

Earl Ray Tomblin
Governor

Karen L. Bowling
Cabinet Secretary

June 17, 2015

Patrick D. Shaw, CEO
Grafton City Hospital
1 Hospital Plaza
Grafton, West Virginia 26354

Dear Mr. Shaw:

Enclosed please find a license to operate your **101** bed hospital for the licensing period of July 1, 2015 through June 30, 2016. An identical copy of this license has been made and will be kept on file in the Office of Health Facility Licensure and Certification.

Your license should be posted in a conspicuous location within the hospital. The legal capacity by type of bed is listed on the license. Any change in the number by type of beds and/or type of service will require the issuance of a new license.

Please do not hesitate to contact me at any time if I can be of assistance in helping you maintain the best possible hospital care in your Community.

Sincerely,

Will Wright
Program Manager II

WW/seh

Enclosure

STATE OF WEST VIRGINIA

Department of Health and Human Resources

Med/Surg	15
Swing	10
NF	46
SNF/NF	30

Total Beds: 101

License No. **14**

A License is hereby granted to **Grafton City Hospital**

To operate a **Critical Access Hospital to be known as Grafton City Hospital**

Located at **1 Hospital Plaza** *(Street)* **Grafton, West Virginia 26354** *(City)* **Taylor** *(County)*

This License shall be effective from ***July 1, 2015*** *and shall expire on* ***June 30, 2016*** *unless continued pursuant to any applicable provision of the West Virginia Code. This License shall not be assignable or transferable and shall be subject to revocation at any time for failure to comply with provisions of the West Virginia Code or of the West Virginia Legislative Rules.*

June 17, 2015

Director, Office of Health Facility Licensure and Certification *Date*

THIS LICENSE MUST BE POSTED IN A CONSPICUOUS PLACE ON THE PREMISES

DEPARTMENT OF HEALTH & H. AN SERVICES
Centers for Medicare & Medicaid Services
Philadelphia Regional Office
Suite 216, The Public Ledger Building
150 S. Independence Mall, West
Philadelphia, PA 19106-3413

Northeast Division of Survey & Certification

April 30, 2015

Mr. Patrick Shaw, Administrator
Grafton City Hospital
1 Hospital Plaza
Grafton, WV 26354

Dear Mr. Shaw:

CMS Certification Number: 511307

IMPORTANT NOTICE - PLEASE READ CAREFULLY

The January 28, 2015 survey of your hospital by the West Virginia Department of Health and Human Resources Office of Health Facility Licensure and Certification found non-compliance with 42 C.F.R. §489.20 and 42 C.F.R.§489.24. We accepted the material submitted with your plan of correction as an allegation of compliance. The termination date was May 4, 2015. In order to assure that the corrective actions had been implemented in a manner that supports the regulatory requirements, the West Virginia Department of Health and Human Resources Office of Health Facility Licensure and Certification conducted a resurvey of your facility on March 16, 2015. The survey revealed no new deficiencies and that your facility has implemented the plan of correction satisfactorily. The facility is now in substantial compliance and the termination is rescinded.

We appreciate your efforts to cooperate with our agencies during this process. Please feel free to communicate with the West Virginia Department of Health and Human Resources Office of Health Facility Licensure and Certification or our office if you have any questions on your responsibilities under the anti-dumping regulation and statute. You may contact me at 215-861-4514.

Sincerely,

Carrissa Wynder-Sanchez

Carrissa Wynder-Sanchez, RN, MS, CCM
Regional III EMTALA Coordinator
Certification and Enforcement Branch

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
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Writer's Contact Information

October 28, 2015

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

City of Grafton
Grafton, West Virginia

The Huntington National Bank,
as Trustee for Prior Bonds
Columbus, Ohio

United Bank, Inc., as Bond Trustee
Charleston, West Virginia

United States Department of Agriculture
Morgantown, West Virginia

West Virginia Municipal Bond Commission
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel to the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer" or "City"), in connection with the issuance by the City of its $2,999,930 in aggregate principal amount of Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (Grafton City Hospital) (the "Series 2015 A Bonds") and its $650,000 Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (Grafton City Hospital) (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds").

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 16 (the "Revenue Bond Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act" and collectively with the Revenue Bond Act, the "Act"), an amended and restated Bond Ordinance duly enacted by the Issuer on October 6, 2015, as supplemented by a Supplemental Resolution duly adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance") and an Indenture of Trust (the "Indenture") dated as of October 28, 2015, by and between the Issuer and United Bank, Inc., as bond trustee (the "Trustee") and are subject to all the terms and conditions of the Ordinance and the Indenture. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinance and the Indenture.

The Series 2015 A Bonds are originally issued in the form of one Bond, numbered AR-1, in fully registered form, dated October 28, 2015, bearing interest at the fixed rate of 3.25% per annum, and maturing on October 28, 2045. The Series 2015 A Bonds are repayable in equal amortizing monthly installment payments consisting of principal and interest commencing November 28, 2015. The Series 2015 A Bonds are subject to prepayment in whole or in part at any time, without premium, at the price of 100% of the principal amount prepaid, plus interest accrued to the date fixed for prepayment.

The Series 2015 B Bonds are originally issued in the form of one Bond, numbered BR-1, in fully registered form, dated October 28, 2015, bearing interest at the fixed rate of 3.25% per annum, and

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maturing on October 28, 2045. The Series 2015 B Bonds are repayable in equal amortizing monthly installment payments consisting of principal and interest commencing November 28, 2015. The Series 2015 B Bonds are subject to prepayment in whole or in part at any time, without premium, at the price of 100% of the principal amount prepaid, plus interest accrued to the date fixed for prepayment.

The Ordinance and the Indenture provide that the Bonds are issued for the purpose of providing funds which will be used to (i) undertake the design, acquisition, construction and equipping of certain improvements to the facilities of Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"), (ii) currently refund the City's outstanding Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"), (iii) refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. in the original aggregate principal amount of $382,205.86 entered into with respect to the Hospital facility by Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital (the "Board") (the "Chase Bank Note" and collectively with the Prior Bonds, the "Outstanding Obligations") and (iv) pay existing federal tax liabilities with respect to the Hospital (the "Federal Tax Obligations").

The Bonds are being purchased by the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser") pursuant to a Letter of Conditions from the Purchaser, dated July 15, 2014, and Amendment No. 1 to the Letter of Conditions, dated September 15, 2015, together with the Closing Instructions issued by the Purchaser (collectively, the "Letter of Conditions").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion, including, but not limited to, the Indenture, the Ordinance, the Escrow Agreement, dated October 28, 2015 (the "Escrow Agreement"), by and between the Issuer and the West Virginia Municipal Bond Commission (the "Bond Commission") and the Credit Line Deed of Trust and Fixture Filing, dated October 26, 2015 (the "Deed of Trust"), by and between the Issuer and the trustee named therein for the benefit and security of the Purchaser in the repayment of the Bonds. As to questions of fact material to our opinion, we have relied upon representations of the Issuer and the Board contained in the Ordinance, the Indenture, the Escrow Agreement and in the certified proceedings and other certifications of certain public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer and the Board contained in the Ordinance, the Indenture, the Escrow Agreement and in certain certificates delivered in connection with the issuance of the Bonds, we are of the opinion, under existing law, that:

1. The Issuer is a duly organized and validly existing municipal corporation under and pursuant to the laws of the State of West Virginia, with full power and authority to enact the Ordinance, enter into the Indenture, the Escrow Agreement and Deed of Trust and perform its obligations under the terms and provisions thereof and to issue and sell the Bonds, all under the provisions of the Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively enacted the Ordinance, has authorized, executed and delivered the Indenture, Escrow Agreement and the Deed of Trust and has issued and delivered the Bonds to the Purchaser. The Ordinance is in full force and effect as of the date hereof and constitutes a valid and binding obligation of the Issuer enforceable in accordance with its terms.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Indenture, the Escrow Agreement and the Deed of Trust constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms; and the Bonds, subject to the terms thereof, constitute valid and legally enforceable limited obligations of the Issuer, payable solely from the sources of payment and security provided therefor as described in the Indenture and the Deed of Trust, and are entitled to the benefits of the Ordinance, the Deed of Trust, the Indenture and the Act.

4. The Bonds have not been issued on the basis that the interest thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes; therefore, the interest on the Bonds is not excluded from gross income for federal income tax purposes. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. The Bonds and the interest thereon are exempt from all taxation by the State or any county, municipality, political subdivision or agency thereof pursuant to the Act.

6. The Prior Bonds have been paid within the meaning and with the effect expressed in the Indenture of Trust with respect to the Prior Bonds, dated as of January 3, 2002 (the "Prior Indenture"), by and between the Issuer and The Huntington National Bank, as trustee, and the covenants, agreements and other obligations of the Issuer to the holders and owners of such Prior Bonds and the liens and pledges provided in the Prior Indenture for the security of the Prior Bonds have been satisfied and discharged.

It is to be understood that the rights of the holders of the Bonds and the enforceability of liens, pledges, rights or remedies with respect to the Bonds, the Ordinance, the Indenture, the Deed of Trust and the Escrow Agreement are subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases. We express no opinion as to the priority of any liens upon the security provided for the Bonds pursuant to the Indenture, the Deed of Trust, the Act or otherwise.

We have examined the executed and authenticated Series 2015 A Bond No. AR-1 and Series 2015 B Bond No. BR-1 of said issue, and in our opinion, said Bonds are in proper form and have been duly executed and authenticated.

Very truly yours,

Steptoe & Johnson PLLC

STEPTOE & JOHNSON PLLC

Shawn D. Nines, Esquire

P.O. Box 571
Grafton, WV 26354

304-265-5761
(Fax) 304-265-5775

October 28, 2015

Re: CITY OF GRAFTON
Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

City of Grafton
Grafton, West Virginia

Steptoe & Johnson PLLC
Bridgeport, West Virginia

United States Department of Agriculture
Morgantown, West Virginia

West Virginia Municipal Bond Commission
Charleston, West Virginia

United Bank, Inc.
Charleston, West Virginia

Ladies and Gentlemen:

I am the City Attorney for the City of Grafton, West Virginia (the "Issuer"). As City Attorney, I have reviewed copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel relating to the above-captioned bonds (the "Bonds"), the Letter of Conditions, dated July 15, 2014, and Amendment No. 1 to the Letter of Conditions, dated September 15, 2015, from the United States of America acting through the Rural Housing Service, United States Department of Agriculture, as purchaser of the Bonds (the "Purchaser") together with the Closing Instructions of the Purchaser (collectively, the "Letter of Conditions"), the amended and restated Bond Ordinance of the Issuer enacted October 6, 2015, as supplemented by a Supplemental Resolution duly adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance"), the Indenture of Trust (the "Indenture") dated as of October 28, 2015, by and between the Issuer and United Bank, Inc., as bond trustee (the "Trustee"), the Escrow Agreement, dated October 28, 2015 (the "Escrow Agreement"), by and between the Issuer and the West Virginia Municipal Bond Commission (the "Bond Commission") and the Credit Line Deed of Trust and Fixture Filing, dated October 26, 2015 (the "Deed of Trust"), by and between the Issuer and the trustee named therein for the benefit and security of the Purchaser in the repayment of the Bonds and other documents relating to the issuance of the Bonds by the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Ordinance and the Indenture.

I am of the opinion that:

1. The Issuer is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia. The Board of Trustees of Grafton City Hospital, Inc. (the "Board") is the duly created and validly existing board which has been appointed by the Issuer pursuant to its codified ordinances to operate and manage Grafton City Hospital (the "Hospital") for the Issuer.

2. The Mayor, City Manager, City Clerk and members of the Council of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

3. The Ordinance has been duly adopted and enacted by the Issuer, is in full force and effect and no further action of the Issuer is required for its continued validity.

4. The Bonds, the Indenture, the Escrow Agreement and the Deed of Trust (collectively, the "Operative Documents") have each been duly authorized, executed and delivered by the Issuer, and assuming due

authorization execution and delivery by the other parties thereto, constitute the valid, binding and legally enforceable obligations of the Issuer in accordance with their respective terms.

5. The execution and delivery of the Operative Documents and the consummation of the transactions contemplated thereby and the carrying out of the terms thereof, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

6. To the best of my knowledge, after due inquiry, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would (i) materially adversely affect the financial position of the Issuer or the Hospital, the ability of the Issuer to perform its obligations under the Operative Documents, or the validity of or security for the Bonds, or (ii) impair the ability of the Issuer to maintain and operate the Hospital and to charge and receive the revenues thereof.

It is to be understood that the rights of the holders of the Bonds and the enforceability of liens, pledges, rights or remedies with respect to the Bonds and the Operative Documents are subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

SHAWN D. NINES

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

GENERAL CERTIFICATE OF THE CITY OF GRAFTON ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. SALE OF BONDS; SIGNATURES
5. DELIVERY AND PAYMENT
6. CERTIFICATION OF DOCUMENTS
7. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
8. MEETINGS, ETC.
9. INCUMBENCY AND OFFICIAL NAME
10. DISCHARGE OF PRIOR BOND LIENS
11. DESIGNATION OF TRUSTEE, REGISTRAR, DEPOSITORY BANK, PAYING AGENT AND ESCROW AGENT
12. RATES
13. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
14. CONFLICT OF INTEREST

We, the undersigned MAYOR and CITY MANAGER of the City of Grafton (the "Issuer"), hereby certify in connection with the $2,999,930 aggregate principal amount of the City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture) (the "Series 2015 A Bonds") and the $650,000 aggregate principal amount of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture) (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds"), to the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, and any successor thereof, as purchaser of the Bonds from the Issuer (the "Purchaser") and to all counsel involved in the issuance of the Bonds as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meanings as in the amended and restated Bond Ordinance duly enacted by the Issuer on October 6, 2015, as supplemented by a Supplemental Resolution duly adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance") and the Indenture of Trust (the "Indenture") dated as of October 28, 2015, by and between the Issuer and United Bank, Inc., as bond trustee (the "Trustee").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining, or affecting in any manner the issuance and delivery of the Bonds, the current refunding and repayment in full of the Prior Bonds, the repayment and refinancing of the Loan Obligation, the payment of the Federal Tax Obligations, the design, acquisition, construction and

equipping of the Project, the collection of the Gross Revenues of the Hospital or the pledge of the Net Revenues to the payment of the principal of and interest on the Bonds, nor in any manner questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Bonds nor in any manner affecting the validity or enforceability of the Bonds, the Ordinance, the Indenture or the Escrow Agreement; nor in any manner questioning the valid existence of the Issuer or the authority or titles of the Mayor, City Manager, City Clerk and the members of the Council and other officials of the Issuer to their respective offices; nor in any manner questioning any proceeding, procedure, action or thing followed, taken or done in connection with the issuance of the Bonds, the design, acquisition, construction and equipping of the Project, the current refunding and redemption in full of the Prior Bonds, the refinancing and repayment in full of the Loan Obligation and the payment of the Federal Tax Obligations.

3. GOVERNMENTAL APPROVALS: All applicable approvals, licenses, permits, exemptions, consents, authorizations, registrations and certificates required by law for the operation of the Hospital, the imposition of rates and charges for services rendered by the Hospital, the issuance of the Bonds, the refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligations and the design, acquisition, construction and equipping of the Project have been obtained and remain in full force and effect.

4. SALE OF BONDS; SIGNATURES: The Bonds are being sold to the Purchaser, pursuant to the Letter of Conditions of the Purchaser, dated July 15, 2014, and Amendment No. 1 to the Letter of Conditions, dated September 15, 2015 (collectively, the "Letter of Conditions"), at the collective price of $3,649,930 (100% of par value), there being no interest accrued thereon. As of the date hereof, the Bonds were duly signed by the manual signatures of the Mayor and City Manager and the official seal of the Issuer, which seal is impressed upon this Certificate, was impressed or imprinted thereon and attested by the manual signature of the City Clerk.

5. DELIVERY AND PAYMENT: A. The undersigned Mayor and City Manager did, on the date hereof, deliver to the Purchaser, the entire issue of the Series 2015 A Bonds, consisting upon original issuance of a single Bond, numbered AR-1, dated the date hereof. At the time of delivery of the Series 2015 A Bonds, there was paid to, or on behalf of the Issuer, an amount equal to the initial advance of the par amount and purchase prince of the Series 2015 A Bonds in the amount of $1,129,800. The remaining purchase price of the Series 2015 A Bonds shall be advanced by the Purchaser as necessary to pay costs of the Project as the same become due and payable and following the approval by the Purchaser of such requisitions and other documentation as may be acceptable to the Purchaser and the completion of any construction inspections as may be required by the Purchaser.

B. The undersigned Mayor and City Manager did, on the date hereof, deliver to the Purchaser, the entire issue of the Series 2015 B Bonds, consisting upon original issuance of a single Bond, numbered BR-1, dated the date hereof. At the time of delivery of the Series 2015 B Bonds, there was paid to, or on behalf of the Issuer, the par amount and purchase prince of the Series 2015 B Bonds in the amount of $650,000.

6. CERTIFICATION OF DOCUMENTS: There are delivered herewith true and correct copies of the following documents, all of which remain in full force and effect and have not been amended, modified, supplemented or repealed unless changed by the terms of other documents listed below:

Amended and Restated Bond Ordinance
Supplemental Resolution
Indenture of Trust
Credit Line Deed of Trust

Cross Receipt for Bonds and Bond Proceeds
Direction to Authenticate and Deliver Bonds
Specimen Series 2015 A Bond
Specimen Series 2015 B Bond
City Charter, with all amendments
Oaths of Office of Officers and Councilmembers
Ordinance Creating Grafton City Hospital Board
Affidavit of Publication regarding public hearing on Ordinance
First Draw Resolution
Sweep Resolution
Sweep Debit Authorization
Minutes on Enactment of Bond Ordinance, Adoption of Supplemental Resolution and Adoption of Sweep Resolution
Joint Certificate of Issuer and Escrow Agent on Discharge of Lien of Prior Bonds
Escrow Agreement
Letter of Instructions to Municipal Bond Commission
Prior Bonds Ordinance
USDA Loan Resolution for Series 2015 A Bonds
USDA Loan Resolution for Series 2015 B Bonds
Hospital License
Letter of Accreditation

7. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer or the Board of Trustees of Grafton City Hospital, Inc. (the "Board") which has not been disclosed by the Issuer or the Board to the Purchaser since the issuance by the Purchaser of the Letter of Conditions. There is not any indebtedness or obligation of the Issuer outstanding and unpaid or for which full and irrevocable provision for payment has not been made which has priority over or ranks on a parity with the Bonds as to the sources of and security for payment. There is of record in the Office of the Clerk of the County Commission of Taylor County a certain Notice of State Tax Lien dated October 7, 2013 (the "State Tax Lien"), in the amount of $288,831.36 in the name of Grafton City Hospital, Inc., which is recorded in State Tax Lien Book 21, at page 8 and which constitutes a lien upon the real property constituting the Hospital facility which is also secured by the Deed of Trust in favor of the Purchaser to secure repayment of the Bonds (the "Deed of Trust"). The indebtedness represented by the State Tax Lien also constitutes a lien upon the revenues generated by the Hospital facilities. The Board has obtained a subordination from the West Virginia State Tax Department of the lien upon the revenues of the Hospital in favor of the indebtedness represented by the State Tax Lien and the lien upon the real property which is described in and created by the State Tax Lien to the lien upon such Net Revenues in favor of the Purchaser and the lien upon such property in favor of the Purchaser pursuant to the Deed of Trust.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the authorization or issuance of the Bonds, the design, acquisition, construction and equipping of the Project, the refunding of the Prior Bonds, the refinancing of the Loan Obligation and the payment of the Federal Tax Obligations were authorized or adopted at meetings of the Council of the Issuer duly and regularly called and held pursuant to the City Charter and rules of procedure of the Issuer and all applicable statutes, including Chapter 6, Article 9A of the Official West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the Council were present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is the "City of Grafton" and it is a municipal corporation of the State of West Virginia, in Taylor County of said state. The governing body of the Issuer is its Council consisting of 5 councilmembers including the Mayor who is elected by Council. The names and dates of commencement and termination of current terms of office of the Mayor and the councilmembers are as follows:

Councilmember	Date of Commencement of Office	Date of Termination of Office
G. Thomas Bartlett, III (Mayor)	July 1, 2014	June 30, 2018
Earl C. Bartlett	July 1, 2014	June 30, 2018
Peggy Knotts Barney	July 1, 2014	June 30, 2018
Jerold P. Isner	July 1, 2012	June 30, 2016
Brenda K. Thompson	July 1, 2012	June 30, 2016

The duly appointed and acting City Clerk of the Issuer is Larry Richman. The duly appointed and acting City Attorney for the Issuer is Shawn D. Nines, Esquire, Grafton, West Virginia.

10. DISCHARGE OF PRIOR BOND LIENS: The funds on deposit in the Escrow Fund established by the Escrow Agreement between the Issuer and the West Virginia Municipal Bond Commission, as Escrow Agent, dated October 28, 2015, are in such amount as to be sufficient to pay fully the remaining principal of, redemption premium, if any, and interest accrued on the Prior Bonds and discharge all liens and pledges provided as security for repayment of the Prior Bonds.

11. DESIGNATION OF TRUSTEE, REGISTRAR, DEPOSITORY BANK, PAYING AGENT AND ESCROW AGENT: The Issuer hereby confirms the appointment of United Bank, Inc., as trustee and registrar for the Bonds, and the designation and appointment of Branch Banking and Trust Company, Grafton, West Virginia as Depository Bank and the designation of the West Virginia Municipal Bond Commission as Paying Agent and Escrow Agent.

12. RATES: The Board has duly set appropriate rates and charges for the services of the Hospital and such rates and charges are currently in effect.

13. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the amended and restated Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the Mountain Statesman, a qualified newspaper published and of general circulation in the City of Grafton, together with a notice to all persons concerned, stating that the Bond Ordinance had been read twice and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Council at the public hearing held at a public meeting of Council on October 6, 2015 at 1:00 p.m., at the Grafton City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the City Clerk of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the amended and restated Bond Ordinance was affirmatively voted upon, became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

14. CONFLICT OF INTEREST: No officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or the Board or in the sale of any land, materials, supplies or services to the Issuer or the Board or to any contractor supplying the Issuer or the Board, relating to the Bonds, the Bond Legislation and/or the Hospital, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

[Remainder of Page Intentionally Left Blank]

WITNESS our signatures and the official corporate seal of the CITY OF GRAFTON on this October 28, 2015.

[CORPORATE SEAL]

Signature	Official Title
_____	Mayor
_____	City Manager

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

GENERAL CERTIFICATE OF
GRAFTON CITY HOSPITAL, INC.:

1. AUTHORIZATION FOR EXECUTION AND DELIVERY OF BOND DOCUMENTS
2. EXECUTION, DELIVERY AND VALIDITY OF BOND DOCUMENTS
3. NO LITIGATION
4. REPRESENTATIONS, WARRANTIES, AND CERTIFICATIONS
5. INSURANCE
6. AGREEMENTS AND OBLIGATIONS
7. NO CHANGE IN CONDITION
8. LICENSURE, CERTIFICATE OF NEED, ETC.
9. INCUMBENCY AND OFFICIAL NAME
10. RATES
11. MEETINGS; POSTING OF NOTICES, ETC.

The undersigned VICE-PRESIDENT of THE BOARD OF TRUSTEES OF GRAFTON CITY HOSPITAL and the undersigned ADMINISTRATOR/CHIEF EXECUTIVE OFFICER of GRAFTON CITY HOSPITAL, INC. as designated representatives of GRAFTON CITY HOSPITAL, INC., as, or its Board as, the City Hospital Board of Grafton City Hospital or The Board of Trustees of Grafton City Hospital (the "Hospital Corporation") which has been established pursuant to Ordinance No. 490 enacted by the City Council of the City of Grafton (the "City") on April 30, 1985 (the "Board Establishment Ordinance") and pursuant to Article IV, Section 41 of the Charter of the City (the "City Charter") for the purpose of operating the Grafton City Hospital (the "Hospital") which is owned by the City, HEREBY CERTIFY in connection with the issuance, sale and delivery of the City's Hospital Improvement and Refunding Revenue Bonds, Series 2015 A, dated October 28, 2015, issued in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and the City's Hospital Improvement and Refunding Revenue Bonds, Series 2015 B, dated October 28, 2015, issued in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds"), which Bonds are being purchased this date by the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser"), to the Purchaser, the City, and to all counsel connected with the issuance of the Bonds as follows, all capitalized terms not otherwise defined herein to have the meanings given in the Indenture of Trust dated as of October 28, 2015, by and between the Issuer and United Bank, Inc., as trustee (the "Indenture"):

1. AUTHORIZATION FOR EXECUTION AND DELIVERY OF BOND DOCUMENTS: There is delivered herewith a true, correct and complete copy of the Resolution of the Hospital Corporation duly and regularly adopted by the Hospital Corporation at a meeting duly called and held on October 26, 2015 (the "Resolution") which Resolution authorizes the design,

acquisition, construction and equipping of the Project by the Hospital Corporation, the current refunding of the Prior Bonds, the refinancing of the Loan Obligations and the payment of the Federal Tax Obligations by the City and the financing of all of such activities pursuant to the issuance by the City of the Bonds and authorizing the Vice-President of the Board of Trustees of the Hospital Corporation, the Administrator/Chief Executive Officer of the Hospital Corporation and such other appropriate officers and employees of the Board of Trustees of the Hospital Corporation and the Hospital Corporation to execute for the Hospital Corporation all documents, agreements, instruments and certificates to be executed by the Hospital Corporation in connection therewith (collectively, the "Bond Documents"), and the Hospital Corporation has all requisite power and authority to operate the Hospital pursuant to the Board Establishment Ordinance, the City Charter and other authority, to carry on its business as now conducted and to carry out the terms and conditions set forth in the Bond Documents. The Resolution has not been amended, modified, supplemented or repealed and is in full force and effect on the date hereof.

2. EXECUTION, DELIVERY AND VALIDITY OF BOND DOCUMENTS: The Bond Documents have been duly authorized, executed and delivered by the Hospital Corporation and on its behalf by one or more duly authorized officers, pursuant to the Resolution herein described, have not been altered, modified or amended and are in full force and effect as of the date hereof. Each of the Bond Documents that are agreements constitutes a valid and legally binding agreement of the Hospital Corporation enforceable in accordance with its terms, except (i) as the same may be subject to general principles of equity, judicial discretion and other limitations upon the right to obtain judicial orders requiring specific performance or granting injunctive relief, (ii) as may be limited by the laws of bankruptcy, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally, and (iii) as enforceability of indemnity provisions contained therein may be limited under applicable laws or may be against public policy. The execution and delivery of the Bond Documents by the Hospital Corporation will not conflict with or, except for the Indenture and Credit Line Deed of Trust result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of the Hospital Corporation pursuant to the terms of any other indenture, mortgage, deed of trust, loan agreement or other agreement, document or instrument to which the Hospital Corporation is bound or to which any of the property or assets of the Hospital Corporation is subject, nor will such action result in a violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Hospital Corporation or any of its properties; and no consent, certificate, approval, authorization, order, registration, exemption or qualification of or with any court or any regulatory authority or any governmental body is required for the execution and delivery of the Bond Documents by the Hospital Corporation or the consummation of the transactions contemplated thereby, except those already obtained, the time for appeal and rehearing of which having expired.

3. NO LITIGATION: No litigation, proceeding, suit, inquiry, action or investigation is pending or, to the knowledge of the undersigned, threatened, against the Hospital Corporation or the Hospital in or before any court, public board or administrative body, which would restrain or enjoin the issuance or delivery of any of the Bonds, the collection of the Gross Revenues or the pledge of the Net Revenues pursuant to the Indenture, the execution or delivery of any of the Bond Documents, the performance of any obligations of the Hospital Corporation contained therein, or in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds or any of the Bond Documents, or attempting to limit, restrain, enjoin or prevent the Hospital Corporation from functioning and making payments on the Bonds and pursuant to the Indenture or any other Bond Documents or which questions the validity of the Bonds or any documents or the transactions contemplated thereby, or which affects the property constituting security for the Bonds, or contesting the existence of the Hospital Corporation, or which would have a material

adverse effect upon the financial condition of the Hospital Corporation, if decided adversely to the Hospital Corporation. There is no action or proceeding pending or threatened seeking liquidation or dissolution of the Board.

4. REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS: To the best of our knowledge after reasonable investigation and inquiry, each of the representations, warranties and certifications and other statements of the Hospital Corporation set forth in the Bond Documents is true, accurate, correct and complete in all material respects as of the date hereof.

5. INSURANCE: All insurance required by the Indenture to be in effect is in full force and effect as required and the premiums payable by the Hospital Corporation have been paid on all such insurance for at least one year or will be paid when billed.

6. AGREEMENTS AND OBLIGATIONS: All agreements to be complied with and all obligations to be performed by the Hospital Corporation pursuant to the Bond Documents on or prior to the date of such documents have been complied with and performed and there are no defaults or events of default under the Bond Documents which have occurred and are continuing.

7. NO CHANGE IN CONDITION: There has been no material adverse change in the financial condition of the Hospital Corporation or the Hospital since the issuance of the Letter of Conditions by the Purchaser; and there exists no Event of Default under the Indenture and no default by the Hospital Corporation in the payment of principal of or interest on any other outstanding indebtedness or any agreement, instrument or document to which the Hospital Corporation is a party or is bound; and there is no event which has occurred and which would cause the Hospital Corporation to believe it will default in any material way with respect to its obligations thereunder.

8. LICENSURE, CERTIFICATE OF NEED, ETC.: The Hospital Corporation has all necessary material licenses, certificates, approvals and permits to operate the Hospital, including, without limitation, a currently effective license to operate the Hospital which is in good standing and covers the number of beds currently in service and the services and procedures currently performed at the Hospital, any necessary Certificates of Need for the Project, all necessary accreditations from the appropriate authorities, all of which are, as of the date hereof, in full force and effect.

9. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Hospital Corporation is "Grafton City Hospital, Inc." and it is a not for profit corporation chartered under the laws of the State of West Virginia which is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The governing body of the Hospital Corporation is its Board of Trustees pursuant to the Board Establishment Ordinance and City Charter consisting of not less than 6 nor more than 12 members which are appointed by the members of the Board of Trustees then serving. The names of the members of the Board of Trustees and their termination dates for their current terms of office are as follows:

Member	Date of Termination of Office
Ronald L. Cole	June 30, 2016
David "Rusty" Efaw	June 30, 2016
Wanda Taylor	June 30, 2016
Nancy Virginia Fowler	June 30, 2016
Christopher Z. Villaraza, M.D.	June 30, 2016
John L. Bord	June 30, 2016
Samuel McDaniel	June 30, 2016
Wayne McDevitt	June 30, 2016
John Whitescarver	June 30, 2016

The duly elected President of the Board of Trustees is Ronald L. Cole, the duly elected Vice-President of the Board of Trustees is David "Rusty" Efaw, the duly elected Secretary of the Board of Trustees is Wanda Taylor and the duly appointed Administrator/Chief Executive Officer of the Hospital Corporation is Patrick D. Shaw.

10. RATES: The Hospital Corporation has duly set appropriate rates and charges for the services of the Hospital and such rates and charges are currently in effect.

11. MEETINGS; POSTING OF NOTICES, ETC.: All actions, resolutions, orders and agreements taken by and entered into by or on behalf of the Hospital Corporation in any way connected with the Project or the financing thereof, the refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligations, the issuance of the Bonds by the City and the authorization of the Bond Documents were authorized or adopted at a meeting of the Hospital Corporation duly called and held pursuant to the Bylaws of the Hospital Corporation and all applicable statutes, including particularly and without limitation Chapter 6, Article 9A, of the West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the Hospital Corporation was present and acting at all times during all such meetings. All notices required to be posted or published were so posted or published, in full compliance with the Revenue Bond Act, the Refunding Act and such other statues.

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IN WITNESS WHEREOF we have hereunto set our hands on this 28th day of October, 2015.

SIGNATURE	OFFICIAL TITLE
_____	Vice-President
_____	Administrator/Chief Executive Officer

Architect Certificate

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

CERTIFICATE OF ARCHITECT

On this 28th day of October, 2015, Matthew S. Breakey, Registered Architect, West Virginia License No. 3321 of The Thrasher Group, Inc., Bridgeport, West Virginia, hereby certify as follows:

1. My firm is the architect for the GRAFTON CITY HOSPITAL, INC., as, or its Board as, the City Hospital Board of Grafton City Hospital or The Board of Trustees of Grafton City Hospital (the "Hospital Corporation") in connection with the design, acquisition, construction and equipping of certain improvements to the Grafton City Hospital (the "Hospital") facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility, together with all necessary appurtenances (the "Project"), which acquisition and construction are being financed with the proceeds of the above-captioned bonds (the "Bonds") of the City of Grafton (the "Issuer"). Capitalized terms used herein and not defined herein shall have the same meanings set forth in the amended and restated Bond Ordinance duly enacted by the Issuer on October 6, 2015, as supplemented by a Supplemental Resolution duly adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance"), and the Indenture of Trust, dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as trustee (the "Trustee").

2. The Bonds are being issued for the purposes of (i) paying costs of the design, acquisition, construction and equipping of the Project; (ii) currently refunding and repaying in full the Prior Bonds; (iii) refinancing the Loan Obligation; (iv) paying the Federal Tax Obligations and (v) paying costs of issuance of the Bonds and related costs.

3. Within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the Hospital Corporation and any change orders approved by the Hospital Corporation and all necessary governmental bodies; (ii) the Project is adequate for the purpose for which it was designed and has an estimated useful life of at least 30 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Hospital Corporation has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing for the Project and we have ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all

addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the Hospital Corporation and all applicable governmental bodies and the bid forms provided to the bidders contain the critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the bid specifications complied with Chapter 5G, Article 1 and Chapter 5, Article 22 of the West Virginia Code (collectively, the "Bidding Statutes"), as applicable; (ix) the bid specifications for construction included provisions with respect to payment of West Virginia State prevailing wage, as set forth in Chapter 21, Article 5A of the West Virginia Code, and local labor market utilization and other provisions of the "West Virginia Jobs Act," Chapter 21, Article 1C of the West Virginia Code; and (x) the Hospital Corporation has obtained all applicable permits and approvals required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project.

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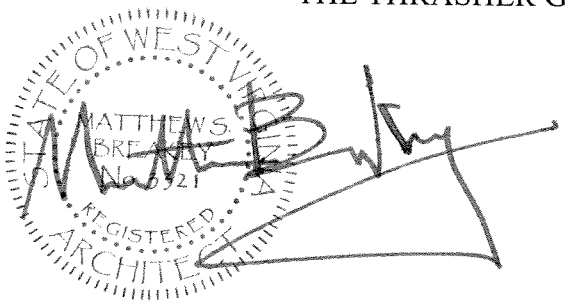
WITNESS my signature and seal as of the date first written above.

THE THRASHER GROUP, INC.

(SEAL)



Matthew S. Breakey, Registered Architect

West Virginia License No. 3321

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

CERTIFICATE OF TRUSTEE AND REGISTRAR

The undersigned Kathy Smith and Franki Parsons, both Vice Presidents of United Bank, Inc., Charleston, West Virginia (the "Trustee"), as Trustee and Registrar for the above-captioned Bonds (the "Bonds"), hereby certify as follows, all capitalized terms used herein to have the meanings set forth in the Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the City of Grafton (the "Issuer") and the Trustee, as trustee for the Bonds:

1. The Trustee is a West Virginia state banking corporation with trust powers which is authorized to conduct business in the State of West Virginia and is lawfully empowered by its by-laws, articles of incorporation and charter, to execute and accept the trusts contemplated and provided under the Indenture, and to perform its duties as trustee and registrar thereunder, and the Trustee has taken all action necessary in connection with the acceptance, authorization, execution and delivery of the Indenture.

2. The Trustee has duly authorized, by all necessary action, the authentication of the Bonds and the execution and delivery of this Certificate and the acceptance of all duties of Trustee and Registrar under the Indenture, and any and all other documents and agreements as may be required to be executed, delivered and received by the Trustee in order to carry out, give effect to, and consummate the transactions contemplated thereby.

3. The person indicated in paragraph 4 below was at the time of the authentication of the Bonds, and is now, a duly elected, qualified and acting incumbent in their office; and, pursuant to necessary authorization, such person, in his or her official capacity, was and is authorized to authenticate the Bonds for and on behalf of the Trustee.

4. Appearing opposite the name and title of the person indicated below is a true and correct specimen of his or her signature.

Name	Title	Signature
Kathy Smith	Vice-President	

5. There have been delivered to the Trustee all of the documents listed in Section 2.05 of the Indenture; the Bonds have been duly authenticated and

delivered to the Trustee, and proceeds of the Bonds have been deposited as required by the Indenture.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be executed by a its duly authorized officers, this October 28, 2015.

UNITED BANK, INC., as Trustee

By: _____
Kathy Smith, Vice President

By: _____
Franki Parsons, Vice President

Joint Certificate

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

JOINT CERTIFICATE OF ISSUER AND ESCROW AGENT

The undersigned G. THOMAS BARTLETT, III, Mayor and KEVIN M. STEAD, City Manager of the City of Grafton, a municipal corporation of the State of West Virginia (the "Issuer"), and the undersigned SARA ROGERS, Executive Director of the West Virginia Municipal Bond Commission (the "Escrow Agent"), hereby jointly certify as follows in connection with the above-captioned Bond issue:

1. We have executed on behalf of the Issuer and the Escrow Agent, respectively, the Escrow Agreement between the Issuer and the Escrow Agent, dated October 28, 2015 (the "Escrow Agreement").

2. The moneys on deposit in the Escrow Fund pursuant to the Escrow Agreement are sufficient in amount to discharge the Issuer's outstanding Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds") described in the Escrow Agreement, including payment on October 29, 2015 (the "Redemption Date"), of the Redemption Price thereof together with all accrued interest thereon to the Redemption Date, and the liens of the Prior Bonds and the Indenture of Trust (the "Indenture"), dated as of January 3, 2002, by and between the Issuer and The Huntington National Bank, as trustee (the "Prior Bonds Trustee"), pursuant to which the Prior Bonds were issued have been discharged. The Escrow Agent authorizes the Issuer and the Prior Bonds Trustee to complete and file all UCC-3 termination statements for and on behalf of the Escrow Agent with the appropriate parties in order to release liens created to secure the Prior Bonds pursuant to the Indenture.

WITNESS our signatures this October 28, 2015.

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By _____
Its Executive Director

Joint Certificate

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

JOINT CERTIFICATE OF ISSUER AND ESCROW AGENT

The undersigned G. THOMAS BARTLETT, III, Mayor and KEVIN M. STEAD, City Manager of the City of Grafton, a municipal corporation of the State of West Virginia (the "Issuer"), and the undersigned SARA ROGERS, Executive Director of the West Virginia Municipal Bond Commission (the "Escrow Agent"), hereby jointly certify as follows in connection with the above-captioned Bond issue:

1. We have executed on behalf of the Issuer and the Escrow Agent, respectively, the Escrow Agreement between the Issuer and the Escrow Agent, dated October 28, 2015 (the "Escrow Agreement").

2. The moneys on deposit in the Escrow Fund pursuant to the Escrow Agreement are sufficient in amount to discharge the Issuer's outstanding Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds") described in the Escrow Agreement, including payment on October 29, 2015 (the "Redemption Date"), of the Redemption Price thereof together with all accrued interest thereon to the Redemption Date, and the liens of the Prior Bonds and the Indenture of Trust (the "Indenture"), dated as of January 3, 2002, by and between the Issuer and The Huntington National Bank, as trustee (the "Prior Bonds Trustee"), pursuant to which the Prior Bonds were issued have been discharged. The Escrow Agent authorizes the Issuer and the Prior Bonds Trustee to complete and file all UCC-3 termination statements for and on behalf of the Escrow Agent with the appropriate parties in order to release liens created to secure the Prior Bonds pursuant to the Indenture.

WITNESS our signatures this October 28, 2015.

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By _____
Its Executive Director

Waiver of Redemption Notice

CITY OF GRAFTON
HOSPITAL REFUNDING REVENUE BONDS
SERIES 2002
(GRAFTON CITY HOSPITAL)

WAIVER OF NOTICE OF REDEMPTION

The City of Grafton, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer") intends to exercise its option, pursuant to Section 3.02 of the Indenture of Trust, dated as of January 3, 2002 (the "Indenture"), to optionally redeem the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 and maturing on January 1, 2022 (the "Bonds"). The Bonds were issued pursuant to the Indenture, and pursuant to Section 3.02 of the Indenture the Bonds can be prepaid at any time, without penalty. Additionally, pursuant to Section 3.04 of the Indenture a written redemption notice is required to be given to the Bondholders at least 30 days prior to the prepayment date by registered or certified mail.

The Huntington National Bank, in its capacity as sole Bondholder of the Bonds, hereby waives the notice requirements set forth in the Indenture for the prepayment of the Bonds.

Dated this 20th day of March, 2015.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Assistant Vice President

6845913

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

ESCROW AGREEMENT

This ESCROW AGREEMENT, made and entered into as of October 28, 2015 (the "Closing Date"), by and between the CITY OF GRAFTON (West Virginia) (the "Issuer") and the WEST VIRGINIA MUNICIPAL BOND COMMISSION (the "Commission" or the "Escrow Agent").

WITNESSETH THAT:

WHEREAS, the Issuer presently owns and operates through Grafton City Hospital, Inc., as the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital (the "Board") a general critical access hospital known as "Grafton City Hospital" (the "Hospital") and has heretofore financed the acquisition and construction of the Hospital and certain additions, extensions and improvements thereto by issuance of several series of bonds, of which there are presently outstanding the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds");

WHEREAS, the Prior Bonds were issued pursuant to an Ordinance of the Issuer enacted December 20, 2001 (the "Prior Ordinance") and an Indenture of Trust, dated January 3, 2002 (the "Indenture for the Prior Bonds"), by and between the Issuer and The Huntington National Bank, as trustee (the "Trustee for the Prior Bonds");

WHEREAS, the City desires to undertake the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project") and to issue its revenue bonds in order to finance costs of the design, acquisition, construction and equipping of the Project, to effect the current refunding and redemption in full of the Prior Bonds, to refinance and repay in full that certain Promissory Note, dated July 8, 2013 from the Board to JPMorgan Chase Bank, NA in the original aggregate principal amount of $382,205.86 (the "Chase Bank Note"), to pay existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations") and pay costs of issuance of such revenue bonds and related costs;

WHEREAS, the registered owner of the Prior Bonds has waived the redemption notice which is provided for pursuant to the Indenture for the Prior Bonds and the Prior Bonds are subject to prepayment at any time;

WHEREAS, the Chase Bank Note and Federal Tax Obligations do not require the providing of a prior written notice in order to prepay such obligations in full prior to their scheduled maturity dates and such obligations are subject to prepayment at any time;

WHEREAS, the Issuer has determined to issue its Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture) in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and its Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture) in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds"), pursuant to an Ordinance of the Issuer duly enacted October 6, 2015, as supplemented by a supplemental resolution duly adopted by the Issuer on October 6, 2015 (collectively, the "Series 2015 Ordinance"), and an Indenture of Trust (the "Indenture") dated as of October 28, 2015, by and between the Issuer and United Bank, Inc. (the "Trustee") for the purposes of financing costs of the design, acquisition, construction and equipping of the Project, currently refunding and repaying in full the Prior Bonds, refinancing the Chase Bank Note, paying the Federal Tax Obligations and paying costs of issuance of the Bonds and related costs;

WHEREAS, the Issuer will pay the Federal Tax Obligations on October 28, 2015 by delivering a certified check (representing a portion of the proceeds of the Bonds) to the Internal Revenue Service on such date in exchange for an executed release of the liens which secure repayment of such Obligations;

WHEREAS, the Issuer desires to pay in full on October 29, 2015 (the "Redemption Date") the Prior Bonds and the Chase Bank Note by depositing proceeds of the Bonds into the Escrow Fund as herein described ("Obligations to be Paid");

WHEREAS, the proceeds of the Bonds deposited with the Escrow Agent into the Escrow Fund in the amount of $955,857.87, is sufficient in amount, when combined with funds currently on deposit with the Escrow Agent, as the paying agent for the Prior Bonds (the "Paying Agent") in the Sinking Fund and in the Reserve Account established for the Prior Bonds in the total amount of $30,039.67 as to insure the payment on the Redemption Date of the entire amount of the Obligations to be Paid and the payment of the fees due and owing the Commission for the services described herein; and

WHEREAS, the Issuer has found it desirable to appoint the Escrow Agent and the Escrow Agent has agreed to such appointment for the purposes herein described;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and in order further to secure payment of the Obligations to be Paid, as heretofore provided, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns, as follows:

1. There is hereby created and established with the Escrow Agent an irrevocable trust fund to be known as the "Escrow Fund," to be held in the custody of the Escrow Agent, separate and apart from all other funds of the Issuer and the Escrow Agent. The deposit of moneys in the Escrow Fund shall constitute an irrevocable deposit of said moneys in trust for, and such moneys, together with any income or interest earned thereon, shall be applied, except as otherwise provided herein, to the payment of the Obligations to be Paid on the Redemption Date.

2. Concurrently with the delivery of the Bonds on the Closing Date, the Issuer and the Commission shall cause Bond proceeds in the amount of $955,857.87 to be deposited into the Escrow Fund, and the Commission shall transfer all funds then on deposit in the Sinking Fund and Reserve

Account established for the Prior Bonds in the amount of $30,039.67 together with any further interest accruing thereon (the "Issuer Funds") into the Escrow Fund. All of the monies deposited into the Escrow Fund shall remain as an uninvested cash balance. The monies on deposit in the Escrow Fund shall be applied solely to the payment of the Obligations to be Paid on the Redemption Date as herein provided for.

3. (a) The Escrow Agent shall transfer from the Escrow Fund and deposit directly with the Trustee for the Prior Bonds, in immediately available funds, on the Redemption Date, the sum of $647,555.30, being the amount sufficient to pay all unpaid principal of the Prior Bonds together with all accrued interest thereon to the Redemption Date (the "Redemption Price"). The registered owner of the Prior Bonds has waived the redemption notice which is required pursuant to Section 3.04 of the Indenture for the Prior Bonds. The Trustee for the Prior Bonds shall pay the Redemption Price on the Redemption Date upon the tender of such Prior Bonds by the registered owner of the same to the Trustee for payment on such date whereupon the Trustee shall immediately mark the Prior Bonds as having been paid and satisfied and return the same to the Issuer; and

(b) The Escrow Agent shall disburse from the Escrow Fund on the Redemption Date in immediately available funds the sum of $336,079.88 to JPMorgan Chase Bank, NA in accordance with the payment instructions which have been provided by such payee in order to satisfy the Chase Bank Note in full on the Redemption Date;

4. The holders of the Obligations to be Paid shall have an express lien on their pro-rata portion of the moneys and assets in the Escrow Fund based upon the relative principal amounts of the respective Obligations to be Paid until paid out, used and applied in accordance with this Agreement.

5. Subject to the provisions of paragraph 15 hereof, 4 months after the payment of all amounts required to be paid pursuant to paragraph 3 of this Agreement, any amounts remaining in the Escrow Fund, if any, shall be deposited by the Escrow Agent in the Sinking Fund which has been established by the Paying Agent for the Bonds, and applied to payment of the next monthly installments on the Bonds.

6. The Escrow Agent shall be entitled to fees for services rendered under this Agreement in accordance with its established rate schedule and to reimbursement of its reasonable expenses. The Issuer shall pay such fees and expenses from the proceeds of the Bonds or other sources aside from funds on deposit in the Escrow Fund. In no event shall such fees or expenses be paid from the Escrow Fund, nor shall the Escrow Agent or the paying agent have any lien whatsoever upon any of the moneys in the Escrow Fund for the payment of such fees or expenses.

7. The Issuer and the Escrow Agent independently hereby covenant that no part of the moneys or funds at any time in the Escrow Fund shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Prior Bonds or the Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, or to be subject to treatment under Section 148 as an obligation not described in Section 103 of the Code.

8. The Escrow Agent shall not have any responsibility with respect to the sufficiency of this Escrow Agreement to effect payment, redemption or defeasance of the Obligations to be Paid. The liability of the Escrow Agent for the payment of the Obligations to be Paid shall be limited to the payment of all amounts required to be paid by it pursuant to paragraph 3 hereof. The Escrow Agent shall not be liable or responsible because of the failure of the Issuer to perform any act required of it by this Escrow Agreement. The Escrow Agent shall have no responsibility to the Issuer or any other person in connection with this Escrow Agreement, except as specifically provided herein, and shall not be

responsible for anything done or omitted to be done by it except for its own negligence or willful default in the performance of any obligation imposed on it hereunder.

9. By execution of this Escrow Agreement, the Escrow Agent accepts the duties and obligations as Escrow Agent hereunder. The Escrow Agent represents that it has all requisite power, and has taken all action necessary to execute the trusts hereby created.

10. If the Escrow Agent is called upon by the terms of this Escrow Agreement to determine the occurrence of any event or contingency, the Escrow Agent may request from the Issuer or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may inquire and consult with the Issuer at any time. The Escrow Agent may request an opinion of counsel for a determination of any legal issue which might arise in the performance of its duties hereunder and may act in accordance with the advice given in such opinion.

11. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to the terms and provisions of this Escrow Agreement.

12. The Escrow Agent may act upon any notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other instrument or document which the Escrow Agent in good faith believes to be genuine and correct and to have been signed or sent by the proper person or persons.

13. The Escrow Agent may resign or be removed by the Issuer, and thereby become discharged from the trusts hereby created, by notice given to the Issuer not less than thirty (30) days before such resignation or removal shall take effect which resignation or removal shall not take effect until a replacement for the Escrow Agent has been appointed by the Issuer and such appointment shall have been accepted in writing by the replacement. The Escrow Agent shall continue to serve as Escrow Agent until a successor is appointed and the funds held hereunder transferred. The Escrow Agent shall provide a proper accounting to the Issuer of all funds deposited pursuant to this Escrow Agreement within 30 days of the appointment of a successor Escrow Agent. If no such appointment has been made at the end of the 30 day period, the Escrow Agent may petition a court of competent jurisdiction for appointment of a successor or temporary Escrow Agent. In the event of the resignation or removal of the Escrow Agent, the Escrow Agent shall rebate to the Issuer any fees theretofore paid in advance by the Issuer to the Escrow Agent for its services under this Escrow Agreement.

14. This Escrow Agreement is made for the benefit of the Issuer, the Escrow Agent and the holders from time to time of the Obligations to be Paid, except as otherwise expressly provided herein. This Escrow Agreement may be modified or amended at anytime, provided, however, that no such modification or amendment shall be made which would, materially adversely affect the interest of any of the holders or obligees of the Obligations to be Paid.

15. If the Prior Bonds are not presented to the Trustee for payment on the Redemption Date therefore as herein provided, funds disbursed by the Escrow Agent to the Trustee for such payment shall be held by the Trustee for such purposes for a period of 2 years from the date such payment was due, at which time such moneys shall be paid to the Issuer. Following such payment to the Issuer, the Issuer shall be responsible for payment to any holder of the Prior Bonds presenting such Prior Bonds to the Trustee of the amount payable to such holder.

16. This Escrow Agreement shall terminate on the earlier of the date on which all the Obligations to be Paid have been redeemed, paid in full and discharged, or, as described in paragraph 15

above, 2 years after the last date on which payment on the Obligations to be Paid is due. Upon termination of this Escrow Agreement, any remaining moneys in the Escrow Fund shall either be paid to the Issuer or transferred to the Sinking Fund for the Bonds as shall be directed by the Issuer.

17. If any one or more of the covenants or agreements provided in this Agreement to be performed on the part of any of the parties hereto shall be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

18. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

19. This Agreement is made in the State of West Virginia under the Constitution and laws of such State and is to be so construed.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By _____
Its Executive Director

Accepted and Agreed to by:

THE HUNTINGTON NATIONAL BANK,
as Trustee for the Prior Bonds

By: _____
Its: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By _____
Its Executive Director

Accepted and Agreed to by:

THE HUNTINGTON NATIONAL BANK,
as Trustee for the Prior Bonds

By: _____
Its: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By _____
Its Executive Director

Accepted and Agreed to by:

THE HUNTINGTON NATIONAL BANK,
as Trustee for the Prior Bonds

By: _____
Its: Vice President

CITY OF GRAFTON

1 West Main Street-Grafton, West Virginia 26354-Phone (304)265-1412-Fax (304) 265-0119

October 28, 2015

City of Grafton
Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

VIA E-MAIL AND FIRST CLASS US MAIL

Ms. Sara Rogers
Executive Director
West Virginia Municipal Bond
Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302

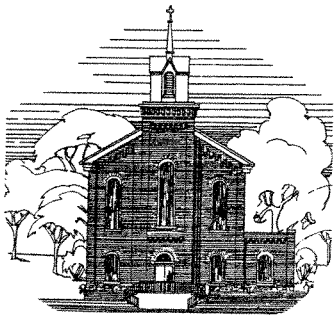
Mr. James Schultz
Vice President, Corporate Trust
The Huntington National Bank
7 Easton Oval
EA4E63
Columbus, Ohio 43219

Dear Sara and James:

In coordination with Steptoe & Johnson PLLC, bond counsel ("Bond Counsel") for the City of Grafton (the "Issuer") in connection with the issuance of the Bonds, we wish to advise you that on October 28, 2015 (the "Closing Date"), the Issuer will deliver the above-captioned bonds (the "Bonds") to the United States of America acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser"). A portion of the proceeds of the Bonds will be used to currently refund and redeem in full the Issuer's outstanding Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"). A portion of the proceeds of the Bonds will also be used to repay in full and refinance the following obligations of Grafton City Hospital, Inc. (the "Board") which is the board which has been established by the Issuer to operate Grafton City Hospital (the "Outstanding Obligations"):

(A) That certain Promissory Note, dated July 8, 2013 from the Board to JPMorgan Chase Bank, NA in the original aggregate principal amount of $382,205.86 (the "Chase Bank Note"); and

(B) Certain federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (the "Federal Tax Obligations")



The Prior Bonds were issued pursuant to an Indenture of Trust, dated January 3, 2002 (the "Indenture for the Prior Bonds"), by and between the Issuer and The Huntington National Bank, as trustee (the "Trustee for the Prior Bonds"). Section 3.04 A of the Indenture for the Prior Bonds requires that the Trustee for the Prior Bonds send by registered or certified mail written notification of redemption of the Prior Bonds to all registered owners of the Prior Bonds not less than 30 days nor more than 60 days prior to the redemption date. The Huntington National Bank, the original purchaser and registered owner of the Prior Bonds ("Huntington Bank") has executed a Waiver of Notice of Redemption, dated March 20, 2015, pursuant to which Huntington Bank has waived its right to receive notice of redemption of the Prior Bonds pursuant to Section 3.04 of the Indenture.

On the Closing Date, the Issuer will be required to fund the Escrow Fund (the "Escrow Fund") established with the West Virginia Municipal Bond Commission, as Escrow Agent for the Prior Bonds and Chase Bank Note (the "Escrow Agent"), pursuant to an Escrow Agreement, dated October 28, 2015 (the "Escrow Agreement"), by and between the Issuer and the Escrow Agent and accepted and agreed to by the Trustee for the Prior Bonds.

The Escrow Fund will be funded with $955,857.87 from the proceeds of the Bonds and funds on deposit with the Escrow Agent in its capacity as paying agent for the Prior Bonds (the "Paying Agent") in the Sinking Fund and in the Reserve Account established for the Prior Bonds in the total amount of $30,039.67 together with any additional interest accruing thereon. Proceeds of the Bonds in the amount of $955,857.87 which are being wired by the Purchaser to the Issuer on the Closing Date for deposit in the Construction Fund for the Bonds will be wired by the Issuer on the Closing Date to the Commission for deposit in the Escrow Fund. The Commission will retain $2,262.36 of such amount in payment of its fees and costs and deposit the remainder into the Escrow Fund.

The Commission shall leave the funds on deposit in the Escrow Fund as an uninvested cash balance until application as provided herein. The funds on deposit in the Escrow Fund shall be administered by the Escrow Agent as provided for in Section 3 of the Escrow Agreement as follows:

(a) The Escrow Agent shall transfer from the Escrow Fund and deposit directly with the Trustee for the Prior Bonds, in immediately available funds, on October 29, 2015 (the "Prior Bonds Redemption Date"), the sum of $647,555.30, being the amount sufficient to pay the entire outstanding principal amount of the Prior Bonds together with all accrued interest thereon to such redemption date (the "Prior Bonds Redemption Price") on the Prior Bonds Redemption Date. Huntington Bank has executed a Waiver of Notice of Redemption, dated March 20, 2015, pursuant to which Huntington Bank has waived its right to receive notice of redemption of the Prior Bonds pursuant to Section 3.04 of the Indenture. The Trustee for the Prior Bonds shall pay the Prior Bonds Redemption Price on the Prior Bonds Redemption Date upon the tender of such Prior Bonds by the registered owner of the same to the Trustee for payment on such date whereupon the Trustee shall immediately mark the Prior Bonds as having been paid and satisfied and return the same to the Issuer. The Issuer shall pay to or otherwise reimburse the Trustee for all costs and expenses relating to such actions; and

(b) The Escrow Agent shall disburse from the Escrow Fund on the Redemption Date in immediately available funds the sum of $336,079.88 to JPMorgan Chase Bank, NA in accordance with the payment instructions which have been provided by such payee in order to satisfy the Chase Bank Note in full on the Redemption Date;

The Issuer shall satisfy the Federal Tax Obligations with proceeds of the Bonds deposited into the Construction Fund on the Closing Date and the Commission shall not be in reciept of such funds and shall have no responsibility for any application of funds with respect thereto. The Escrow Fund and associated arrangements shall otherwise be administered as provided in the Escrow Agreement.

If you have any questions regarding the foregoing, please feel free to contact me.

Very truly yours,

Kevin M. Stead

Kevin M. Stead,
City Manager

Copy of letter (via e-mail) to:
Thomas L. Aman, Jr.
Patrick D. Shaw, CEO
Paula Moeller, Community Facilities Specialist

ORDINANCE NO. 701
THE CITY OF GRAFTON

AN ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON MUNICIPAL HOSPITAL REVENUE BONDS, SERIES B; THE PAYMENT OF CERTAIN AMOUNTS TO THE WEST VIRGINIA STATE TAX DEPARTMENT; THE SALE AND ISSUANCE OF NOT TO EXCEED $1,500,000 CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2001 (GRAFTON CITY HOSPITAL); PRESCRIBING THE FORMS AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT, A TAX AND NON-ARBITRAGE CERTIFICATE RELATING TO THE BONDS, AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND SECURITY OF SUCH BONDS AND SUCH REFUNDING; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Issuer owns and operates in the City of Grafton, Taylor County, West Virginia, a critical access hospital known as Grafton City Hospital (such hospital, together with the site thereof and all personal property and equipment therefor, now existing, herein called the "Hospital") and has heretofore financed and refinanced the acquisition and construction of the Hospital and certain renovations, improvements and equipment therefor with several series of hospital revenue bonds, of which there are currently outstanding the Municipal Hospital Revenue Bonds, Series B, dated September 1, 1968, issued in the original aggregate principal amount of $750,000, of which $590,000 principal amount is currently outstanding (the "Prior Bonds");

WHEREAS, the Issuer has operated and continues to operate the Hospital through a board known as "The Board of Trustees of Grafton City Hospital." (the "Board") which Board is a West Virginia not for profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Code;

WHEREAS, the Issuer has determined to finance the payment of amounts owed to the State of West Virginia Department of Tax and Revenue in compromise for amounts

owed to the State for certain tax obligations (the "Project"), and to refund the Prior Bonds, and the Issuer has determined that such action will help to maintain or provide gainful employment and improve living conditions for the inhabitants of the City, will serve a public purpose of the Issuer by contributing to the prosperity, health and general welfare of the inhabitants of the City and will aid and assist in the provision of health care services in the community;

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Issuer has agreed to issue its Hospital Refunding Revenue Bonds, Series 2001 (Grafton City Hospital) (or, if the Bonds are issued and delivered in 2002, Series 2002) (the "Bonds"), and has agreed to apply the net proceeds thereof to financing the Project and refunding the Prior Bonds; and

WHEREAS, the City desires to take all steps necessary to promptly proceed with the issuance of the Bonds, the refunding of the Prior Bonds and the financing of the Project;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAFTON, AS FOLLOWS:

Section 1. Pursuant to the Act, this Ordinance is adopted and enacted and it is hereby found and determined that, to accomplish the purposes of the Act and the findings set forth in the preambles hereof, the refunding of the Prior Bonds, the financing of the Project and the issuance and delivery of the Bonds by the Issuer in the aggregate principal amount of not to exceed $1,500,000 in accordance with the terms thereof, are hereby authorized, approved an directed. The Bonds shall be issued in accordance with, and shall have the terms provided in, the Indenture. Such approval shall constitute the approval of the issuance of the Bonds by an "applicable elected official" to the extent such approval may be required by any State or federal law.

Section 2. The Indenture, substantially in the form submitted to the City Council prior to the final reading hereof, shall be and the same is hereby approved and accepted in all respects, with such changes, variations, insertions and omissions as may be approved by the City. The Mayor and City Manager of the City shall execute, acknowledge, as necessary, and deliver the Indenture with such changes, variations, insertions and omissions as may be approved by the Mayor and City Manager, and the Clerk of the City is hereby authorized and directed to affix the seal of the City thereto and to attest the seal. The execution of the Indenture by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 3. The Escrow Agreement, substantially in the form submitted to the City Council prior to the final reading hereof, shall be and the same is hereby approved and accepted in all respects, with such changes, variations, insertions and omissions as may be approved by the City. The Mayor and City Manager of the City shall execute, acknowledge, as necessary, and deliver the Escrow Agreement with such changes, variations, insertions and omissions as may be approved by the Mayor and City Manager, and the Clerk of the City is hereby authorized and directed to affix the seal of the City thereto and to attest the seal. The execution of the Escrow Agreement by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 5. The Tax and Non-Arbitrage Certificate, substantially in the form submitted to the City Council prior to the final reading hereof, shall be and the same are hereby approved in all respects, with such changes, variations, insertions and omissions as may be approved by the City. The Mayor and City Manager of the City shall execute, acknowledge, as necessary, and deliver the Tax and Non-Arbitrage Certificate with such changes, variations, insertions and omissions as may be approved by the Mayor and City Manager and the Clerk of the City is hereby authorized and directed to affix the seal of the City thereto and to attest he seal. The execution of the Tax and Non-Arbitrage Certificate by the Mayor and City Manager shall be conclusive evidence of any approval required by this Section.

Section 6. The City hereby approves the sale of the Bonds to The Huntington National Bank, Charleston, West Virginia, or its designees or agents. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 7. All covenants, stipulations, obligations and agreements of the City contained herein and contained in the Indenture, the Escrow Agreement, the Tax Certificate and all other instruments and documents relating thereto shall be deemed to be the special and limited covenants, stipulations, obligations and agreements of the City to the full extent permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the City and its successors from time to time and upon any board or body to which any powers or duties, affecting such covenants, stipulations, obligations and agreements, shall be transferred by or in accordance with law. Except as otherwise provided herein, all rights, powers and privileges conferred and duties and liabilities imposed upon the City or the officials thereof by the provisions hereof and by the Indenture, the Escrow Agreement, the Tax Certificate and all other instruments and documents relating thereto shall be exercised or performed by the City or by such officers, board or body as may be required or permitted by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the Indenture, the Escrow Agreement, the Tax Certificate and all other instruments and documents relating thereto shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the City in his or her individual capacity and

neither the City nor any officer or employee thereof shall be liable personally on the Indenture, the Escrow Agreement, the Tax Certificate or the Bonds or be subject to any personal liability or accountability by reason of the execution, delivery or issuance thereof.

Section 8. The City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of paragraph (3) of Section 265(b) of the Internal Revenue Code of 1986, as amended (the "Code"), and represents that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code and as determined in accordance with Section 265(b)(3) of the Code, and that not more than $10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, obligations described in Section 265(b)(3)(C)(ii) of the Code), including the Bonds, have been or shall be issued by the City, during the calendar year 2001 (or 2002, if the Bonds are issued in 2002), all as determined in accordance with the Code. For purposes of this paragraph and for the purposes of applying such Section 265(b)(3) of the Code, the City and all entities which issue obligations on behalf of the City shall be treated as one issuer; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 265(b)(3) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and all entities benefitting thereby shall be treated as one issuer.

Section 9. The firm of Steptoe & Johnson PLLC, Clarksburg, West Virginia, is hereby designated as bond counsel in connection with the issuance of the Bonds.

Section 10. The execution, delivery and due performance of the Indenture, the Escrow Agreement, the Tax Certificate and the Bonds and all other documents relating thereto, are hereby in all respects approved, authorized, ratified and confirmed, including, without limitation, all acts heretofore taken in connection with the refunding of the Prior Bonds, the acquisition and construction of the Project; the issuance of the Bonds and the operation of the Hospital, and it is hereby ordered that the Mayor, City Manager, the Clerk, the councilmembers and other employees and officers of the City execute and deliver such other documents, certificates, agreements and instruments and take such other action as may be required or desirable to carry out the purposes of this Ordinance, the Bonds and the aforesaid documents, certificates, agreements and instruments.

Section 11. All ordinances, orders, resolutions or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 12. This Ordinance shall take effect immediately following the public hearing hereon.

Section 13. Upon adoption hereof, an abstract of this Ordinance, determined by the City to contain sufficient information as to give notice of the contents hereof, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in the Mountain Statesman, a newspaper published and of general circulation in the City, together with a notice stating that this Ordinance has been adopted and that the City contemplates the issuance of the Bonds by the Issuer, and that any person interested may appear before the City upon a date certain, not less than ten days subsequent to the date of the first publication of the said abstract and notice, and present protests, and that a certified copy of the Ordinance is on file in the office of the Clerk of the City for review by interested parties during regular office hours. At such hearing, all objections and suggestions shall be heard and the Council of the City shall take such action as they shall deem proper in the premises.

Passed on First Reading:	November 20, 2001
Passed on Second Reading:	December 4, 2001
Passed on Third Reading Following Public Hearing:	December 20, 2001

CITY OF GRAFTON

By: Thomas L. Horacek
Mayor

By: Kevin M. Stead
City Manager

CERTIFICATION

The undersigned, being the duly qualified, elected and acting Clerk of the City of Grafton does hereby certify that the foregoing Ordinance was duly adopted and enacted by the council of the City of Grafton following a public hearing thereon, at regular or special meetings duly held, pursuant to proper notice thereof, on November 20, December 4 and December 20, 2001, quorums being present and acting throughout, and which Ordinance has not been repealed, rescinded, modified, amended or revoked and is a true, correct and complete copy thereof as witness my hand and the seal of the City of Grafton this January 3, 2002.

[SEAL]

Tony M Richman

Clerk, City of Grafton

01/02/02
344430/98004

CITY OF GRAFTON

Hospital Refunding Revenue Bonds, Series 2002
(Grafton City Hospital)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DETAILS OF THE HOSPITAL REFUNDING REVENUE BONDS, SERIES 2001, OF THE CITY OF GRAFTON; AUTHORIZING AND APPROVING AN ESCROW AGREEMENT AND OTHER INSTRUMENTS RELATING TO SUCH REFUNDING AND BONDS, AND THE SALE AND DELIVERY OF SUCH BONDS TO THE HUNTINGTON NATIONAL BANK; DESIGNATING A REGISTRAR, PAYING AGENT, ESCROW AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, the city council (the "Governing Body") of The City of Grafton (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective December 20, 2001 (the "Bond Ordinance"), entitled:

AN ORDINANCE AUTHORIZING AND APPROVING THE REFUNDING OF THE CITY OF GRAFTON MUNICIPAL HOSPITAL REVENUE BONDS, SERIES B; THE PAYMENT OF CERTAIN AMOUNTS TO THE WEST VIRGINIA STATE TAX DEPARTMENT; THE SALE AND ISSUANCE OF NOT TO EXCEED $1,500,000 CITY OF GRAFTON HOSPITAL REFUNDING REVENUE BONDS, SERIES 2001 (GRAFTON CITY HOSPITAL); PRESCRIBING THE FORMS AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT, A TAX AND NON-ARBITRAGE CERTIFICATE RELATING TO THE BONDS, AND OTHER INSTRUMENTS AND AUTHORIZING AND APPROVING OTHER DOCUMENTS AND MATTERS RELATING TO THE TERMS AND

SECURITY OF SUCH BONDS AND SUCH REFUNDING; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Bond Ordinance;

WHEREAS, the Bond Ordinance provides for the issuance of Hospital Refunding Revenue Bonds, Series 2001 (Grafton City Hospital), of the Issuer (the "Bonds"), in an aggregate principal amount not to exceed $1,500,000, for the purpose of financing the Refunding of and the Settlement, all in accordance with the Act; and in the Bond Ordinance it is provided that certain terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, the Bonds are proposed to be purchased by The Huntington National Bank, Charleston, West Virginia (the "Purchaser"), pursuant to a commitment letter dated November 13, 2001; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted and that terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF GRAFTON:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Hospital Refunding Revenue Bonds, Series 2001 (Grafton City Hospital) (or, if the Bonds are issued and delivered in 2002, Series 2002), of the Issuer, originally represented by a single Bond, numbered R-1, in the principal amount of $1,500,000. The Bonds shall be dated the date of delivery thereof (anticipated to be December 27, 2001), shall finally mature on January 1, 2022, shall be payable in amortized quarterly installments of principal and interest on January 1, April 1, July 1 and October 1 of each year, commencing April 1, 2002, and shall bear interest at the rates prescribed in the Ordinance and in the Bonds. Interest shall be computed on the basis of a year of 365 days, payable for the actual number of days elapsed during any portion of a month. The Bonds shall be subject to redemption in whole or in part

at any time, without premium, at the price of 100% of the principal amount redeemed, plus interest accrued to the date fixed for redemption.

Section 2. All other provisions relating to the Bonds and the text of the Bonds shall be in substantially the form provided in the Bond Ordinance.

Section 3. The Escrow Agreement by and between the Issuer and the West Virginia Municipal Bond Commission, as escrow agent, to be dated as of the date of delivery of the Bonds, substantially in the form submitted to this meeting shall be and the same is hereby approved. The Mayor shall execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be approved by the Mayor and the City Clerk is hereby authorized and directed to affix the seal of the Issuer thereto and to attest the seal. Execution of the Escrow Agreement by the Mayor shall be conclusive evidence of any approval required by this Section.

Section 4. The Bonds shall be sold to The Huntington National Bank, Charleston, West Virginia, and shall be initially registered in the name of such bank. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 5. The Issuer does hereby appoint and designate The Huntington National Bank, Columbus, Ohio, as Registrar (the "Registrar") for the Bonds.

Section 6. The Issuer does hereby appoint and direct the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Escrow Agent for the Prior Bonds and as Paying Agent for the Bonds.

Section 7. The Issuer does hereby appoint Branch Banking and Trust Company, Grafton, West Virginia, as Depository Bank under the Bond Ordinance.

Section 8. The Prior Bonds shall be redeemed in full on March 1, 2002, in accordance with the provisions of the Escrow Agreement.

Section 9. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated thereunder.

Section 10. The Issuer is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the Hospital; no part of the Bonds are

private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and the Issuer reasonably expects to issue less than $5,000,000 aggregate principal face amount of tax-exempt obligations (other than private activity bonds) during the calendar year 2001 being the calendar year in which the Bonds are to be issued. For purposes of this Section and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall be treated as one issuer.

Section 11. The Issuer and all subordinate entities do not reasonably expect to issue more than $10,000,000 of tax-exempt obligations (other than private activity bonds and obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation) during the calendar year 2001 (or 2002 if the Bonds are issued in 2002) and the Issuer hereby designates the Bonds as "qualified tax-exempt obligations," as defined in Section 265(b) of the Internal Revenue Code of 1986, as amended.

Section 12. The Mayor, City Manager and City Clerk are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds, hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about December 27, 2001, to the Purchaser pursuant to the commitment letter.

Section 13. The Escrow Agent is hereby instructed to purchase the Government Securities listed on Schedule A of the Escrow Agreement, in accordance with the provisions of the Escrow Agreement.

Section 14. The Mayor is hereby authorized and directed to transfer from the sinking fund and reserve account created for the Prior Bonds, and held by the West Virginia Municipal Bond Commission, the amounts set forth in the Escrow Agreement, to the Escrow Fund.

Section 15. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this December 20, 2001.

CITY OF GRAFTON

By: Thomas L. Hocacek
Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly enacted by the Council of the CITY OF GRAFTON on December 20, 2001.

Dated: January 3, 2002.

[SEAL]

By: _____
City Clerk

01/02/02
344430/98004

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER

B. E-MAIL CONTACT AT FILER

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

The Huntington National Bank
P.O. Box 633
Charleston, WV 25322-0633

State of West Virginia
Secretary of State
Business and Licensing Division
UCC Section
Filed
200200050090
11/03/2015 10:58:46 AM

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
200200050090

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☑ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ☐ ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. ☐ PARTY INFORMATION CHANGE:
Check one of these two boxes: This Change affects ☐ Debtor or ☐ Secured Party of record
AND Check one of these three boxes to: ☐ CHANGE name and/or address: Complete item 6a or 6b, and item 7a or 7b and item 7c ☐ ADD name: Complete item 7a or 7b, and item 7c ☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
Grafton City Hospital, Inc.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral
Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
The Huntington National Bank

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
Termination of Financing Statement 200200050090 for the Series 2002 Bonds

286771

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER

B. E-MAIL CONTACT AT FILER

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

The Huntington National Bank
P.O. Box 633
Charleston, WV 25322-0633

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
200200050090

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS
Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

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6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
Grafton City Hospital, Inc.

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral
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If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

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The Huntington National Bank

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
Termination of Financing Statement 200200050090 for the Series 2002 Bonds

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

RECEIPT AND RELEASE FOR SERIES 2002 BONDS

The undersigned authorized representative of The Huntington National Bank (the "Trustee") hereby certifies this 28th day of October, 2015 as follows:

On October 29, 2015, the Trustee received the sum of $647,555.30 from the proceeds of the Hospital Improvement and Refunding Revenue Bonds, Series 2015 A (United States Department of Agriculture) and Hospital Improvement and Refunding Revenue Bonds, Series 2015 B (United States Department of Agriculture) issued by the City of Grafton (the "Issuer") and such amount is sufficient to: (i) pay on October 29, 2015 (the "Redemption Date") the entire outstanding principal amount of and all accrued interest which remains due and payable on the Issuer's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"), and (ii) discharge the liens, pledges and encumbrances securing such Prior Bonds, including but not limited to the liens and pledges effected by the Indenture of Trust for the Prior Bonds, dated as of January 3, 2002 (the "Prior Indenture"), by and between the Issuer and Trustee and the statutory mortgage lien upon the Hospital facilities described in the Prior Indenture and established pursuant to Section 22 and other provisions of Chapter 8, Article 16 of the West Virginia Code of 1931, as amended to the date hereof.

[Remainder of Page Intentionally Left Blank]

WITNESS my signature the day and year first above written.

THE HUNTINGTON NATIONAL BANK

By: _____
Name: James E Schutz
Title: Vice President

7018808

Receipt and Release

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

RECEIPT AND RELEASE FOR PROMISSORY NOTE

The undersigned Roger Schroeder, an Associate of JPMorgan Chase Bank, N.A. (the "Bank"), for and on behalf of the Bank, hereby certifies as follows:

On the 29th day of October, 2015, JPMorgan Chase Bank, NA received the sum of $336,079.88 from the proceeds of the City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), dated October 28, 2015, issued in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and the City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), dated October 28, 2015, issued in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds"), and such amount is sufficient to pay in full the entire outstanding principal of and all accrued interest on the Promissory Note, dated July 8, 2013, made by Grafton City Hospital, Inc. to the Bank in the original aggregate principal amount of $382,205.86 (the "Promissory Note") and discharge all liens, pledges and encumbrances securing such Promissory Note. The Bank authorizes the City of Grafton (the "Issuer") and/or Grafton City Hospital, Inc. (the "Hospital") to complete and file all UCC-3 termination statements for and on behalf of the Bank with the appropriate parties in order to release liens created to secure the Promissory Note.

WITNESS my signature on this 30th day of October, 2015.

JPMORGAN CHASE BANK, N.A.

By: _____
Its: ASSOCIATE

UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER
Thomas L. Aman, Jr. 304.933.8136

B. E-MAIL CONTACT AT FILER

C. SEND ACKNOWLEDGMENT TO: (Name and Address)
Grafton City Hospital, Inc.
1 Hospital Plaza
Grafton, West Virginia 26354
Attn: Administrator

State of West Virginia
Secretary of State
Business and Licensing Division
UCC Section
Filed
200800253678
04/09/2016 2:39:47 PM

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER
200800253678

1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS
File: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13

2. ☑ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

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☐ CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c
☐ ADD name: Complete item 7a or 7b, and item 7c
☐ DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME
GRAFTON CITY HOSPITAL, INC

OR

6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

8. ☐ COLLATERAL CHANGE: Also check one of these four boxes: ☐ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral
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If this is an Amendment authorized by a DEBTOR, check here ☐ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME
JPMorgan Chase Bank, NA

OR

9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA:
Termination of Financing Statement 200800253678

311366

Form **668(Z)**
(Rev. 10-1999)

Department of the Treasury - Internal Revenue Service

Certificate of Release of Federal Tax Lien

Small Business / Self Employed - Area: 2

Serial Number
142311415

For Use by Recording Office

RECORDING OFFICE INFORMATION
LIBER 21 PAGE 333

Georgianna Thompson
TAYLOR County 02:24:48 PM
Instrument No 2015017982
Date Recorded 10/28/2015
Document Type REL
Pages Recorded 1
Book-Page 96-370
Recording Fee $5.00
Additional $6.00

I certify that as to the following-named taxpayer, the requirements of section 6325 (a) of the Internal Revenue Code have been satisfied for the taxes listed below and for all statutory additions. Therefore, the lien provided by Code section 6321 for these taxes and additions has been released. The proper officer in the office where the notice of internal revenue tax lien was filed on **FEBUARY 9, 2015**, is authorized to note the books to show the release of this lien for these taxes and additions.

Name of Taxpayer
GRAFTON CITY HOSPITAL INC

Residence
1 HOSPITAL PLZ
GRAFTON, WV 26354-1283015

Kind of Tax (a)	Tax Period Ended (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941	12/31/2012	XX-XXX0526	12/29/2014	01/28/2025	$124,896.81
941	9/30/2013	XX-XXX0526	12/29/2014	01/28/2025	$780,473.98

Place of Filing
CLERK OF THE COUNTY COMMISSION
TAYLOR COUNTY
GRAFTON, WV 26354

Total $905,370.79

This notice was prepared and signed at BRIDGEPORT, WV, on this, the 28th **day of** October, 2015 .

Signature Mica Cooper

MICA COOPER, Employee # - 1000746156

Title

REVENUE OFFICER, Phone # - (681)456-6124

(NOTE: *Certificate of officer authorized by law to take acknowledgements is not essential to the validity of Certificate of Release of Federal Tax Lien Rev. Rul. 71-466, 1971-2 C.B. 409)*

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 8, ARTICLE 16 OF THE WEST VIRGINIA CODE, AND CHAPTER 8, ARTICLE 16 OF THE 2015 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on

October 19, 2015

Natalie E Tennant

Secretary of State

ARTICLE 16

MUNICIPAL PUBLIC WORKS; REVENUE BOND FINANCING

Part I—Definitions; Authorization of Municipal Public Works.

Section

8–16–1. Definitions.
8–16–2. Municipalities authorized to construct, etc., public works and to acquire property; payment of costs.
8–16–3. Special provisions as to certain municipal public works.

Part II—Control of Governing Body or Board.

8–16–4. Construction, etc., to be under control of governing body or appointed board, etc.
8–16–4a. Additional special provisions as to motor vehicle parking facilities.
8–16–4b. Additional special provision as to the use of space in motor vehicle parking facilities.

Part III—General Powers and Authority.

8–16–5. Powers of board.
8–16–6. Preliminary expenses.
8–16–7. Ordinance for construction, etc., of works.

Part IV—Right of Eminent Domain.

8–16–8. Right of eminent domain.

Part V—Revenue Bond Financing.

8–16–9. Bonds for improvements, etc., of works.
8–16–10. Items of expense included in cost of works.
8–16–11. No municipality is to incur any obligation not payable from proceeds of bonds; exemption from taxation.
8–16–12. Interest rate and life of bonds; redemption; how payable; form, denominations, etc.; additional bonds authorized; interim certificates.
8–16–13. Obligations not to bind municipal official or officer or member of board personally.
8–16–14. Additional bonds for improvements, etc., of works.
8–16–15. How proceeds of bonds applied.
8–16–16. Bonds secured by trust indenture between municipality or municipalities and corporate trustee.
8–16–17. Sinking fund; sinking fund commission; transfer of funds; purchase of outstanding bonds.

Part VI—Imposition of Rates or Charges.

8–16–18. Rates, fees or charges for services rendered by works.
8–16–18a. Pledge of the hotel occupancy tax; contribution of revenues to building commission.
8–16–19. Appeal to public service commission from rates fixed.

Part VII—Accounting System and Records.

8–16–20. Accounting system; yearly audit; custodian of funds.

Part VIII—Rates or Charges for Municipalities.

8–16–21. Governmental entities to pay established rates, fees or charges for services rendered to it or them.

Section

Part IX—Liens and Protection of Bondholders.

8–16–22. Statutory mortgage lien upon works created.
8–16–23. Acquisition of property on which lien exists.
8–16–24. Protection and enforcement of rights of bondholders, etc.; receivership; effect of receivership on lease agreement.

Part X—Construction; Extraterritorial Jurisdiction.

8–16–25. Article confers additional power and authority; extraterritorial jurisdiction.
8–16–26. Construction of power and authority conferred.
8–16–27. Article liberally construed.
8–16–28. Reference to "municipal authorities" or "municipal authority" elsewhere in law to mean "governing body" for the purposes of this article only.

PART I—DEFINITIONS; AUTHORIZATION OF MUNICIPAL PUBLIC WORKS

§ 8–16–1. Definitions

As used in this article, the following terms shall have the following meanings unless the text clearly indicates otherwise.

(a) "Municipal public works" or "works" or "projects" means the construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment, maintenance, repair (including replacements) and operation of jails, jail facilities, municipal buildings, police stations, fire stations, libraries, museums, other public buildings, incinerator plants, land fill or other garbage disposal systems, hospitals, piers, docks, terminals, airports, drainage systems, flood control systems, stormwater systems and associated stormwater management program, flood walls, culverts, bridges (including approaches, causeways, viaducts, underpasses and connecting roadways), public markets, cemeteries, motor vehicle parking facilities (including parking lots, buildings, ramps, curb-line parking, meters and other facilities considered necessary, appropriate, useful, convenient or incidental to the regulation, control and parking of motor vehicles), farms, dormitories, apartments and other housing facilities for the students and faculties of institutions of higher education; facilities providing housing for the elderly, including, but not limited to, life care facilities, congregate living facilities and adult residential facilities, stadiums, gymnasiums, sports arenas, auditoriums, public recreation centers, public recreation parks, swimming pools, roller skating rinks, ice skating rinks, tennis courts, golf courses, polo grounds, or the grading, regrading, paving, repaving, surfacing, resurfacing, curbing, recurbing, widening or otherwise improving of any street, avenue, road, alley or way, or the building or renewing of sidewalks, where works or projects will be made self-supporting, and the cost thereof, together with the interest thereon, will be returned within a reasonable period, not exceeding forty years, by means of tolls, fees, rents, special assessments or charges other than taxation; and the terms shall also mean any works or project as a whole, and all integral parts thereof, including all necessary, appropriate, useful, convenient or incidental

appurtenances and equipment in connection with any one or more of the above.

(b) "Stormwater systems" means a stormwater system in its entirety or any integral part thereof used to collect and dispose of stormwater and an associated stormwater management program. It includes all facilities, structures and natural water courses used for collecting and conducting stormwater to, through and from drainage areas to the points of final outlet including, but not limited to, any and all of the following: Inlets, conduits, outlets, channels, ponds, drainage easements, water quality facilities, catch basins, ditches, streams, gulches, flumes, culverts, siphons, retention or detention basins, dams, floodwalls, pipes, flood control systems, levies and pumping stations. The term "stormwater systems" shall not include highways, road and drainage easements, and/or stormwater facilities constructed, owned and/or operated by the West Virginia Division of Highways.

(c) "Stormwater management program" means those activities associated with the management, operation, maintenance and control of stormwater and stormwater systems, and shall include, but not be limited to, public education, stormwater and surface runoff water quality improvement, mapping, planning, flood control, inspection, enforcement and any other activities required by state and federal law. The term "stormwater management program" shall not include those activities associated with the management, operation, maintenance and control of highways, road and drainage easements, and/or stormwater facilities constructed, owned and/or operated by the West Virginia Division of Highways without the express agreement of the commissioner of highways.

Acts 1935, c. 68, § 1; Acts 1945, c. 90; Acts 1951, c. 136; Acts 1955, c. 121; Acts 1959, c. 116; Acts 1961, c. 100; Acts 1969, c. 86; Acts 1981, c. 164; Acts 2001, c. 212, eff. 90 days after April 14, 2001.

Cross References

Creation by charter provision of certain independent city boards, home rule powers for cities, see § 8–12–3.
General powers of every municipality and its governing body, see § 8–12–5.
Hotel occupancy tax, payment on bonds, see § 8–13–3.

Notes of Decisions

Construction and application 1
Municipal public works 3
Ordinances 4
Presumptions and burden of proof 5
Title of act 2

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1. Construction and application

The requirement of the act conferring authority on a municipality to construct a flood control system, that public works conducted thereunder shall be self-sustaining, is not operative, where the work, like a flood wall, is incapable of producing an operating revenue. Acts 1935, c. 68. Duling Bros. Co. v. City of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Water Law ⟹ 2888

2. Title of act

The title, "An Act to authorize municipalities to establish * * * municipal public works and to defray the cost of such construction * * * by issuing revenue bonds, secured by and payable from the revenues of such systems; to authorize charges for the use of such municipal public works and to provide for the collection of same," having clearly expressed the principal object to authorize municipal public works, words descriptive of details ancillary thereto should not be narrowly defined. Acts 1935, c. 68; Const. art. 6, § 30. Duling Bros. Co. v. City

of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Statutes ⟹ 123(3)

The title, "An Act to authorize municipalities to establish * * * municipal public works and to defray the cost of such construction * * * by issuing revenue bonds, secured by and payable from the revenues of such systems; to authorize charges for the use of such municipal public works and to provide for the collection of same," contemplates special assessments, or charges, for the service or benefit from a flood wall. Acts 1935, c. 68; Cost. art. 6, § 30. Duling Bros. Co. v. City of Huntington, 1938, 196 S.E. 552, 120 W.Va. 85. Statutes ⟹ 123(3)

3. Municipal public works

Building that was to be acquired and owned by Charleston Building Commission but leased to state was a "municipal public work" for purposes of revenue bond financing statutes. Code, 8–16–1. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 911

The words "automobile parking buildings" as used in the statute authorizing municipalities to construct and operate municipal public works and to pay therefor, mean automobile parking facilities, and include an automobile lot equipped with a 95 foot elevator for use in its operation, and an issue of revenue bonds authorized by an ordinance duly enacted as provided by the statutes, was valid. Act 1935, c. 68, as amended. State ex rel. Holbert v. Robinson, 1950, 59 S.E.2d 884, 134 W.Va. 524. Municipal Corporations ⟹ 276; Municipal Corporations ⟹ 911

The paving or repaving of a public street in a municipality is a "municipal public work" which municipality is authorized to construct by statute providing for issuance of revenue bonds for construction of such work. Acts 1935, c. 68. City of Moundsville v. Brown, 1945, 34 S.E.2d 321, 127 W.Va. 602. Municipal Corporations ⟹ 269(2)

4. Ordinances

The purpose of ordinances required by statute authorizing municipalities to establish and maintain municipal public works and defray cost thereof by issuing revenue bonds is to inform residents and taxpayers of the municipalities concerning outlay by them and expected returns from special assessment to be laid pursuant to the statute. Acts 1935, c. 68. Smith v. City of Parkersburg, 1943, 24 S.E.2d 588, 125 W.Va. 415. Municipal Corporations ⟹ 301

The statute requiring municipal ordinance authorizing construction of public work to set forth estimated cost thereof refers to the cost of the proposed work to the municipality, and not to other contributions. Acts 1935, c. 68, § 6. Smith v. City of Parkersburg, 1943, 24 S.E.2d 588, 125 W.Va. 415. Municipal Corporations ⟹ 303(1)

5. Presumptions and burden of proof

In absence of contrary showing, public improvement is presumed to create a special benefit, and one attacking validity of assessment therefor has burden of establishing invalidity thereof. State ex rel. City of Huntington v. Heffley, 1944, 32 S.E.2d 456, 127 W.Va. 254. Municipal Corporations ⟹ 484(1)

§ 8–16–2. Municipalities authorized to construct, etc., public works and to acquire property; payment of costs

Every municipality is and any two or more municipalities acting jointly, whether situate in the same county or different counties, are, hereby empowered and authorized to construct, reconstruct, establish, acquire, improve, renovate, extend, enlarge, increase, own, equip, repair (including replacements), maintain and operate any municipal public works, together with all appurtenances necessary, appropriate, useful, convenient or incidental for or to the maintenance and operation of such works, and shall have plenary power and authority to acquire by gift, grant, purchase, condemnation or otherwise, and thereafter hold, all necessary lands, rights, easements, rights-of-way, franchises and other property therefor within or without, or partly within and partly without, the corporate limits of any such municipality or municipalities, and to issue revenue bonds to pay the costs of such public works and properties: Provided, That this section shall not be construed to authorize any municipality to construct, reconstruct, establish, acquire, improve, renovate, extend, enlarge, increase, own, equip, repair (including replacements), maintain or operate any works which would render a service already being ade-

quately rendered within such municipality. No obligation shall be incurred by any municipality in such construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement or increase, except such as is payable solely from the funds provided under the authority of this article.

Acts 1935, c. 68, § 2; Acts 1969, c. 86.

Library References

Municipal Corporations ⟹265.
Westlaw Topic No. 268.
C.J.S. Municipal Corporations § 958.

Notes of Decisions

Injunctive relief 4
Lease-purchase agreements 1
Refinancing 3
Revenue bonds 2

1. Lease-purchase agreements

Building that was to be acquired and owned by Charleston Building Commission but leased to state was a "municipal public work" for purposes of revenue bond financing statutes. Code, 8-16-1. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 911

Charleston Building Commission had authority to enter into lease-purchase agreement with state whereby commission would purchase and refurbish building, state would pay rent to commission in amount sufficient to discharge bonds or certificates of participation, and state would have option to purchase building from commission upon repayment of bonds or other such obligations. Code, 8-12-5(36), 8-33-4(f); Charleston, W.Va., Charter § 59. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 223; Municipal Corporations ⟹ 225(4); Municipal Corporations ⟹ 717

City of Charleston, in its distinctive role as capital of West Virginia, may provide property to state to be used as a state capitol or for other public buildings; this special authority extends to Charleston Building Commission and enables it, also, to provide property for state purposes. Code, 8-12-5(36), 8-33-4(f); Charleston, W.Va., Charter § 59. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 225(1); Municipal Corporations ⟹ 225(4)

2. Revenue bonds

State Constitution's prohibition against incurring excessive debt by municipal corporations was not violated by Charleston Building Commission's proposal to finance acquisition of building to be leased to state through issuance of bonds or certificates of participation. Const. Art. 10, § 8; Code, 8-33-5. State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 864(3)

Charleston Building Commission has authority to issue bonds or certificates of participation to finance its acquisition and renovation of building that it intends to lease to state. Code, 8-33-4(h-j). State ex rel. Charleston Bldg. Com'n v. Dial, 1996, 479 S.E.2d 695, 198 W.Va. 185. Municipal Corporations ⟹ 906; Municipal Corporations ⟹ 911

The proceeds of a series of general obligation bonds of city of Grafton issued for purpose of defraying part of expense of completing construction and equipment of a hospital owned by municipality, residue of which expense was paid from sale of revenue bonds could be used for such purpose. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 911

The validity of municipal revenue bonds issued by city of Grafton, the proceeds of which were to be used toward completion of hospital owned by city, was not impaired by fact that funds derived from general taxation, or from other sources, also had been, and were to be, used in construction of the hospital. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935 c. 68. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 911

A provision in ordinance of city of Grafton authorizing issuance of series of revenue bonds for completion of hospital building owned by city, which provides that bonds are to be a statutory mortgage lien on hospital when completed and on equipment and future additions thereto, and which pledges all of net profit from hospital for payment of the revenue bonds and interest thereon, is valid. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68; 8-4A-22, as added by Laws 1935, c. 68, § 22. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 917(1)

General obligation bonds issued by city of Grafton, proceeds of which were to be used by defraying a part of expenses of completing hospital owned by city, were valid, in view of manner in which election authorizing issuance of bonds was conducted, and that validity of bond issue was approved by attorney general and copy of his approval published in two newspapers of opposite politics and that no petition praying that attorney general's action be reversed was filed. Code 1931, 13-1-27. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 918(4); Municipal Corporations ⟹ 931

A provision in ordinance of city of Grafton authorizing issuance by municipality of revenue bonds to aid in completion of hospital owned by municipality, to effect that municipality should pay legally established rates for use of hospital, did not create an "indebtedness" against the municipality within statutory or constitutional inhibition against creation of public debt. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68; 13-1-3; Const. art. 8, § 10. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 864(4)

Revenue bonds issued by municipality to aid in completion of hospital owned by municipality pursuant to act authorizing municipalities to issue revenue bonds for construction or maintenance of a municipal public works were not an "indebtedness" of municipality within statutory or constitutional inhibition against creation of public debt. Code 1931, 8-4A-1 et seq., as enacted by Laws 1935, c. 68; 13-1-3; Const. art. 8, § 10. Warden v. City of Grafton, 1943, 26 S.E.2d 1, 125 W.Va. 658. Municipal Corporations ⟹ 864(4)

3. Refinancing

The statute authorizing municipalities to refinance "any enterprise" as therein defined does not authorize refinancing as a single issue three separate bond issues for three separate flood wall units constructed under separate ordinances and representing a variation in construction and maintenance costs, rates chargeable, etc. Acts 1937, c. 120; Acts 1935, c. 68; Const. art. 10, § 1; Code, 2-2-10. State ex rel. City of Huntington v. Heffley, 1944, 32 S.E.2d 456, 127 W.Va. 254. Water Law ⟹ 2904

4. Injunctive relief

Injunction would not lie to restrain enforcement of municipal ordinance transferring control of city's floodwall system from board to another local agency; municipality was authorized by statute to maintain control over municipal public works, including flood control systems and flood walls, petition for injunction did not indicate that ordinance would cause irreparable injury, and declaratory judgment action would be adequate remedy at law. Code, 8-16-1, 8-16-2, 8-16-4. Perdue v. Ferguson, 1986, 350 S.E.2d 555, 177 W.Va. 44. Injunction ⟹ 85(1)

§ 8-16-3. Special provisions as to certain municipal public works

When the municipal public works is a motor vehicle parking facility, any municipality involved therein shall have the plenary power and authority, in order to help finance the same, to use any revenue derived from other parking meters or other parking facilities, unless such revenue is otherwise pledged to pay for such other parking meters or other parking facilities.

When the municipal public works is a jail facility used for municipal prisoners, any municipality involved therein shall have the power and authority, in order to help finance the same, to pledge, for a period not to exceed twenty years, the proceeds derived from the imposition of fines and fees.

When the cost of the municipal public works is to be paid by special assessment against the abutting property, represented by assessment certificates which constitute a lien upon such property and said assessment certificates are pledged by any municipality to retire revenue bonds issued and sold to pay the cost thereof, the payor of such assessment certificate shall have the right to pay the same at any time before maturity, together with interest thereon to date of payment, and upon the payment of such assessment certificate the treasurer of such municipality shall deliver to the payor a release for such lien, and the funds received therefrom shall by said treasurer be deposited in a special fund to be expended only in the payment of such revenue bonds.

Acts 1951, c. 137; Acts 1953, c. 134; Acts 1955, c. 122; Acts 1963, c. 123; Acts 1969, c. 86.

Library References

Municipal Corporations ⟹268.
Westlaw Topic No. 268.

Notes of Decisions

Financing 1
Mandamus 4
Parking facilities 2
Parking meters 3

1. Financing

Fines generated by a municipal court may be dedicated to retire a debt created for a bond issue for not more than twenty years which finances the construction of a municipal building to the extent that said municipal building constitutes a jail or facility, the use or establishment of a jail which houses municipal prisoners. 62 W.Va. Op.Atty.Gen. 28 (June 7, 1988) 1988 WL 483330.

2. Parking facilities

Under statutes, municipal corporation which has appointed commission to supervise and control automobile parking facilities, when constructed, and has adopted bond ordinance to defray cost of construction, is empowered to pledge revenues derived from off street parking meters to help finance construction of automobile parking facilities, including payment of principal and interest on revenue bonds issued for purpose of financing construction of proposed automobile parking facility. Code, 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Municipal Corporations ⟹ 950(15)

Statute to effect that municipality shall have authority to establish automobile parking facilities and to create commission for supervision of such facilities and to pay to such commission revenue derived from parking meters or other parking facilities, unless otherwise pledged to pay for such meters or parking facilities, had as its underlying purpose alleviation of congested parking conditions in municipalities, and was enacted by Legislature in exercise of its police power. Code, 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Municipal Corporations ⟹ 276

3. Parking meters

Though on-street parking meters are designed to aid in controlling traffic on public streets of municipality, in exercise of police power, and fees may be employed to defray expense of regulatory service, fee charged may not be used for purely revenue raising purposes. Code, 8-4A-1 as amended by Acts 1945, c. 90, and Acts 1951, c. 136; 8-4A-1a, as added by acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Automobiles ⟹ 5(3)

In absence of affirmative showing that revenue to be derived from off-street parking facilities and curb line parking meters exceeded cost of constructing and operating off-street parking facility, and on-street parking meters, and principal and interest on revenue bonds issued for purpose of financing such facilities, municipal bond ordinance to finance construction of off-street parking facilities by revenues derived from off-street parking facilities and from curb line parking meters, was not invalid as revenue raising measure. Code, 8-4A-1 as amended by Acts 1945, c. 90, and Acts 1951, c. 136; 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Automobiles ⟹ 7

4. Mandamus

Where council of municipal corporation enacted valid ordinance providing for construction of public automobile parking lots, to be financed by revenue bonds to be issued over signature of mayor of municipality, mayor had mandatory administrative duty enforcible in mandamus, to sign revenue bond, and to perform other administrative acts to bring about issuance of bonds, and further construction of proposed parking lot. Code, 8-4A-1 as amended by Acts 1945, c. 90, and Acts 1951, c. 136; 8-4A-1a, as added by Acts 1951, c. 137, and amended by Acts 1953, c. 134. State ex rel. Bibb v. Chambers, 1953, 77 S.E.2d 297, 138 W.Va. 701. Mandamus ⟹ 90

PART II—CONTROL OF GOVERNING BODY OR BOARD

§ 8-16-4. Construction, etc., to be under control of governing body or appointed board, etc.

The construction, reconstruction, establishment, acquisition, improvement, renovation, extension, enlargement, increase, equipment, repair (including re-

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

Chapter 7
Arts. 14A to End
to
Chapter 8
Arts. 1 to 18

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§ 8–15–25. Removal, discharge, suspension or reduction in rank or pay; hearing; attorney fees; appeal; reduction in number of members

Notes of Decisions

1. In general

City fireman's civil service commission lacked jurisdiction over firefighters' challenge to city's alteration of the mathematical formula used to divide firefighters' annual salary into an hourly rate for purposes of calculating overtime; none of the firefighters had been removed, discharged, suspended, or reduced in rank or pay as a disciplinary action, which were the only matters over which commission had jurisdiction. Boggess v. City of Charleston, 2014, 765 S.E.2d 255, 234 W.Va. 366. Municipal Corporations ⟹ 198(4)

The duties, rights, and responsibilities of city fireman's civil service commission are statutorily granted, and it has only those powers that are conferred by statute; it has no inherent jurisdiction. Boggess v. City of Charleston, 2014, 765 S.E.2d 255, 234 W.Va. 366. Municipal Corporations ⟹ 198(4)

§ 8–15–26. Offenses and penalties

Any individual who makes an appointment or promotion to any position, or selects an individual for employment contrary to the civil service provisions of this article, or willfully refuses or neglects otherwise to comply with, or to conform to, any of the civil service provisions of this article, or violates any of those provisions, is guilty of a misdemeanor.

Any commissioner or examiner, or any other individual, who willfully, by himself or herself or in cooperation with one or more persons, defeats, deceives or obstructs any individual with respect to his or her right of examination or registration according to the civil service provisions of this article, or to any rules and regulations prescribed pursuant thereto, or who willfully or corruptly, falsely marks, grades, estimates or reports upon any such examination or proper standing of any individual so examined, registered or certified, pursuant to the civil service provisions of this article, or aids in so doing, or who willfully or corruptly furnishes to any individual any special or secret information, for the purpose of either improving or injuring the prospects or chances of appointment or promotion to any position of any individual so examined, registered or certified, or to be so examined, registered or certified, or who impersonates any other individual, or permit or aid in any manner any other individual to impersonate him or her, in connection with any such examination or registration, or application or request to be examined or registered, is, for each offense, guilty of a misdemeanor.

Any person convicted of any of these misdemeanor offenses shall be punished by a fine of not less than $500, nor more than $10,000 or by confinement in jail for a term not exceeding one year, or by both fine and confinement, in the discretion of the court.

Acts 1933, c. 60; Acts 1949, c. 88; Acts 1969, c. 86; Acts 2014, c. 67, eff. June 5, 2014.

ARTICLE 16

MUNICIPAL PUBLIC WORKS; REVENUE BOND FINANCING

Part III—General Powers and Authority.

Section
8–16–5. Powers of board.

Part VI—Imposition of Rates, Fees or Charges.

Section
8–16–19. Appeal to Public Service Commission from rates fixed.

PART III—GENERAL POWERS AND AUTHORITY

§ 8–16–5. Powers of board

(a) The board shall have plenary power and authority to take all steps and proceedings, and to make and enter into all contracts or agreements necessary, appropriate, useful, convenient or incidental to the performance of its duties and the execution of its powers and authority under this article: *Provided*, That any contract or agreement relating to the financing, or the construction, reconstruction, establishment, acquisition, improvement, reno-

vation, extension, enlargement, increase, equipment, operation or maintenance of any such works, and any trust indenture with respect thereto as hereafter provided for, shall be approved by the governing body or bodies.

(b) The board may employ engineers, architects, inspectors, superintendents, managers, collectors, attorneys and such other employees as in its judgment may be necessary in the execution of its powers and duties, and may fix their compensation, all of whom shall do such work as the board may direct. All compensation and expenses incurred in carrying out the provisions of this article shall be paid solely from funds provided under the authority of this article, and the board shall not exercise or carry out any power or authority herein given it so as to bind said board or any municipality beyond the extent to which money shall have been, or may be provided under the authority of this article.

(c) No contract or agreement with any contractor or contractors for labor or materials, or both, exceeding in amount the sum of $25,000 shall be made without advertising for bids, which bids shall be publicly opened and an award made to the lowest responsible bidder, with power and authority in the board to reject any and all bids.

(d) After the construction, reconstruction, establishment, acquisition, renovation or equipment of any such works, the board shall maintain, operate, manage and control the same, and may order and complete any improvements, extensions, enlargements, increase or repair (including replacements) of and to the works that the board may consider expedient, if funds therefor be available, or are made available, as provided in this article, and shall establish rules for the use, maintenance and operation of the works, and do all things necessary or expedient for the successful operation thereof, and for stormwater systems and associated stormwater management programs, those activities which include, but are not limited to, stormwater and surface runoff water quality improvement activities necessary to comply with all federal and state requirements. All public ways or public works damaged or destroyed by the board in carrying out its authority under this article shall be restored or repaired by the board and placed in their original condition, as nearly as practicable, if requested so to do by proper authority, out of the funds provided under the authority of this article.

Acts 1935, c. 68, § 4; Acts 1969, c. 86; Acts 1998, c. 214, eff. 90 days after March 14, 1998; Acts 2001, c. 212, eff. 90 days after April 14, 2001; Acts 2013, c. 137, eff. July 12, 2013.

Part VI—Imposition of Rates, Fees or Charges

§ 8–16–19. Appeal to Public Service Commission from rates fixed

If any party in interest is dissatisfied with the rates fixed under the provisions of section eighteen of this article, such party shall have the right to appeal to the Public Service Commission at any time within thirty days after the fixing of such rates by the governing body, but the rates so fixed by the governing body shall remain in full force and effect, until set aside, altered or amended by the Public Service Commission.

Acts 1935, c. 68, § 18; Acts 1969, c. 86; Acts 2015, c. 196, eff. June 12, 2015.

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CONSULT GENERAL INDEX

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 13, ARTICLE 2E OF THE WEST VIRGINIA CODE, AND CHAPTER 13, ARTICLE 2E OF THE 2015 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on

October 19, 2015

Natalie E Tennant

Secretary of State

ARTICLE 2E

REVENUE BOND REFUNDING ACT

Section

13–2E–1. How article cited.
13–2E–2. Definitions.
13–2E–3. Authority to refund.
13–2E–4. Terms, form and execution of refunding bonds.
13–2E–5. Issuance of refunding bonds; application of proceeds.
13–2E–6. Determination of governing body to be conclusive.
13–2E–7. Authorization for issuance.
13–2E–8. Authority for escrow agreement.
13–2E–9. Call of revenue bonds for redemption.
13–2E–10. Security provisions.
13–2E–11. Bonds payable solely from revenues of enterprise.
13–2E–12. Tax exemption; exceptions.
13–2E–13. Validity of bonds.
13–2E–14. Article complete authority for refunding bonds; effect on other laws; liberal construction.
13–2E–15. Severability.

§ 13–2E–1. How article cited

This article may be cited as "Revenue Bond Refunding Act."

Acts 1969, c. 12.

§ 13–2E–2. Definitions

The following terms or words, wherever used or referred to in this article, shall have the following meaning, unless a different meaning plainly appears from the context:

The term "public body" means any city, town, village, county, public service district, sanitary district, political subdivision or any other similar public entity now or hereafter created, and the state of West Virginia acting through any of its agencies, boards, commissions or departments, having power to issue revenue bonds.

The term "governing body" means a board, council or other body having power to borrow money on behalf of a public body.

The term "law" means any act or statutes, general, special or local, of this state, including, without being limited to, the charter of any public body.

The term "enterprise" means any work, undertaking, or project which the public body is or may hereafter be authorized to acquire or construct and from which the public body has heretofore derived or may hereafter derive revenues, for the refinancing of which enterprise refunding bonds are issued under this article, and such enterprise shall include all improvements, betterments, extensions and replacements thereto, and all appurtenances, facilities, lands, rights in land, water rights, franchises, and structures in connection therewith or incidental thereto; and for the purposes of this article "enterprise" includes the

waterworks system or the sewerage system, or both said systems, resulting from the severance of a combined waterworks and sewerage system pursuant to section one-b, article twenty, chapter eight of this code, all as the governing body shall authorize in the ordinance authorizing said severance.

The term "revenues" means all fees, tolls, rates, rentals and charges to be levied and collected in connection with and all other income and receipts of whatever kind or character derived by the public body from the operation of any enterprise or arising from any enterprise, and including earnings derived from investments and bank deposits.

The term "revenue bonds" means notes, bonds, certificates or other obligations of a public body heretofore or hereafter issued and outstanding under any law and which by their terms are payable from the revenues derived by such public body from the operation of an enterprise.

The term "refunding bonds" means notes, bonds, certificates or other obligations of a public body issued pursuant to this article.

The term "holder of bonds" or "bondholder" or any similar term means any person who shall be the bearer of any outstanding refunding bond or refunding bonds registered to bearer or not registered, or the registered owner of any such outstanding refunding bond or refunding bonds which shall at the time be registered other than to bearer.

The words "net interest cost" when referring to an outstanding issue of revenue bonds to be refunded, means the total amount of interest which would accrue on such revenue bonds from the date of the refunding bonds to the respective maturity dates of the outstanding revenue bonds to be refunded, without regard to any retained options of redemption.

The words "net interest cost" when referring to a proposed issue of refunding bonds, means the total amount of interest to accrue on the refunding bonds from their date to their respective maturities, without regard to any retained options of redemption, plus the amount of any discount below par or less the amount of any premium above par at which the bonds may be sold.

The words "net effective interest rate" when referring to a proposed issue of refunding bonds, means the net interest cost of said refunding bonds divided by the product obtained by multiplying the aggregate principal amount of such refunding bonds maturing on each maturity date by the number of years from the date of the refunding bonds to their respective maturities, without regard to any retained options of redemption.

The term "certified public accountant" means an independent certified public accountant or firm of certified public accountants licensed to practice in this state.

Words importing the singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

Acts 1969, c. 12; Acts 1986, c. 118.

§ 13–2E–3. Authority to refund

Any public body may issue refunding bonds for the purpose of refunding all or any part of its revenue bonds now or hereafter outstanding, whether or not such revenue bonds are at the time of the refunding due or optional for redemption, under the circumstances and restrictions set forth in this article. Refunding bonds shall be payable from revenues derived from the same enterprise as the revenue bonds to be refunded except where the public body has outstanding revenue bonds payable from the revenues of an enterprise and is authorized under any other law to combine and consolidate such enterprise with another enterprise and issue revenue bonds payable from the revenues of the combined and consolidated enterprises. An issue of refunding bonds may refund part or all of one or more issues of outstanding revenue bonds: Provided, That part or all of two or more issues of outstanding revenue bonds may not be refunded under this article unless either (a) all of the issues of outstanding revenue bonds to be refunded are payable from revenues derived from the same enterprise, or (b) the public body is authorized under any other law to combine or consolidate the enterprises in question and issue revenue bonds payable from the revenues of the combined or consolidated enterprises.

Refunding bonds may be issued hereunder whenever the governing body of the public body deems it expedient and, notwithstanding any provision in this article to the contrary, may be issued as part of a series of revenue bonds issued for the purpose, in addition to such refunding, of financing the acquisition or construction of improvements, betterments, extensions or replacements to the particular enterprise, as provided by other articles of this Code.

Acts 1969, c. 12; Acts 1981, 1st Ex. Sess., c. 2.

Library References

Key Numbers

Counties ⚷175.
Municipal Corporations ⚷913.
Westlaw Key Number Searches: 104k175; 268k913.

Encyclopedias

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.

§ 13–2E–4. Terms, form and execution of refunding bonds

Refunding bonds authorized under this article may be issued in one or more series; may bear such date or dates; may mature at such time or times, not exceeding the period of usefulness of the enterprise, as determined by the governing body in its discretion, not exceeding forty years from their respective dates; may bear interest at such rate or rates; may be in such denomination or denominations; may be in such form either coupon or registered; may carry such registration and conversion privileges; may be executed in such manner; may be payable in such medium of payment, at such place or places; may be subject to such terms of redemption, with or without a premium; may be declared or become due before the maturity date; may provide for the replacement of mutilated, destroyed, stolen or lost bonds; may be authenticated in such manner and upon compliance with such conditions; and may contain such other terms and covenants, as may be determined by the governing body

in the proceedings authorizing the refunding bonds. Notwithstanding the form or tenor thereof, and in the absence of an express recital on the face thereof that the bond is nonnegotiable, all refunding bonds shall at all times be, and shall be treated as, negotiable instruments for all purposes.

Acts 1969, c. 12; Acts 1981, 1st Ex. Sess., c. 2.

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C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.

§ 13–2E–5. Issuance of refunding bonds; application of proceeds

Refunding bonds issued under this article may be exchanged for not less than a like principal amount of the revenue bonds to be refunded, or may be sold at public or private sale, or may be exchanged in part and sold in part, in such manner and upon such terms as may be determined by the governing body to be for the best interests of the public body: Provided, That such refunding bonds shall not be sold or exchanged at a price lower than a price which will show a net saving to the issuer after deducting all expenses of the refunding: Provided, however, That if the governing body determines that one of the purposes of issuing such refunding bonds is to effect the release, termination or modification of liens, restrictions, conditions or limitations imposed in connection with the bonds which are to be refunded, then such refunding bonds may be issued without the necessity of showing a net saving to the issuer, in which event such refunding bonds shall bear interest at such rate or rates as the governing body may determine, but such rate or rates shall not exceed the maximum stated rate of interest which the revenue bonds to be refunded thereby could bear if they were being issued as of the date of issuance of such refunding bonds, and such refunding bonds may not be sold or exchanged at a price which would result in a net interest cost in excess of the maximum net interest cost which the revenue bonds to be refunded could be sold or exchanged for if they were being issued as of the date of issuance of such refunding bonds.

If any such refunding bonds are to be sold, they may be issued in such principal amount as may be determined advisable by the governing body including, without limitation, the aggregate principal amount of the revenue bonds to be refunded, interest accrued and to accrue to the date or dates on which the revenue bonds being refunded are scheduled to mature or to be redeemed prior to maturity, any redemption premiums which must be paid in order to refund such outstanding revenue bonds and any costs and expenses of issuing the refunding bonds and providing for retirement of revenue bonds to be refunded. If sold, the net proceeds shall either be immediately applied to the payment or redemption and retirement of the revenue bonds to be refunded, or the net proceeds of the refunding bonds may be invested at the discretion and under the supervision of the escrow agent in whole, or in part, (a) in direct

obligations issued by the United States of America or one of its agencies, (b) in obligations unconditionally guaranteed by the United States of America as to principal and interest, or (c) in certificates of deposit of a banking corporation or association which is a member of the federal deposit insurance corporation, or successor; but any such certificates of deposit must be fully secured as to both principal and interest by pledged collateral consisting of direct obligations of or obligations guaranteed by the United States of America having a market value, excluding accrued interest, at all times at least equal to the amount of the principal of an accrued interest on such certificates of deposit. Any such investments must mature, or be payable in advance of maturity at the option of the holder, and must bear interest in such manner as to provide funds which, together with uninvested money placed in the hereinafter mentioned escrow, will be sufficient to pay when due or called for redemption the revenue bonds refunded, together with interest accrued and to accrue thereon and redemption premiums, if any, and such refunding bond proceeds or obligations so purchased therewith shall, and with other funds legally available to the public body for such purpose may, be deposited in escrow with the West Virginia municipal bond commission or a corporate trustee, which may be a trust company or bank having powers of a trust company within or without the state of West Virginia, to be selected by the issuer to be held in trust for the payment and redemption of the revenue bonds refunded, and such money and obligations and any reinvestment thereof shall be held in trust by such escrow agent for the payment of interest on the refunded bonds when due, and principal thereof and applicable redemption premiums, if any, when due, or upon the date or dates for which they shall have been called for redemption, or upon an earlier voluntary surrender at the option of the escrow agent; provided if interest earned by any investment in such escrow is shown to be in excess of the amounts required from time to time for the payment of interest on and principal of the refunded revenue bonds, including applicable redemption premium, then such excess may be withdrawn from escrow and disbursed by the public body as are other revenues of the enterprise. Any moneys in the sinking or reserve funds or other funds maintained for the outstanding revenue bonds to be refunded may be applied in the same manner and for the same purpose as are the net proceeds of refunding bonds or may be deposited in the special fund or any reserve funds established for account of the refunding bonds. The term "net proceeds" as used above shall mean the gross proceeds of the refunding bonds after the deduction therefrom of all accrued interest, costs and expenses incurred in connection with the authorization and issuance of the refunding bonds and the retirement of the outstanding revenue bonds, and including all costs and expenses resulting from price variations to par or otherwise incurred in the purchase of obligations for escrow and in the disposition of the refunding bonds.

Acts 1969, c. 12; Acts 1973, c. 115; Acts 1986, c. 118.

Library References

Key Numbers

Counties ⟹183.

Municipal Corporations ⟹928.

Westlaw Key Number Searches: 104k183; 268k928.

C.J.S. Municipal Corporations § 1699.

Encyclopedias

C.J.S. Counties § 222.

§ 13–2E–6. Determination of governing body to be conclusive

The determination by the governing body of any public body issuing refunding bonds under this article that the limitations herein imposed upon the issuance of refunding bonds have been met, shall be conclusive: Provided, however, That such public body shall have obtained from an independent certified public accountant a certification that the amount of saving stated to be achieved by the refunding shall in fact be served, based upon his review, comparison and analysis of the net interest cost in dollars of the refunding bonds and the net interest cost in dollars of the bonds to be refunded.

Acts 1969, c. 12.

§ 13–2E–7. Authorization for issuance

Refunding bonds and all acts required to be authorized hereunder shall be authorized in the manner in which the bonds to be refunded were authorized and issued: Provided, That refunding bonds of a system resulting from the severance of a combined municipal waterworks and sewerage system shall to the extent applicable be authorized and issued under the terms and provisions of law, including, but not limited to, interest rates and net interest costs, under which revenue bonds of such resulting system would be authorized and issued.

Acts 1969, c. 12; Acts 1986, c. 118.

Library References

Key Numbers

Counties ⟹175.

Municipal Corporations ⟹913.

Westlaw Key Number Searches: 104k175; 268k913.

Encyclopedias

C.J.S. Counties § 218.

C.J.S. Municipal Corporations §§ 1651, 1653.

§ 13–2E–8. Authority for escrow agreement

The governing body of any public body shall have power to enter into such escrow agreements and to insert therein such protective and other covenants and provisions as it may consider necessary to permit the carrying out of the provisions of this article and to insure the prompt payment of principal of and interest and redemption premiums on the revenue bonds refunded.

Acts 1969, c. 12.

§ 13–2E–9. Call of revenue bonds for redemption

Where any revenue bonds to be refunded are not to be surrendered for exchange or payment and are not to be paid at maturity with escrowed obligations, but are to be paid from such source prior to maturity pursuant to call for redemption exercised under a right of redemption reserved in such revenue bonds, the governing body of the public body shall, prior to the

issuance of the refunding bonds, determine which redemption date or dates shall be used, call such revenue bonds for redemption and provide for the giving of the notice of redemption required by the proceedings authorizing such revenue bonds. Where such notice is to be given at a time subsequent to the issuance of the refunding bonds, the necessary notices may be deposited with the state sinking fund commission or the bank acting as escrow agent of the refunding bond proceeds and the escrow agent appropriately instructed and authorized to give the required notices at the prescribed time or times. If any officer of the public body signing any such notice shall no longer be in office at the time of the utilization of the notice, the notice shall nevertheless be valid and effective for its intended purpose.

Acts 1969, c. 12.

Library References

Key Numbers

Counties ⇐187.

Municipal Corporations ⇐951.

Westlaw Key Number Searches: 104k187; 268k951.

Encyclopedias

C.J.S. Counties § 226.

C.J.S. Municipal Corporations §§ 1704 to 1705.

§ 13-2E-10. Security provisions

Refunding bonds shall be special obligations of the public body and shall be payable solely from and secured by a lien upon the gross revenues or net revenues of the enterprise, as shall be more fully described in the ordinance or resolution authorizing the issuance of refunding bonds, and the ordinance or resolution authorizing such refunding bonds shall provide for a special fund into which there shall be pledged a fixed amount or a fixed proportion of such revenues which shall be sufficient to pay the principal of and interest on the refunding bonds as the same become due.

In order to assure payment of the principal and interest on any refunding bonds it shall be the duty of the governing body of the public body to establish, levy, maintain and collect such fees, tolls, rentals, rates and other charges for the services of such enterprise as shall be necessary to produce revenues sufficient, after making due and reasonable allowance for contingencies and for a margin of error in estimates, to pay at all times principal of and interest on the refunding bonds as the same become due, to pay current expenses of operation and maintenance, to provide for depreciation, to provide for reserves for any of the foregoing, to comply in all respects with any contract or agreement with bondholders set forth in the ordinance or resolution authorizing such refunding bonds, and to meet any other obligations of the public body which by their terms are charges, liens, or encumbrances upon the revenues of such enterprise.

The ordinance or resolution authorizing any refunding bonds may contain such covenants with the holders of the refunding bonds as to the efficient management and operation of the enterprise; the collection, keeping and disposition of the revenues of the enterprise; the issuance of additional refunding bonds or revenue bonds; the carrying of insurance on such enterprise and

the disposition of insurance proceeds; the keeping of books and records and the auditing thereof; the inspection by bondholders at reasonable times of the enterprise and the records, accounts and data of the public body relating thereto; limitations upon the sale or other disposition of integral parts of the enterprise; the discontinuance of the services and facilities of the enterprise upon failure to pay for such services and facilities; the appointment and duties of a trustee; the rights, liabilities, powers and duties arising upon the breach by the public body of any covenants, conditions or obligations contained in the ordinance or resolution authorizing the issuance of such refunding bonds; remedies of bondholders upon default in the payment of the principal of or interest on any refunding bonds, including the appointment by a court of competent jurisdiction of a receiver for the operation and management of the enterprise and the collection and disbursement of the revenues thereof, but such receiver or any court having jurisdiction in the matter shall not be permitted to sell, mortgage or otherwise dispose of any assets of the enterprise and useful in its operation or cause any of such assets to be sold, mortgaged or otherwise disposed of; and any other conditions, acts or pertinent matters as may be deemed necessary or proper by the governing body of the public body to assure efficient operation of the enterprise, payment of the refunding bonds and marketability of the refunding bonds upon favorable terms. Any agreement or covenant contained in the ordinance or resolution authorizing such refunding bonds shall constitute a contract with the holders of such refunding bonds.

All refunding bonds of the same issue shall be equally and ratably secured, without priority by reason of number, date or time of sale, execution or delivery, by a lien upon the revenues of the enterprise in accordance with the provisions of this section and the ordinance or resolution authorizing the issuance of such refunding bonds.

Nothing in this section or in any other section of this article shall be deemed in any way to alter the terms of any agreements made with the holders of any outstanding revenue bonds of the public body, or to authorize the public body to alter the terms of any such agreements, or to impair, or authorize the public body to impair, the rights and remedies of any creditors of the public body.

Nothing in this section or in any other section of this article shall be deemed in any way to authorize any public body to do anything in any manner or for any purpose which would result in the creation or incurring of a debt or indebtedness or the issuance of any instrument which would constitute a bond or debt within the meaning of any provision, limitation, or restriction of the Constitution relating to the creation or incurring of a debt or indebtedness or the issuance of an instrument constituting a bond or a debt.

Acts 1969, c. 12.

Library References

Key Numbers
Counties ⇐181.
Municipal Corporations ⇐919.

Westlaw Key Number Searches: 104k181; 268k919.

Encyclopedias
C.J.S. Counties § 221.
C.J.S. Municipal Corporations § 1661.

§ 13-2E-11. Bonds payable solely from revenues of enterprise

No recourse shall be had for the payment of the refunding bonds, or interest thereon, or any part thereof, against the general fund of any public body, nor shall the credit or taxing power of any public body be deemed to be pledged thereto.

The refunding bonds, and interest thereon, shall not be a debt of the public body, nor a charge, lien or encumbrance, legal or equitable, upon any property of the public body, nor upon any income, receipts, or revenues of the public body other than such of the revenues of the enterprise as shall have been pledged to the payment thereof, and every refunding bond shall recite in substance that said bond, including interest thereon, is payable solely from the revenues pledged to the payment thereof and that the public body is under no obligation to pay the same, except from said revenues.

Acts 1969, c. 12.

Library References

Key Numbers
Counties ⟹187.
Municipal Corporations ⟹950(15).
Westlaw Key Number Searches: 104k187; 268k950(15).

Encyclopedias
C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1708 to 1709.

§ 13-2E-12. Tax exemption; exceptions

The refunding bonds and the income therefrom shall be exempt from taxation, except inheritance, estate and transfer taxes.

Acts 1969, c. 12.

Library References

Key Numbers
Taxation ⟹218.
Westlaw Key Number Search: 371k218.

Encyclopedias
C.J.S. Taxation § 260.

§ 13-2E-13. Validity of bonds

Refunding bonds bearing the signatures of officers of the public body in office on the date of the signing thereof shall be valid and binding obligations of the public body for all purposes, notwithstanding that before the delivery thereof any or all the persons whose signatures appear thereon shall have ceased to be officers of the public body, the same as if such persons had continued to be officers of the public body until after the delivery thereof. The ordinance or resolution authorizing any refunding bonds may provide that such refunding bond may contain a recital that such refunding bond is issued pursuant to this article, and any refunding bond containing such recital under authority of any such ordinance or resolution shall be conclusively deemed to be valid and to have been issued in conformity with the provisions of this article.

Where any refunding bonds have been heretofore authorized by any public body which would have been valid under and in compliance with the provisions of this article had this article been in existence at the time of the authorization of such refunding bonds, such refunding bonds if heretofore issued, and if not yet issued then such refunding bonds when they shall have been issued, and the proceedings authorizing their issuance, are hereby validated, ratified and confirmed and declared to be binding and enforceable obligations in accordance with their terms.

Acts 1969, c. 12.

Library References

Key Numbers
Counties ⟹183(2).
Municipal Corporations ⟹931.
Westlaw Key Number Searches: 104k183(2); 268k931.

Encyclopedias
C.J.S. Counties § 222.
C.J.S. Municipal Corporations § 1694.

§ 13–2E–14. Article complete authority for refunding bonds; effect on other laws; liberal construction

This article constitutes full and complete authority for the issuance of refunding bonds. No procedure or proceedings, publications, notices, consents, approvals, orders, acts or things by any governing body of any public body, or any board, officer, commission, department, agency, or instrumentality of the State or any public body shall be required to issue any refunding bonds or to do any act or perform anything under this article, except as may be prescribed in this article. The powers conferred by this article shall be in addition and supplemental to, and not in substitution for, and the limitations imposed by this article shall not affect, the powers conferred by any other law. This article is remedial in nature and shall be liberally construed.

Acts 1969, c. 12.

§ 13–2E–15. Severability

If any one or more provisions of this article or the applicability thereof to any persons or circumstances are ever held by a final decision of a court of competent jurisdiction to be invalid, such invalidity shall not affect any other provision or provisions, application or applications of this article, and to this end, the provisions of this article are declared to be severable.

Acts 1969, c. 12.

WV MUNICIPAL BOND COMMISSION
900 Pennsylvania Avenue
Suite 1117
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 10/28/2015

ISSUE: City of Grafton
Hospital Refunding and Improvement Revenue Bonds, Series 2015 A and Series 2015 B

ADDRESS: 1 West Main Street, Grafton, West Virginia 26354 COUNTY: Taylor

PURPOSE OF ISSUE:
New Money: x
Refunding: x

REFUNDS ISSUE(S) DATED: 10/28/2015

ISSUE DATE: 28-Oct-15

CLOSING DATE: 10/28/2015

ISSUE AMOUNT: $2,999,930; $650,000

RATE: 3.25%

1ST DEBT SERVICE DUE: 11/28/2015

1ST PRINCIPAL DUE 11/28/2015

1ST DEBT SERVICE AMOUNT $13,080; $2,834

PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact Tom Aman
Phone: (304) 933.8136

UNDERWRITERS COUNSEL
Firm: None
Contact:
Phone:

CLOSING BANK:
Bank: United States Department of Agriculture
Contact: Paula Moeller, Community Facilities Specialist
Phone: 304.269.8431 Ext. 112

ESCROW TRUSTEE:
Firm: West Virginia Municipal Bond Commissior
Contact: Sara Rogers
Phone: 304.558.3971

KNOWLEDGEABLE ISSUER CONTACT
Contact: Kevin M. Stead
Position: City Manager
Phone: 304.265.1412, Ext. 16

OTHER:
Agency:
Contact:
Position:
Phone:

DEPOSITS TO MBC AT CLOSE

By:				
x	Wire		Accrued Interest:	$
	Check		Capitalized Interest:	$
			Reserve Account:	$
		x	Other: Escrow Fund	$

REFUNDS & TRANSFERS BY MBC AT CLOSE

By:				
x	Wire		To Escrow Trustee	$
	Check		To Issuer	$
	IGT		To Cons. Invest. Fun	$
		x	To Other:	$ 955,857.87

NOTES: Bond Commission to transfer funds on deposit in Sinking Fund amd Reserve Fund for Series 2002 Bonds in the amount of $30,039.67 into the Escrow Fund at closing. The Reserve Fund is to be funded pursuant to monthly payments over a 10 year period. Bond Commission to wire funds to Huntington Bank and JPMorgan Chase on 10/29/2015 for repayment of Series 2002 Bonds and Chase Bank Note.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED:
TRANSFERS REQUIRED:

USDA
United States Department of Agriculture

Rural Development

West Virginia
State Office

1550 Earl Core Road,
Suite 101
Morgantown, WV
26505

Voice 304.284.4860
Fax 304.284.4893

July 15, 2014

The Honorable G. Thomas Bartlett, III
Mayor of the City of Grafton
1 West Main Street
Grafton, West Virginia 26359

RE: Grafton City Hospital

Dear Mayor Bartlett:

This letter, with Attachments 1 through 6 and enclosures, establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loan will be administered on behalf of the Rural Housing Service by the staff of USDA, Rural Development. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by USDA, Rural Development, by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

The docket may be completed on the basis of a Rural Development Community Facilities loan in the amount of $2,999,930 for a total project cost in the same amount.

Project Funding Source:	**Funding Amount:**
Rural Development Community Facilities Loan	$2,999,930
Total Project Funding	$2,999,930

The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you. The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing.

All regulations and forms outlined in this letter can be obtained from our website at http://www.rurdev.usda.gov/RegulationsAndGuidance.html (click on "Instructions" or Forms," as appropriate, in the upper right hand corner). From this website, you must review Rural Development Instruction 1942-A, Sections 1942.17, 1942.18, and 1942.19. If you do not have internet access, we will provide the appropriate documents.

Extra copies of this letter are being provided for use by your architect, attorney, bond counsel and accountant. These representatives must also review the appropriate subparts of Rural Development Instruction 1942-A.

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Attachment No. 1 – Project Construction Budget (All Copies)
Attachment No. 2 – Community Facilities Processing Checklist for The City of Grafton (All Copies)
Attachment No. 3 – Attachment to AIA Document B101-2007 (RD Guide 27) (Agreement)/or AIA Document B104-2007(alternate Guide 27)
Attachment No. 4 – Attachment to AIA Document A101-2007 (RD Guide 27) (Standard Form of Agreement Between Owner & Contractor)
Attachment No. 5 – Attachment to AIA Document A201-2007 (RD Guide 27) (General Conditions)
Attachment No. 6 – Various Other RD Forms as Identified in Attachment No. 2

The conditions referred to above are as follows:

1. Loan Repayment – The loan will be scheduled for repayment over a period of 30 years. Regular amortized monthly payments will start one month from loan closing. For planning purposes use a 4.00% interest rate and a monthly amortization factor of .00478, which provides for a monthly payment of $14,349. You have the option of participating in the PREAUTHORIZED DEBIT (PAD) payment process. It will allow for your payment to be electronically debited from your account on the day your payment is due. Your authority must establish and fund monthly a debt service reserve account, which equals 10% of your monthly payment each month until you accumulate the equivalent of one annual installment on your loan.

   You are reminded that your authority may be required to refinance (graduate) the unpaid balance of its Rural Development loan, in whole or in part, upon the request of Rural Development if at any time it shall be determined the authority is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time.

2. Security – Security for this loan will consist of:

   a. A pledge of the net revenues of the Grafton City Hospital.

   b. A statutory mortgage lien on the Hospital facilities with the United States of America, acting through the Rural Housing Service, USDA, having first priority.

   c. A trust indenture establishing rights and remedies of the bondholder (USA), including covenants as to custody and application of moneys from the operation of the Hospital.

   d. Other agreements between the City and United States of America, acting through the Rural Housing Service, USDA, as set forth in the bond ordinance which must be properly adopted and executed by the appropriate officials of your organization.

3. Bond Counsel Services – The services of a recognized bond counsel are required. The bond counsel will prepare the form of ordinance to be used, in accordance with Subpart A of RD Instruction 1942. You should immediately provide your bond counsel with a copy of this letter of conditions, its attachments and enclosures.

4. Architectural Services – It will be necessary for you to obtain the services of an architect. AIA Document AIA Document B104-2007 or AIA B101-2007 should be used to obtain the services of an

architect. The AIA document is issued under copyright and cannot be provided by the Rural Development.

5. Legal Services – It will be necessary for you to obtain the services of a local attorney.

6. Accounting and Accounting Services – RD Instruction 1942-A, Section 1942.17 outlines requirements for the submission of management reports and audits. Appropriate state statutes place certain audit requirements on the City. "Government Auditing Standards (Revised 2007)" outlines audit requirements. This booklet may be found on the following website: http://www.gao.gov/govaud/ybk01.htm.

   You are reminded that certain provisions of the Office of Management and Budget Circular A-133 are applicable to any public body or nonprofit association that expends $500,000 or more in federal funds in any one fiscal year. You must enter into an agreement annually with an accountant (or the State Tax Department) to perform the audit. The agreement must be in accordance with the requirements of the State Tax Commissioner of West Virginia. Compensation for preparation of the A-133 audit or your annual audit are not included in project funds and should be paid from the operational revenues generated from your system operation.

7. Facility Control –You must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights needed for the project. Such evidence must be in the following form:

   a. Title Insurance – Title insurance coverage in favor of the "United States of America acting through the Rural Housing Service, or successor agency, USDA" must be obtained. A lender's policy in the amount of $2,999,930 is required. Survey coverage is required. Prior to loan closing, Rural Development will require a Title Insurance Commitment (binder) identifying the title insurance coverage, requirements and exceptions. Rural Development will notify the closing agent if any exceptions must be removed. After loan closing, the closing agent will provide Rural Development with the Final Title Insurance Policy.

   b. A narrative opinion from your attorney concerning all permits, certifications and other items necessary to show that all legal requirements can be met and stating how they will be met. T

8. Permits – Copies of all permits needed for the project must be provided by loan closing.

9. Insurance and Bonding Requirements – Prior to preliminary loan closing, the following insurance and bond coverage must be acquired:

   a. Liability Insurance (City & Grafton City Hospital) – Personal Liability - $500,000; Property Damage - $200,000 - $200,000. The limits of liability coverage noted herein should be considered as suggested amounts only. RD recommends that you consider analyzing your actual needs in detail before you obtain coverage in a specific amount.

   b. Workers Compensation (City & Grafton City Hospital) – In accordance with appropriate State laws.

   c. Position Fidelity Bond(s) (Grafton City Hospital) – All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. As a good business practice you

will probably wish to have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time.

The minimum coverage acceptable to Rural Development once your project is in operation will be for each position to be bonded for an amount at least equal to one annual installment on the loan.

d. Real Property Insurance – Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures, to include machinery and equipment housed therein. The Government must be listed as a lien holder on your policy as: United States of America acting through the Rural Housing Service or its Successor Agency, 1550 Earl Core Road Suite 101, Morgantown, WV 26505.

e. Medical Malpractice (Grafton City Hospital) - Medical malpractice insurance in an amount not less than $500,000 for one person and not less than $1,000,000 for any aggregate amount of claims. The limits of liability coverage noted herein should be considered as suggested amounts only. RD recommends that the Hospital consider analyzing its actual needs in detail before finalizing coverage in a specific amount.

10. Contract Documents, Final Plans and Specifications –

a. The contract documents should consist of the following:

i. Attachment to AIA Document A 101-2007, "Standard Form of Agreement Between Owner and Contractor", (Attachment No. 3).

ii. Attachment to AIA Document A 201-2007, "General Conditions", (Attachment No. 4).

The AIA documents are issued under copyright and cannot be provided by Rural Development.

b. The contract documents must provide, as a minimum, the following insurance:

i. Liability Insurance – Personal Liability - $500,000; Property Damage - $200,000 - $200,000. This coverage must include indemnification of the Building Commission and its architect. RD Instruction 1942-A Guide 27, Attachment 5, suggests certain limits of liability for insurance coverage. Those limits should be considered as minimum requirements only. It is recommended you consider increasing the given limits of liability after analyzing your specific needs.

ii. Builder's Risk Insurance – On all structures and mechanical and electrical equipment in place or stored on the site to the full insurable value thereof.

iii. Workers' Compensation – In accordance with applicable State laws.

c. The contract documents and final plans and specifications must be submitted to Rural Development for approval.

d. The project must be designed in compliance with Section 504 of the Rehabilitation Act of 1973.

11. Disbursement of Funds – The RD funds will be advanced as they are needed in the amount(s) necessary to cover the RD proportionate share of any disbursements required of your commission, over 30 day periods.

    The City will establish a separate fund, to be known and hereafter referred to as the Construction Account, with a lending institution insured by the Federal Deposit Corporation. The account shall be used solely for the purpose of paying the costs of the project as outlined in the construction budget. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the Construction Account. All deposits in excess of $250,000 will be secured by a collateral pledge in accordance with Treasury Circular Number 176.

    The City must assure that ***all project funds*** are expended only for the eligible items included in the final project budget or as may be later approved by Rural Development.

12. State Prevailing Wage Law – You should ensure that all requirements of Article 5A of the West Virginia State Prevailing Wage Law, "Wages for Construction of Public Improvements" are met.

13. Civil Rights & Equal Opportunity – You should be aware of and will be required to comply with other federal statute requirements including but not limited to:

    Section 504 of the Rehabilitation Act of 1973 – Under section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving RHS financial assistance.

    Civil Rights Act of 1964 – All borrowers are subject to, and facilities must be operated in accordance with, title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and subpart E of part 1901 of this title, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by paragraph 1901.202(e) of this title.

    The Americans with Disabilities Act (ADA) of 1990 – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the Act applies to facilities operated by State and local public entities, which provides services, programs and activities. Title III of the Act applies to facilities owned, leased, or operated by private entities, which accommodate the public.

    Age Discrimination Act of 1975 – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

    RD financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

14. At a properly called meeting, you must adopt and properly execute the following forms, and minutes showing the adoption must be provided:

    Form RD 1940-1 – "Request for Obligation of Funds"
    Form RD 1942-47 – "Loan Resolution" (Public Bodies)
    Form RD 400-1 – "Equal Opportunity Agreement"
    Form RD 400-4 – "Assurance Agreement"
    Form AD 1047 – "Certification Regarding Debarment – Primary"
    Form RD 1910-11 – "Applicant Certification, Federal Collection Policies"
    RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans"
    Standard Form LLL – "Disclosure of Lobbying Activities" (If Applicable) Certification of Compliance
    Form RD 1942-46, "Letter of Intent to Meet Conditions"

    Please complete and return the enclosed Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire further consideration be given to your application.

15. Loan Closing Instructions – The Community Facilities Processing Checklist (Attachment No. 2) outlines the items needed to complete the loan docket. All the items listed must be included in the loan docket when it is forwarded to the USDA - Rural Development with a request for loan closing instructions to be issued.

16. Bid Advertisement – Upon receipt of the loan docket, which contains all the items required above, RD may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide RD with (a) a bid tabulation, (b) recommendations from you and your architect as to the acceptability of the bids received, and (c) your recommendations for contract awards. If all parties then agree the construction bids received are acceptable, it is determined that adequate funds are available to cover the total facility costs, and that all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met before the loan can be closed. When all parties agree that the closing requirements can be met, a mutually acceptable date for the loan closing will be scheduled.

Any applicant contribution shall be considered as the first funds expended. After providing for all authorized costs, any remaining RD project funds will be considered to be RHS loan funds and would be applied as an extra payment toward the loan balance.

If the conditions set forth in this letter are not met within twelve (12) months from the date hereof, RD reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of loan closing within the twelve-month period and it is determined the authority still wishes to proceed, it will be necessary that the proposed budget be reviewed again in detail. If during that review, it is determined the budget is no longer current and/or adequate, RD reserves the right to require that it be revised or replaced.

We believe the information herein clearly sets forth the actions which must be taken; however, if you have any questions, please do not hesitate to contact me.

Sincerely yours,

BOBBY LEWIS
State Director

Enclosures

cc: Alan Harris, Area Director
Ripley, WV

Patrick Shaw, CEO
Grafton City Hospital
1 Hospital Plaza
Grafton, WV 26354

Walter L. Williams, Esquire
STEPTOE & JOHNSON, PLLC
400 White Oaks Boulevard
Bridgeport, WV

Thomas L. Aman, Esquire
STEPTOE & JOHNSON, PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330

Architect

Accountant

Grafton City Hospital, Inc.

STATEMENT OF REVENUE AND EXPENDITURES

	2009	2010	2011	2012	2013	2014 Forecast	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast
CASH INFLOWS										
Patient Revenue	$ 18,791,833	$ 19,293,704	$ 20,044,980	$ 19,685,818	$ 19,723,635	$ 19,406,981	$ 19,906,410	$ 20,252,926	$ 20,628,875	$ 21,162,259
Other Revenue	$ 161,153	$ 174,722	$ 163,624	$ 194,615	$ 267,648	$ 275,000	$ 275,000	$ 275,000	$ 275,000	$ 275,000
Interest Income	$ 1,468	$ 6,783	$ 57,701	$ 60,991	$ 93,168					
Noncapital Grants & Contrib.	$ 17,117	$ 44,895	$ 36,937	$ 14,264						
HRSA 340 Pharmacy Program						$ 50,000	$ 200,000	$ 250,000	$ 300,000	$ 350,000
TOTAL REVENUE	$ 18,971,571	$ 19,520,104	$ 20,303,242	$ 19,955,688	$ 20,084,451	$ 19,731,981	$ 20,381,410	$ 20,777,926	$ 21,203,875	$ 21,787,259
		2.89%	4.01%	-1.71%	0.65%	-1.75%	3.29%	1.95%	2.05%	2.75%
OPERATING EXPENSES										
Salaries & Wages	$ 9,035,070	$ 9,557,882	$ 9,994,722	$ 10,072,001	$ 9,962,676	$ 10,277,481	$ 10,534,418	$ 10,797,778	$ 11,067,723	$ 11,344,416
Employee Benefits	$ 2,055,046	$ 2,039,799	$ 2,395,412	$ 2,235,706	$ 2,092,964	$ 2,158,271	$ 2,212,228	$ 2,267,533	$ 2,324,222	$ 2,382,327
Supplies	$ 4,410,335	$ 4,687,839	$ 4,931,164	$ 4,760,110	$ 4,791,581	$ 4,599,983	$ 4,723,480	$ 5,034,483	$ 5,350,694	$ 5,664,669
Insurance	$ 569,564	$ 464,771	$ 455,339	$ 458,605	$ 451,577	$ 460,000	$ 465,000	$ 470,000	$ 475,000	$ 480,000
Bad Debt	$ 2,075,525	$ 2,082,811	$ 1,941,477	$ 2,003,768	$ 1,495,179	$ 1,327,910	$ 1,192,502	$ 956,332	$ 844,789	$ 871,326
Depreciation	$ 459,955	$ 493,123	$ 440,521	$ 412,524	$ 423,243	$ 435,000	$ 485,000	$ 537,000	$ 537,000	$ 537,000
Interest	$ 117,406	$ 130,566	$ 110,870	$ 97,932	$ 91,267	$ 127,109	$ 129,397	$ 127,203	$ 124,911	$ 122,517
Misc.					$ (47,475)					
TOTAL EXPENSES	$ 18,722,901	$ 19,456,791	$ 20,269,505	$ 20,040,646	$ 19,261,012	$ 19,385,754	$ 19,742,025	$ 20,190,329	$ 20,724,339	$ 21,402,255
		3.92%	4.18%	-1.13%	-3.89%	0.65%	1.84%	2.27%	2.64%	3.27%
NET INCOME	$ 248,670	$ 63,313	$ 33,737	$ (84,958)	$ 823,439	$ 346,227	$ 639,385	$ 587,597	$ 479,536	$ 385,004
Add Depreciation & Interest	$ 577,361	$ 623,689	$ 551,391	$ 510,456	$ 514,510	$ 562,109	$ 614,397	$ 664,203	$ 661,911	$ 659,517
Amt Available for Debt Service	$ 826,031	$ 687,002	$ 585,128	$ 425,498	$ 1,337,949	$ 908,336	$ 1,253,782	$ 1,251,800	$ 1,141,447	$ 1,044,521
Other Debt Service	*$ 212,672*	*$ 325,640*	*$ 426,467*	*$ 550,304*	*$ 628,497*	*$ 386,489*				
RD P&I Payments							*$ 172,188*	*$ 172,188*	*$ 172,188*	*$ 172,188*
Debt Service Reserve							*$ 17,218*	*$ 17,218*	*$ 17,281*	*$ 17,218*
Debt Service Requirement	*$ 212,672*	*$ 325,640*	*$ 426,467*	*$ 550,304*	*$ 628,497*	*$ 386,489*	*$ 189,406*	*$ 189,406*	*$ 189,469*	*$ 189,406*
Debt Service Coverage	*388.41%*	*210.97%*	*137.20%*	*77.32%*	*212.88%*	*235.02%*	*728.15%*	*727.00%*	*662.91%*	*606.62%*

USDA

United States Department of Agriculture

Rural Development

Weston Sub-Area Office

24 Gateway Drive
Weston, WV 26452

Voice 304.269.8431

October 20, 2015

The Honorable G. Thomas Bartlett, III
Mayor of the City of Grafton
1 West Main Street
Grafton, West Virginia 26359

Dear Mayor Bartlett:

A pre-closing for the Grafton City Hospital's Rural Development loan is tentatively scheduled for Monday, October 26, 2015. The pre-construction conference will be scheduled at a later date.

Reference is made to our letter of conditions dated July 15, 2014 and amendment 1 dated September 15, 2015. All of the requirements of these letters must be met and in addition, the loan must be closed in accordance with Rural Development Instruction 1942-A and "Closing Guidelines for Community Facilities Loans to Public Bodies."

The Rural Development loans of $2,999,930 and $650,000 will be closed utilizing an interest rate of 3.25% for a 30 year term. This results in monthly payments of $13,080 and $2,834. The City must establish and fund monthly a debt service reserve account. The reserve account must equal 10% of the annual debt service until an annual debt payment has been accumulated.

The following items should be submitted to our office as soon as possible:

1. A copy of invoices to be paid on the day of closing along with any supporting documentation should be provided to this office no later than October 21, 2015.

As soon as possible after closing, The Commission's attorney must furnish a Lender's Title Insurance Policy in the amount of $3,649,930. The policy is to be dated October 28, 2015.

If you have any questions regarding these or any other matters pertaining to your loan, please contact me at your earliest convenience at 304-269-8431, extension 112.

Sincerely,

Paula Moeller

Paula Moeller
Community Facilities Specialist

cc: Page 2

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

cc: Patrick Shaw, CEO
Grafton City Hospital
1 Hospital Plaza
Grafton, WV 26354

Thomas L. Aman, Esquire
STEPTOE & JOHNSON, PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330

Walter L. Williams, Esquire
STEPTOE & JOHNSON, PLLC
400 White Oaks Boulevard
Bridgeport, WV

Prepared By: Harrisburg OGC
Effective: December 2, 2013

STANDARD CLOSING GUIDELINES FOR COMMUNITY FACILITY AND WATER AND ENVIRONMENTAL PROGRAM LOANS TO PUBLIC BODIES

At or before the closing for the financing, the following conditions must be satisfied:

1. General Requirements. There must be full compliance with all requirements specified in (a) applicable Rural Development (RD) or Rural Utilities Service (RUS) Instructions, (b) correspondence from OGC, (c) any applicable correspondence from the Administrator's office, (d) RD or RUS Letter of Conditions, and (e) any correspondence from the State Office.

2. Loan Resolution. Confirm that the Borrower has duly adopted the fully executed Form RD 1942-47 Loan Resolution (Public Bodies) for CF projects, or RUS Bulletin 1780-27 Loan Resolution (Public Bodies) for WEP projects.

3. Grant Agreement. In the event that a grant is also to be made to the Borrower, then the grant may be closed in accordance with RD or RUS Instructions, provided that duly authorized officials of the Borrower have fully executed Form RD 3570-3 Agreement for Administrative Requirements for Community Facilities Grants for CF projects, or RUS Bulletin 1780-12 Water and Waste System Grant Agreement for WEP projects.

4. Civil Rights. Confirm that the following fully executed civil rights forms are in the docket:

   a. Form RD 400-1, Equal Opportunity Agreement.

   b. Form RD 400-4, Assurance Agreement.

   c. Form RD 400-8, Compliance Review (Pre-loan closing).

5. Environmental Impact. If applicable, confirm that a completed and executed Environmental Impact Assessment is in the docket. If the Assessment indicates that an Environmental Impact Statement must be filed, this must be accomplished prior to loan closing.

6. Specimen Bond(s). Prior to closing, confirm that the terms of the specimen bond(s) are consistent with RD or RUS Instructions, the RD or RUS Letter of Conditions and other obligating documents. Amortization schedules and maturity dates should be checked very carefully.

7. Certification of Payment. If RD loan proceeds will be used to retire interim indebtedness, the Borrower must provide RD with written statements in accordance with RD Instruction 1942-A, 7 C.F.R. § 1942.17(n)(3).

8. Examination of Executed Bond(s). The Loan Specialist should examine the executed original Bond(s) at the closing to determine the following:

a. That the repayment and other terms of the Bond(s) are consistent with the RD or RUS Letter of Conditions and obligating documents.

b. That the Bond(s) has been fully executed by the proper officials of the Borrower as recited on the face of the Bond(s).

c. That the persons executing the Bond(s) are officials of the Borrower as shown on the General Incumbency Certificate.

d. That the Borrower's seal is on the Bond(s).

e. That any authentication certificate contained on the Bond(s) has been properly executed.

f. That the Bond(s) is fully registered in the name of the United States of America, acting through the Rural Housing Service or Rural Utilities Service.

g. That the place of payment shown on the face of the Bond is correct and administratively acceptable.

h. That the Bond(s) is dated as of the date of closing.

9. Dates, Seals and Signatures. All certifications and opinions furnished by the Borrower, Local Counsel or Bond Counsel should be dated as of the date of Loan Closing. Wherever appropriate, the seal of the Borrower should be impressed on materials being furnished by the Borrower. Bond transcript items 10(b), 10(i), 10(k) and 10(m) listed below should be manually-executed originals. For the remaining Bond transcript documents, an original manual attestation by the Borrower's Clerk or Secretary will suffice.

10. Bond Transcript. A bond transcript should be compiled by Bond Counsel in accordance with the requirements contained in RD Instruction 1942-A, 7 C.F.R. § 1942.19(c) for CF projects, or RUS Instruction 1780-D, 7 C.F.R. § 1780.83, for WEP projects. Confirm that the bond transcript contains each of the following items:

a. Certified copies of all organizational documents, i.e., special acts, charter, by-laws.

b. General Incumbency Certificate (may sometimes be referred to as Signature Certificate).

c. Certified copies of minutes or excerpts therefrom of all meetings of the Borrower's

governing body at which action was taken in connection with the authorization and issuance of the Bond(s).

d. Certified copies of documents evidencing that the Borrower has complied fully with all statutory requirements incident to the calling and holding of a favorable bond election unless Bond Counsel advises you this is not applicable.

e. Certified documents evidencing that the Borrower has complied fully with all statutory requirements incident to advertising the consideration and/or adoption of the bond ordinance unless Bond Counsel advises you that this is not applicable.

f. Certified copies of the resolutions or ordinances or other documents, such as the bond authorizing resolution or ordinance and any resolution establishing rates and regulating the use of the improvements, if such documents are not included in the minutes furnished.

g. Copies of official Notice of Sale and Affidavit of Publication of Notice of Sale unless Bond Counsel advises you that this is not applicable.

h. Specimen Bond (of each denomination), with any attached coupons.

i. No Litigation Certificate of Local Counsel (See Item 11 below).

j. Certified copies of resolutions or other documents pertaining to the award of the Bond(s).

k. Non-Arbitrage Certificate.

l. Any additional or supporting documents required by Bond Counsel.

m. Preliminary approving opinion, if any, and final unqualified approving opinion of Bond Counsel, including an opinion regarding interest on bonds being exempt from Federal and any State income taxes.

Any omissions from the Bond transcript should be supplied by the Loan Specialist with the assistance of the Borrower and Bond Counsel. Obviously, some of the documents listed above will normally be delivered prior to the closing.

11. Attorney's No-Litigation Certificate. Local Counsel should deliver a manually-executed original attorney's no-litigation certificate dated the date of closing.

12. Evidence of Title. In all cases, confirm that Local Counsel has supplied RD with his or her title opinion regarding the sites for any project structures such as treatment plants and community buildings. The opinion should be on Form RD 1927-10 with any changes necessary

to reflect the circumstances of this financing. In the case of utility-type financings, confirm that executed Form RD 442-21 and 442-22 concerning rights-of-way are also in the docket. Any title exceptions should either be removed prior to closing or be specifically cleared through OGC.

13. Additional Instructions. OGC will normally issue additional closing instructions on a case-by-case basis containing special requirements for specific loans. The Loan Specialist should review the Closing Instructions prepared by OGC relating to the specific case and close the loan in accordance with those instructions.

Position 5

USDA
Form RD 1942-47
(Rev. 12-97)

LOAN RESOLUTION
(Public Bodies)

FORM APPROVED
OMB NO. 0575-0015

A RESOLUTION OF THE City Council

OF THE City of Grafton
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

Refinancing, equipment, and capital improvements to Grafton City Hospital
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Grafton, City of
(Public Body)
(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

2,999,930.00

pursuant to the provisions of West Virginia Code 8-16-1 et. deq.; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of $ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. ~~Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.~~

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:

    (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
    (b) Repairing or replacing short-lived assets.
    (c) Making extensions or improvements to the facility.

    Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.

16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17. ~~To accept a grant in an amount not to exceed $~~ _____

    ~~under the terms offered by the Government; that the~~ _____

    ~~and~~ _____ ~~of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).~~

    The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 16 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas FIVE (5) Nays NONE Absent NONE.

IN WITNESS WHEREOF, the City Council of the Grafton, City of has duly adopted this resolution and caused it to be executed by the officers below in duplicate on this 5th day of August, 2014.

(SEAL)

G Thomas Bartlett III

By _____

Title Mayor

Attest: Larry M. Rickman

City Clerk

Title

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as City Clerk of the Grafton, City of hereby certify that the Grafton City Council of such Association is composed of Five (5) members, of whom Five (5), constituting a quorum, were present at a meeting thereof duly called and held on the 5th day of August, 2014; and that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of 10-28-2015, the date of closing of the loan from the Government, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this 28th day of October, 2015.

Terry R. Brimmer

Title City Clerk

USDA

United States Department of Agriculture

Rural Development

West Virginia
State Office

1550 Earl Core Road,
Suite 101
Morgantown, WV
26505

Voice 304.284.4860
Fax 855.859.1835

September 15, 2015

The Honorable G. Thomas Bartlett, III
Mayor of the City of Grafton
1 West Main Street
Grafton, West Virginia 26359

RE: Amendment No. 1 to Letter of Conditions

Dear Mayor Bartlett:

This letter, with Attachment No. 1 and 2, amends the letter of conditions dated July 15, 2014, and further establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loan will be administered on behalf of the Rural Housing Service by the State and Local staff of USDA, Rural Development. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by USDA, Rural Development by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

The docket may be completed on the basis of an initial Rural Development Community Facilities loan in the amount of $2,999,930 and a subsequent Rural Development Community Facilities loan in the amount of $650,000 for a total project cost of $3,649,930.

Project Funding Sources:	**Funding Amount:**
Rural Development Community Facilities Direct Loan	$2,999,930
Rural Development Community Facilities Direct Loan	$ 650,000
TOTAL	$3,649,930

Subject to the requirements noted herein, all of the conditions of the July 15, 2014 letter of conditions remain in effect and must be satisfied prior to loan closing.

Extra copies of this letter are being provided for use by your accountant. The enclosures and attachments listed below are attached to the copies as noted.

Enclosed are the following:

Attachment No. 1 - Project Construction Budget (All Copies)
Attachment No. 2 – Various RD Forms as Identified in this Letter

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

The conditions referred to above are as follows:

1. Loan Repayment – The initial and subsequent loans will be scheduled for repayment over a period of **30 years**. Regular amortized monthly payments will start one month from loan closing. For planning purposes, use a 3.625% interest rate which provides for a monthly payment of $2,971 on the subsequent loan. The monthly payment for the initial $2,999,930 loan is at a 4.00% interest rate and is $14,340. The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing.

2. The bond for the $650,000 subsequent loan will need to be a separate bond and it will include the interest rate determined applicable prior to loan closing. It will be satisfactory for the subsequent loan bond to be described in the same loan resolution as the $2,999,930 initial loan and for all other information and items of the loan resolution and bond transcript to reflect a $3,649,930 total issue consisting of two or more bonds.

3. Title Insurance – Title insurance coverage in favor of the "United States of America acting through the Rural Housing Service, or successor agency, USDA" must be obtained. A lender's policy in the amount of $3,649,930 is required. This is an increase of $650,000 from our original instructions.

4. At a properly called meeting, you must adopt and properly execute the following forms, and minutes showing the adoption must be provide:

   Form RD 1940-1 - "Request for Obligation of Funds"
   Form RD 1942-47 - "Loan Resolution" Public Bodies
   Form RD 1942-46 - "Letter of Intent to Meet Conditions"

If the conditions set forth in this letter are not met within six (6) months from the date hereof, Rural Development reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of loan closing within the six-month period and it is determined the Association still wishes to proceed, it will be necessary that the proposed budget be reviewed again in detail. If, during that review, it is determined the budget is no longer current and/or adequate, Rural Development reserves the right to require that it be revised or replaced.

We believe the information herein clearly sets forth the actions which must be taken; however, if you have any questions, please do not hesitate to contact me.

Sincerely,

Susan L Neuroner
for BOBBY LEWIS
State Director

Enclosures

cc: Page 3.

cc: Patrick Shaw, CEO
Grafton City Hospital
1 Hospital Plaza
Grafton, WV 26354

Walter L. Williams, Esquire
STEPTOE & JOHNSON, PLLC
400 White Oaks Boulevard
Bridgeport, WV

Thomas L. Aman, Esquire
STEPTOE & JOHNSON, PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330

Craig Baker, CEFP
THE THRASHER GROUP, INC.
P. O. Box 940
Bridgeport, WV 26330

Greg Gibbs, CPA
ARNETT CARBIS TOOTHMAN, PLLC
P. O. Box 2629
Charleston, WV 25329

ATTACHMENT 1

PROJECT BUDGET

Attachment 1 to Letter of Conditions
For: City of Grafton (Grafton City Hospital)
Date: September 15, 2015

PROJECT CONSTRUCTION BUDGET

PROJECT COST	RD LOAN	TOTAL
Refinance	$ 1,604,000	$ 1,604,000
Equipment/Capital Improvements	$ 1,764,180	$ 1,764,180
Contingency	$ 71,500	$ 71,500
Bond Counsel	$ 28,500	$ 28,500
Legal (includes Title Insurance) est.	$ 9,500	$ 9,500
Architectural/Engineer	$ 172,250	$ 172,250
TOTAL	**$ 3,649,930**	**$ 3,649,930**

Position 5

USDA
Form RD 1942-47
(Rev. 12-97)

LOAN RESOLUTION
(Public Bodies)

FORM APPROVED
OMB NO. 0575-0015

A RESOLUTION OF THE City Council

OF THE City of Grafton
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

Refinancing, equipment, and capital improvements to Grafton City Hospital
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Grafton, City of
(Public Body)
(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

$650,000.00

pursuant to the provisions of West Virginia Code 8-16-1 et. deq. ; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of $ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. ~~Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.~~

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:

    (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
    (b) Repairing or replacing short-lived assets.
    (c) Making extensions or improvements to the facility.

    Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.

16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17. ~~To accept a grant in an amount not to exceed $~~ _____

    ~~under the terms offered by the Government; that the~~ _____

    ~~and~~ _____ ~~of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).~~

    The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 16 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas FOUR (4) Nays NONE Absent ONE (1).

IN WITNESS WHEREOF, the City Council of the Grafton, City of has duly adopted this resolution and caused it to be executed by the officers below in duplicate on this 15th day of September, 2015.

(SEAL)

Attest: Tammy M. Kleinman

City Clerk
Title

By G. Thomas Bodenstab III

Title Mayor

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as City Clerk of the Grafton, City of hereby certify that the Grafton City Council of such Association is composed of Five (5) members, of whom Four (4), constituting a quorum, were present at a meeting thereof duly called and held on the 15th day of September, 2015; and that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of 10-28-2015, the date of closing of the loan from the Government, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this 28th day of October, 2015.

Title City Clerk

First American Title™	Commitment for Title Insurance ISSUED BY **First American Title Insurance Company**
Commitment	**Commitment No.: 2015-016-S&J-DLS (Second Revised Version)**

First American Title Insurance Company, herein called the Company, for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges therefore; all subject to the provisions of Schedules A and B and to the Conditions and stipulations hereof.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or polices of title insurance and all liability and obligations hereunder shall cease and terminate (6) six months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company. This Commitment shall not be valid or binding until countersigned by an authorized officer or agent of the Company.

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be affixed by its duly authorized officers on the date shown in Schedule A.

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

(This Commitment is valid only when Schedules A and B are attached)

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CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.

2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions.

3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.

4. Any Claim or loss or damage, whether or not based on negligence, and which arises out of the statute of the title to the estate or interest or the lien of the insured mortgage covered hereby or any action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this Commitment.

First American Title™	Commitment for Title Insurance ISSUED BY **First American Title Insurance Company**
Schedule A	**Commitment No.: 2015-016-S&J-DLS (Second Revised Version)**

File No.: 345720/00005

1. Effective Date: August 11, 2015 @ 9:00 a.m. EDT

2. Policy (or Policies) to be issued:

	AMOUNT
a. ☐ ALTA Owner's Policy of Title Insurance (6-17-06) Proposed Insured:	$ N/A
b. ☒ ALTA Loan Policy of Title Insurance (6-17-06) Proposed Insured:	$3,649,930.00
UNITED STATES OF AMERICA, acting through the Rural Housing Service, or successor agency, USDA	
c. ☐ (Identify form used) Proposed Insured:	$

3. The estate or interest in the land described or referred to in this Commitment and covered herein is Fee Simple in Surface and title to said estate is at the effective date hereof vested in:

CITY OF GRAFTON,
a municipal corporation and political subdivision
of the State of West Virginia

4. All the following described real estate situate, lying and being in Taylor County, West Virginia, and which real estate is more particularly bounded and described as follows, to-wit:

See Attached Exhibit A

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____
Authorized Countersignature
(This Schedule A valid only when Schedule B is attached)

6891344.3

First American Title™	Commitment for Title Insurance ISSUED BY **First American Title Insurance Company**
Schedule BI	**Commitment No.: 2015-016-S&J-DLS (Second Revised Version)**

File No.: 345720/00005

REQUIREMENTS

The following requirements must be satisfied:

1. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

2. Pay all taxes, charges, assessments, levied and assessed against subject premises, which are due and payable.

3. Proper instruments(s) creating the estate or interest to be insured must be executed and duly filed for record, to wit:

    a. Credit Line Deed of Trust from the Owner set forth in Schedule A, Item No. 3 hereinabove, conveying the property described in Schedule A, Item No. 4 hereinabove, to secure the insured set forth in Schedule A, Item No. 2(b) hereinabove, in the amount set forth in Schedule A, Item No. 2(b) hereinabove

    b. Receipt by the Company of evidence satisfactory to the Company that the City Council of the Owner set forth in Schedule A, Item No. 3 hereinabove has duly authorized the execution and delivery of the deed of trust described in the preceding Paragraph No. 3(a) hereinabove.

    c. Receipt by the Company of a satisfactory Owner's Affidavit executed by the Owner set forth in Schedule A, Item No. 3 hereinabove.

4. Receipt by the Company of evidence satisfactory to the Company that the property described in Schedule A, Item 4 hereinabove has legal access to an open, public street or highway.

5. Satisfactory subordination to the lien of the Credit Line Deed of Trust contemplated by Requirement No. 3(a) hereinabove of the following lien instrument:

    a. Notice of State Tax Lien dated October 7, 2013, in the amount of $288,831.36, in the name of Grafton City Hospital, Inc., which is of record in the aforesaid Clerk's Office in State and Federal Tax Lien Book 21, at page 8.

6. Satisfactory release of the property described in Schedule A, Item No. 4 hereinabove from the following lien instrument:

    a. Notice of Federal Tax Lien dated February 2, 2015, in the amount of $905,370.79, in the name of Grafton City Hospital, Inc., which is of record in the aforesaid Clerk's Office in State and Federal Tax Lien Book 21, at page 333.

First American Title™	Commitment for Title Insurance ISSUED BY **First American Title Insurance Company**
Schedule BII	**Commitment No.: 2015-016-S&J-DLS (Second Revised Version)**

File No.: 345720/00005

EXCEPTIONS

The policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.

2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.

3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.

4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown in the public records.

7. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date of the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this commitment.

8. Leases, agreements or contracts, not filed of record.

9. Accuracy of area content is hereby not insured.

10. The exception, reservation, or out-conveyance of coal, oil, gas, coalbed methane gas, limestone, sandstone, and other minerals and mineral substance and stratas, liquid, gaseous, and solid, together with the rights and privileges, express, implied, necessary, or convenient to mine, remove, extract, explore for, drill for, and operate the same, and the rights of way and easements associated therewith or appurtenant thereto.

11. The final policy issued pursuant to this Commitment shall include the following endorsement: WV Credit Line Pending Disbursement Endorsement.

12. Right of Way Agreement dated March 18, 1969, and of record in the Office of the Clerk of the County Commission of Taylor County, West Virginia in Deed Book 148, at page 54.

13. Distribution Line Easement dated May 22, 1969, and of record in said Clerk's Office in Deed Book 148, at page 280.

14. Distribution Line Easement dated June 11, 1969, and of record in said Clerk's Office in Deed Book 148, at page 433.

15. Distribution Line Easement dated September 12, 1975, and of record in said Clerk's Office in Deed Book 169, at page 66.

EXHIBIT A

ATTACHMENT TO
SCHEDULE A - ITEM 4

PROPERTY DESCRIPTION

FRIEND TRACT

First. Those two (2) certain lots or parcels of real estate described as Lots Nos. One (1) and Two (2) lying between the Pike and Wilford Street, Grafton, Taylor County, West Virginia, on the Fetterman Plat "B", which plat is of record in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book 17, at page 152, reserving, however, the part heretofore conveyed to said City by Lawson Starcher, et al., by deed of record in said Clerk's Office in Deed Book 70, at page 483.

Second. Being Lot No. Three (3) of said Fetterman Plat "B", less four (4) lots heretofore sold at Southwest corner, each fronting sixty (60) feet on Wilford Street, and extending bock preserving the same width one hundred twenty (120) feet, said Lot No. 3 described as containing 2-3/4 acres, and adjoining the above described Lots Nos. 1 and 2, said property having been conveyed to the said Charles R. Friend by three deeds; the first from John H. Hoffman, Receiver of the Merchants and Mechanics Bank of Grafton, West Virginia, dated the 15th of September, 1941, of record in said clerk's Office in Deed Book 88, at page 23, the second from Minor F. Abel and wife dated the 15th of January, 1942, of record in said Clerk's Office in Deed Book 88, at page 25.

Third. By deed dated the 29th of June, 1967, from Martha E. F. Abel, widow, of record in said Clerk's Office in Deed Book No. 144, at page 76, to all of which deeds reference is hereby had and incorporated herein for a better description thereof.

GANNON TRACT

Beginning at the Southwest corner of Lots numbered three (3) and four (4), at a stake on Wilford Street, and running thence N. 1/2 E. 28.50 poles to a stake on the Northwestern Turnpike; thence with said pike S. 85 E. 17.24 poles to a stake on said pike, at a corner of Lot Number five (5); thence S. 1/2 W. 27.50 poles to a stake on said Wilford Street; thence along said street N. 87 1/2 W. 17.20 poles to the place of beginning, containing Three (3) acres, more or less, and being the same real estate that was willed and devised to said Helena Gannon by Belle L. Manning, which was probated in the Office of the Clerk of the County Court of Taylor County, West Virginia, on the 21st day of June, 1955, and is of record in said Clerk's office in Will Book No. 6, at page 491, and being the same real estate that was conveyed to Margaret Manning by Michael Finnegan and wife by deed dated the 14th day of February, 1885, which deed is of record in said Clerk's office in Deed Book No. 19, at page 62, and the said Belle L. Manning acquired title to said real estate by inheritance from her mother, said Margaret Manning, from her sister, Rose Manning, and from her brother, Richard Manning, and reference is now made to the aforesaid Will and Deed for further description of the three acre tract herein conveyed.

LANGENHEIM/FINNEGAN TRACT

First - That certain tract or parcel of ground, situate, lying and being in said City, containing three and one half acres, and more particularly described in the deed of Michael Finnegan and wife to John Finnegan, dated March 24, 1886, and recorded in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book No. 20, page 79, to which deed reference is now here made;

Second - Those five certain lots or parcels of ground, situate, lying and being in said City, known and described as Lots Nos. 480, 481, 482, 483, 484, as shown on Plat "A" of said City, of record in said County Court Clerk's office in Deed Book No. 17, page 148, and more particularly described in the deed of Michael Finnegan and wife to John Finnegan, as aforesaid, and to which deed reference is now here made.

There is specifically EXCEPTED and RESERVED from the above-described property all coal, oil, gas, lignite, rock, aggregate and other minerals underlying the surface of said land, as well as all mining rights appurtenant rights and easements in favor of the estate of said coal, oil, gas or other minerals.

First American Title™	Loan Policy of Title Insurance
	ISSUED BY **First American Title Insurance Company**
Loan Policy	POLICY NUMBER **5011300-1942376e**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 17 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, **FIRST AMERICAN TITLE INSURANCE COMPANY**, a Nebraska corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
   (a) A defect in the Title caused by
      (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
      (ii) failure of any person or Entity to have authorized a transfer or conveyance;
      (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
      (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
      (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
      (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
      (vii) a defective judicial or administrative proceeding.
   (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
   (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.

(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A

First American Title Insurance Company

For Reference:

File #: 345720.000005
Loan #: N/A

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

(This Policy is valid only when Schedules A and B are attached)

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5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (a) the occupancy, use, or enjoyment of the Land;
   (b) the character, dimensions, or location of any improvement erected on the Land;
   (c) the subdivision of land; or
   (d) environmental protection
   if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
   (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
   (b) failure of any person or Entity to have authorized a transfer or conveyance;
   (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
   (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
   (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;
   (f) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
   (g) a defective judicial or administrative proceeding.
10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
11. The lack of priority of the lien of the Insured Mortgage upon the Title
    (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either
        (i) contracted for or commenced on or before Date of Policy; or
        (ii) contracted for, commenced, or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
    (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
    (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
    (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
        (i) to be timely, or
        (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
       (i) the occupancy, use, or enjoyment of the Land;
       (ii) the character, dimensions, or location of any improvement erected on the Land;
       (iii) the subdivision of land; or
       (iv) environmental protection;
       or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters.
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;

(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
(c) resulting in no loss or damage to the Insured Claimant;
(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
(a) a fraudulent conveyance or fraudulent transfer, or
(b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b) or decreased by Section 10 of these Conditions.
(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
(d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of
(i) the amount of the principal disbursed as of Date of Policy;
(ii) the amount of the principal disbursed subsequent to Date of Policy;
(iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;
(iv) interest on the loan;
(v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;
(vi) the expenses of foreclosure and any other costs of enforcement;
(vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;
(viii) the amounts to pay taxes and insurance; and
(ix) the reasonable amounts expended to prevent deterioration of improvements;

but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.
(e) "Insured": The Insured named in Schedule A.
(i) The term "Insured" also includes
(A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is obligor under the provisions of Section 12(c) of these Conditions;
(B) the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law;
(C) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
(D) successors to an Insured by its conversion to another kind of Entity;
(E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
(1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
(2) if the grantee wholly owns the named Insured, or
(3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;
(F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;
(ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance, or other matter insured against by this policy.
(f) "Insured Claimant": An Insured claiming loss or damage.
(g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A.
(h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
(i) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term

"Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(k) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), the "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(l) "Title": The estate or interest described in Schedule A.

(m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action.

It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the

Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. **OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY**

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

(ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. **DETERMINATION AND EXTENT OF LIABILITY**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of

(i) the Amount of Insurance,

(ii) the Indebtedness,

(iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or

(iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

(d) In addition to the extent of liability under (a), (b), and (c), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. **LIMITATION OF LIABILITY**

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. **REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**

(a) All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.

(b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. **PAYMENT OF LOSS**

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) The Company's Right to Recover

Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Insured's Rights and Limitations

(i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of the Insured Mortgage.

(ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-insured Obligors

The Company's right of subrogation includes the Insured's rights against non-insured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(i)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond, and the obligor will not be an Insured under this policy.

13. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is $2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of $2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

15. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

16. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at **First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, California 92707. Phone: 888-632-1642.**

First American Title™	Loan Policy of Title Insurance ISSUED BY **First American Title Insurance Company**
Schedule A	POLICY NUMBER **5011300-1942376e**

Name and Address of Title Insurance Company:
FIRST AMERICAN TITLE INSURANCE COMPANY, 1 First American Way, Santa Ana, California 92707

File No.: 345720/00005

Amount of Insurance: **$3,649,930.00** Premium: **$4,447.50**

Date of Policy: October 28, 2015, at 2:27 p.m. EDT

1. Name of Insured: **UNITED STATES OF AMERICA,**
acting through the Rural Housing Service,
or successor agency, USDA

2. The estate or interest in the Land that is encumbered by the Insured Mortgage is: **Fee Simple - Surface**

3. Title is vested in: **CITY OF GRAFTON,**
a municipal corporation and political subdivision
of the State of West Virginia

4. The Insured Mortgage and its assignments, if any, are described as follows:

Credit Line Deed of Trust and Fixture Filing made by the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia, to Robert D. Lewis, as Trustee, to secure the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, as beneficiary, in the principal amount of $3,649,930.00, dated October 26, 2015, and recorded in the Office of the Clerk of the County Commission of Taylor County, West Virginia, in Trust Deed Book No. 339, at page 122, the same being subject to, and modified by, that certain Subordination Agreement by and between the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia, Grafton City Hospital, Inc., as the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital, the State of West Virginia, acting through the State Tax Department, Department of Revenue, and the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, dated October 20, 2015, and recorded in the aforesaid Clerk's office in Trust Deed Book No. 339, at page 134.

5. The Land referred to in this policy is described as follows:

See Schedule A (continued)

STEPTOE & JOHNSON PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330

By: _____
Authorized Countersignature
(This Schedule A valid only when Schedule B is attached)
Davin L. Seamon, Agent

Document Number: 7096470

Attachment to First American Title Insurance Company
Schedule A, Item Number 5 (continued)
Loan Policy No.: 5011300-1942376e

LEGAL DESCRIPTION

The Land referred to in this policy is described as follows:

FRIEND TRACT

First. Those two (2) certain lots or parcels of real estate described as Lots Nos. One (1) and Two (2) lying between the Pike and Wilford Street, Grafton, Taylor County, West Virginia, on the Fetterman Plat "B", which plat is of record in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book 17, at page 152, reserving, however, the part heretofore conveyed to said City by Lawson Starcher, et al., by deed of record in said Clerk's Office in Deed Book 70, at page 483.

Second. Being Lot No. Three (3) of said Fetterman Plat "B", less four (4) lots heretofore sold at Southwest corner, each fronting sixty (60) feet on Wilford Street, and extending bock preserving the same width one hundred twenty (120) feet, said Lot No. 3 described as containing 2-3/4 acres, and adjoining the above described Lots Nos. 1 and 2, said property having been conveyed to the said Charles R. Friend by three deeds; the first from John H. Hoffman, Receiver of the Merchants and Mechanics Bank of Grafton, West Virginia, dated the 15th of September, 1941, of record in said clerk's Office in Deed Book 88, at page 23, the second from Minor F. Abel and wife dated the 15th of January, 1942, of record in said Clerk's Office in Deed Book 88, at page 25.

Third. By deed dated the 29th of June, 1967, from Martha E. F. Abel, widow, of record in said Clerk's Office in Deed Book No. 144, at page 76, to all of which deeds reference is hereby had and incorporated herein for a better description thereof.

GANNON TRACT

Beginning at the Southwest corner of Lots numbered three (3) and four (4), at a stake on Wilford Street, and running thence N. 1/2 E. 28.50 poles to a stake on the Northwestern Turnpike; thence with said pike S. 85 E. 17.24 poles to a stake on said pike, at a corner of Lot Number five (5); thence S. 1/2 W. 27.50 poles to a stake on said Wilford Street; thence along said street N. 87 1/2 W. 17.20 poles to the place of beginning, containing Three (3) acres, more or less, and being the same real estate that was willed and devised to said Helena Gannon by Belle L. Manning, which was probated in the Office of the Clerk of the County Court of Taylor County, West Virginia, on the 21st day of June, 1955, and is of record in said Clerk's office in Will Book No. 6, at page 491, and being the same real estate that was conveyed to Margaret Manning by Michael Finnegan and wife by deed dated the 14th day of February, 1885, which deed is of record in said Clerk's office in Deed Book No. 19, at page 62, and the said Belle L. Manning acquired title to said real estate by inheritance from her mother, said Margaret Manning, from her sister, Rose Manning, and from her brother, Richard Manning, and reference is now made to the aforesaid Will and Deed for further description of the three acre tract herein conveyed.

LANGENHEIM/FINNEGAN TRACT

First - That certain tract or parcel of ground, situate, lying and being in said City, containing three and one half acres, and more particularly described in the deed of Michael Finnegan and wife to John Finnegan, dated March 24, 1886, and recorded in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book No. 20, page 79, to which deed reference is now here made;

Second - Those five certain lots or parcels of ground, situate, lying and being in said City, known and described as Lots Nos. 480, 481, 482, 483, 484, as shown on Plat "A" of said City, of record in said County Court Clerk's office in Deed Book No. 17, page 148, and more particularly described in the deed of Michael Finnegan and wife to John Finnegan, as aforesaid, and to which deed reference is now here made.

There is specifically EXCEPTED and RESERVED from the above-described property all coal, oil, gas, lignite, rock, aggregate and other minerals underlying the surface of said land, as well as all mining rights appurtenant rights and easements in favor of the estate of said coal, oil, gas or other minerals.

First American Title™	Loan Policy of Title Insurance
	ISSUED BY **First American Title Insurance Company**
Schedule BI	POLICY NUMBER **5011300-1942376e**

File No. 345720/00005

PART I

EXCEPTIONS FROM COVERAGE

Except as provided in Schedule B – Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.

2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.

3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.

4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown in the public records.

7. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date of the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this commitment.

8. Leases, agreements or contracts, not filed of record.

9. Accuracy of area content is hereby not insured.

10. The exception, reservation, or out-conveyance of coal, oil, gas, coalbed methane gas, limestone, sandstone, and other minerals and mineral substance and stratas, liquid, gaseous, and solid, together with the rights and privileges, express, implied, necessary, or convenient to mine, remove, extract, explore for, drill for, and operate the same, and the rights of way and easements associated therewith or appurtenant thereto.

11. Such state of facts depicted on the plats or surveys referenced within the descriptions for the Land.

12. Title or rights of the State of West Virginia to the portion of any state roads which exist within the boundary of the Land.

13. Right of Way Agreement dated March 18, 1969, and of record in the Office of the Clerk of the County Commission of Taylor County, West Virginia in Deed Book 148, at page 54.

14. Distribution Line Easement dated May 22, 1969, and of record in said Clerk's Office in Deed Book 148, at page 280.

15. Distribution Line Easement dated June 11, 1969, and of record in said Clerk's Office in Deed Book 148, at page 433.

16. Distribution Line Easement dated September 12, 1975, and of record in said Clerk's Office in Deed Book 169, at page 66.

(continued)

First American Title™	Loan Policy of Title Insurance ISSUED BY **First American Title Insurance Company**
Schedule BII	POLICY NUMBER **5011300-1942376e**

File No. 345720/00005

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

1. Notice of State Tax Lien dated October 7, 2013, in the amount of $288,831.36, in the name of Grafton City Hospital, Inc., which is of record in the aforesaid Clerk's Office in State and Federal Tax Lien Book 21, at page 8, the same being subject to, and modified by, that certain Subordination Agreement by and between the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia, Grafton City Hospital, Inc., as the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital, the State of West Virginia, acting through the State Tax Department, Department of Revenue, and the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, dated October 20, 2015, and recorded in the aforesaid Clerk's office in Trust Deed Book No. 339, at page 134.

LOAN POLICY ENDORSEMENT

ATTACHED TO AND FORMING A PART OF POLICY NO.: 5011300-1942376e

ISSUED BY

FIRST AMERICAN TITLE INSURANCE COMPANY

Pending Disbursements Endorsement

Pending disbursement of the proceeds of the loan secured by the insured Credit Line Deed of Trust, including all future advances or re-advances made before or after repayments of such loan, this policy insures at any one time only to the extent of the amount actually disbursed and outstanding from time to time up to the face amount of the policy. Provided the Credit Line Deed of Trust conforms with the requirements of Section 38-1-14 of the Code of West Virginia and the unpaid principal balance of indebtedness secured by the insured Credit Line Deed of trust at no time exceeds the amount stated therein (except for taxes, insurance premiums and other obligations, including interest thereon, undertaken by the secured party in the insured Deed of Trust or in the related loan agreement, note, contract or other agreement or evidences of indebtedness or obligations secured thereby, if any, in existence at Date of Policy to the extent provided under Section 38-1-14 of the Code of West Virginia), this policy insures that future disbursements, including all future advances or re-advances made before or after repayments of such loan, shall have priority over all other defects in or objections to the title except as to:

(1) Mechanics' liens, abstracts of judgment, notices of lis pendens, other deeds of trust or other liens or encumbrances, written notice of which has been received in accordance with section 38-1-14 of the Code of West Virginia.

(2) Federal tax liens, notice of which is filed prior to the making of such disbursement.

(3) Bankruptcy affecting the estate or interest of mortgagor.

(4) Taxes and assessments, subsequent to those shown in Schedule B of this policy.

(5) Any other defects or encumbrances shown in Schedule B of this policy.

Liability herein, for which premium has been paid, is limited to protection of the lien of initial disbursements of funds which, when accumulated, total the face amount hereof. Upon payment of additional premium therefor, this policy may be endorsed to include any additional disbursements which do not exceed the face amount hereof.

Liability under this policy is limited to the property or parts thereof expressly set forth in Schedule A and may not be amended nor changed except by written endorsement.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated: **October 28, 2015.**

FIRST AMERICAN TITLE INSURANCE COMPANY

Davin L. Seamon, Authorized Signature

Acceptance as Depository Bank

CITY OF GRAFTON

Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

ACCEPTANCE OF DUTIES OF DEPOSITORY BANK

Branch Banking and Trust Company, a North Carolina banking corporation with a banking office located in Grafton, West Virginia, hereby accepts appointment as Depository Bank in connection with an amended and restated Bond Ordinance enacted by the Council of the City of Grafton (the "Issuer") on October 6, 2015, as supplemented by a Supplemental Resolution adopted by the Council of the Issuer on October 6, 2015 (collectively, the "Ordinance") and a Indenture of Trust, dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., Charleston, West Virginia (the "Trustee") authorizing issuance of the Issuer's Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), dated October 28, 2015, issued in the aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and the issuance of the Issuer's Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), dated October 28, 2015, issued in the aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds"), and agrees to perform all duties of Depository Bank in connection with the Bonds, all as set forth in the Indenture.

Dated this October 28, 2015.

BRANCH BANKING AND TRUST COMPANY

By: Dean M. Clutter
Name: Dean M. Clutter
Title: VP

Georgianna Thompson
TAYLOR County 02:30:31 PM
Instrument No 2015017989
Date Recorded 10/28/2015
Document Type SUB
Pages Recorded 9
Book-Page 339-134
Recording Fee $9.00
Additional $6.00

SUBORDINATION AGREEMENT

This *Subordination Agreement* (the "Agreement") dated as of October 26, 2015, by and among the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer" or "City"), GRAFTON CITY HOSPITAL, INC., as the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital (the "Hospital Board"), the STATE OF WEST VIRGINIA, ACTING THROUGH THE STATE TAX DEPARTMENT, DEPARTMENT OF REVENUE (the "State"), and the UNITED STATES OF AMERICA, ACTING THROUGH THE RURAL HOUSING SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE (the "Purchaser").

WHEREAS, the Issuer owns and operates through the Hospital Board in the City of Grafton, Taylor County, West Virginia, a general critical access hospital known as Grafton City Hospital and certain other health care facilities (the "Hospital"); and

WHEREAS, the Issuer has agreed to issue its Hospital Refunding and Improvement Revenue Bonds, Series 2015 A, in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and its Hospital Refunding and Improvement Revenue Bonds, Series 2015 B, in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds") payable to the Purchaser in order to finance the design, acquisition, construction and equipping of certain improvements to the facilities of the Hospital, refinance existing indebtedness with respect to the Hospital and pay a federal tax obligation with respect to the Hospital; and

WHEREAS, the Issuer has agreed to a Credit Line Deed of Trust and Fixture Filing (the "Deed of Trust"), by and among the Issuer, Robert D. Lewis, as trustee and the Purchaser and an Indenture of Trust (the "Indenture"), by and between the Issuer and United Bank, Inc., as bond trustee (the "Bond Trustee"), in order to secure repayment of the Bonds unto the Purchaser; and

WHEREAS, the payment of the principal of and interest on the Bonds shall, more specifically, be secured by, among other things: (i) a lien on the real property and fixtures of the Issuer described in "Schedule A" attached hereto and made a part hereof, upon the filing and recordation of the Deed of Trust; (ii) a statutory mortgage lien upon the assets of the Hospital facility described in the Indenture pursuant to Chapter 8, Article 16 of the West Virginia Code, as amended (the "Revenue Bond Act"); (iii) a lien on and a pledge of the net revenues of the Hospital pursuant to the Indenture; (iv) certain funds and accounts established with the Bond Trustee as provided in the Indenture; and (v) any other collateral security granted by the Issuer or Hospital Board as security for repayment of the Bonds unto the Purchaser (collectively, the "Security for Repayment of the Bonds"); and

WHEREAS, the State asserts that the Hospital Board is delinquent in the payment of certain tax obligations, which include, but are not limited to tax, interest, and penalty, to the State (the "State Tax Liabilities") and the State has filed a Notice of Tax Lien in the name of the Hospital Board, which is of record as described in "Schedule B" attached hereto and made a part hereof (the "Notice of State Tax Lien"), which Notice of State Tax Lien indicates that the State

Tax Liabilities, interest, and penalty shown due are an unpaid debt to the State and consitute a lien upon all property of the taxpayer (colletively, the "State Tax Lien"), including but not limited to the property of the Issuer described in "Schedule A" attached hereto and made a part hereof; and

WHEREAS, as a condition of purchasing the Bonds, the Purchaser requires that the State subordinate the State Tax Lien to the Security for Repayment of the Bonds to be granted unto the Purchaser in order to secure repayment of the Bonds; and

WHEREAS, in a letter dated February 3, 2015, the State conditionally agreed to subordinate the State Tax Lien upon the property and fixtures described in Schedule A attached hereto to the lien to be created thereon in favor of the Purchaser as security for repayment of the Bonds, upon receipt by the State of the executed and properly recorded Deed of Trust; and

WHEREAS, pursuant to this Subordination Agreement, the State also agrees and does hereby subordinate its State Tax Lien to the entirety of the Security for Repayment of the Bonds;

NOW THEREFORE, the Issuer, Hospital Board, the State, and the Purchaser hereby agree as follows:

1. The State hereby expressly subordinates the priority of the State Tax Lien which secures repayment of the State Tax Liabilities to the following property and security which is pledged or to be pledged unto the Purchaser as security for repayment of the Bonds: (i) a lien on the real property and fixtures of the Issuer described in "Schedule A" attached hereto and made a part hereof upon the filing and recordation of the Deed of Trust; (ii) a statutory mortgage lien upon the assets of the Hospital facility described in the Indenture pursuant to the Revenue Bond Act; (iii) a lien on and a pledge of the net revenues of the Hospital pursuant to the Indenture; (iv) certain funds and accounts established with the Bond Trustee as provided in the Indenture and (v) any other collateral security granted by the Issuer or Hospital Board as security for repayment of the Bonds unto the Purchaser.

2. The State agrees that the State Tax Lien shall be and is subject and subordinate in all respects and at all times to the Security for Repayment of the Bonds which has been or shall be granted by the Issuer or Hospital Board as security for repayment of the Bonds, regardless of the order or time of granting, attachment, filing, recording or physical possession.

3. Notwithstanding the above, nothing in this agreement shall be construed so as to relieve the Hospital Board of liability to the State for payment of the State Tax Liabilities or to limit the Hospital Board's right to contest the amount of the State Tax Liabilities, in whole or part.

4. To the fullest extent allowed by law, in the event of dispute or litigation to enforce this Agreement, the prevailing party in such dispute or litigation shall be entitled to recover from the other party all expense of every kind, including, without limitation, reasonable counsel fees, which it may incur in enforcing its rights hereunder.

5. Each party to this Agreement represents that they have the power and authority to enter into this Agreement and that the governing bodies of each respective party have taken any requisite action necessary to authorize the execution and delivery of this Agreement and the performance of such parties' obligations hereunder.

6. This Agreement may be executed in any number of duplicate originals and each such duplicate original when assembled with all signatures shall be deemed to constitute but one and the same instrument. All notices, requests, consents, notifications, approvals, waivers, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be deemed delivered to the parties (a) on the date of personal delivery or transmission by facsimile transmission, with confirmation of receipt, (b) on the first business day following the date of delivery to a nationally recognized overnight courier service or (c) the third business day following the date of deposit in the United States Mail, postage prepaid, by certified mail, in each case, addressed as follows, or to such other address or person as any party may designate by notice to the others in accordance herewith:

If to Purchaser:	United States Department of Agriculture Rural Development Attn: State Director 1550 Earl Core Road, Suite 101 Morgantown, West Virginia 26505
If to State:	State of West Virginia Department of Revenue State Tax Department 1001 Lee Street, East Charleston, West Virginia 25301 Attention: Compliance Division
If to Issuer:	City of Grafton 1 West Main Street Grafton, West Virginia 26354 Attention: City Manager
If to the Hospital Board:	Grafton City Hospital, Inc. 1 Hospital Plaza Grafton, West Virginia 26354 Attention: Administrator/ Chief Executive Officer

7. No delay on the Purchaser's part in exercising any right or rights hereunder or in failing to exercise the same shall operate as a waiver of such right or rights; and no notice to or demand on the Issuer, the Hospital Board or the State shall be deemed a waiver of the Purchaser's right to take further action without notice or demand; nor in any event shall any modification, alteration or waiver of any of the provisions hereof be effective unless in writing and signed for or on behalf of the Purchaser and then only in the specific instance for which given.

8. This Agreement shall be deemed to be a contract made in the State of West Virginia and entered into under and pursuant to the laws of said State and shall be governed, construed and enforced and all rights and obligations hereunder shall be determined in accordance with the laws of the said State.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto all as of the day and year first hereinabove written.

CITY OF GRAFTON

By _____
Its Mayor

By _____
Its City Manager

GRAFTON CITY HOSPITAL, INC., as, or its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

STATE OF WEST VIRGINIA, by and through its State Tax Department, Department of Revenue

By: _____
Name: Thomas A. Moore, Director, Compliance Division
Its: _____

UNITED STATES OF AMERICA, acting through the Rural Housing Service, United States Department of Agriculture

By: _____
Name: _____
Its: _____

STATE OF WEST VIRGINIA,
COUNTY OF TAYLOR, TO WIT:

The foregoing instrument was acknowledged before me this 26th day of October, 2015, by G. Thomas Bartlett, III, Mayor and Kevin M. Stead, City Manager of the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia, on behalf of such municipal corporation and political subdivision.

My commission expires: SEPTEMBER 17, 2022.

[NOTARIAL SEAL]

Official Seal
Notary Public, State of West Virginia
Larry M Richman
City Of Grafton
1 West Main Street
Grafton, WV 26354-1357
My commission expires September 17, 2022

Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF TAYLOR, TO WIT:

The foregoing instrument was acknowledged before me this 26th day of October, 2015, by David Efaw, Vice-President and Patrick D. Shaw, Administrator/Chief Executive Officer of Grafton City Hospital, Inc., a West Virginia non-profit corporation as the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital, on behalf of such non-profit corporation.

My commission expires: SEPTEMBER 17, 2022.

[NOTARIAL SEAL]

Official Seal
Notary Public, State of West Virginia
Larry M Richman
City Of Grafton
1 West Main Street
Grafton, WV 26354-1357
My commission expires September 17, 2022

Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF Kanawha, TO WIT:

The foregoing instrument was acknowledged before me this 20th day of October, 2015, by Thomas A. Moore, Compliance Division Director of the West Virginia State Tax Department, Department of Revenue, State of West Virginia, an agency of the State of West Virginia, on behalf of such agency of the State of West Virginia.

My commission expires: August 11, 2019.

[NOTARIAL SEAL]

Official Seal
State of West Virginia
Notary Public
Paula F. Junkins
State Tax Department - Compliance
1001 Lee Street East
Charleston, WV 25301
My commission expires August 11, 2019

Paula F. Junkins
Notary Public

STATE OF WEST VIRGINIA,
COUNTY OF Monongalia, TO WIT:

The foregoing instrument was acknowledged before me this 26th day of October, 2015, by Susan Newcomer, Acting State Director of the Rural Housing Service of the United States Department of Agriculture, an agency of the United States of America, on behalf of such agency of the United States of America.

My commission expires: October 1, 2018.

[NOTARIAL SEAL]

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
DEBRA L. WISE
597 BROOKHAVEN RD.
MORGANTOWN, WV 26508-8715
My commission expires October 1, 2018

Debra L. Wise
Notary Public

The foregoing instrument was prepared by Thomas L. Aman Jr. of Steptoe & Johnson PLLC, 400 White Oaks Boulevard, Bridgeport, West Virginia, 26330.

Schedule A
Description of Issuer Property Subject to State Tax Lien

FRIEND TRACT

First. Those two (2) certain lots or parcels of real estate described as Lots Nos. One (1) and Two (2) lying between the Pike and Wilford Street, Grafton, Taylor County, West Virginia, on the Fetterman Plat "B", which plat is of record in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book 17, at page 152, reserving, however, the part heretofore conveyed to said City by Lawson Starcher, et al., by deed of record in said Clerk's Office in Deed Book 70, at page 483.

Second. Being Lot No. Three (3) of said Fetterman Plat "B", less four (4) lots heretofore sold at Southwest corner, each fronting sixty (60) feet on Wilford Street, and extending back preserving the same width one hundred twenty (120) feet, said Lot No. 3 described as containing 2-3/4 acres, and adjoining the above described Lots Nos. 1 and 2, said property having been conveyed to the said Charles R. Friend by three deeds; the first from John H. Hoffman, Receiver of the Merchants and Mechanics Bank of Grafton, West Virginia, dated the 15th of September, 1941, of record in said clerk's Office in Deed Book 88, at page 23, the second from Minor F. Abel and wife dated the 15th of January, 1942, of record in said Clerk's Office in Deed Book 88, at page 25.

Third. By deed dated the 29th of June, 1967, from Martha E. F. Abel, widow, of record in said Clerk's Office in Deed Book No. 144, at page 76, to all of which deeds reference is hereby had and incorporated herein for a better description thereof.

GANNON TRACT

Beginning at the Southwest corner of Lots numbered three (3) and four (4), at a stake on Wilford Street, and running thence N. 1/2 E. 28.50 poles to a stake on the Northwestern Turnpike; thence with said pike S. 85 E. 17.24 poles to a stake on said pike, at a corner of Lot Number five (5); thence S. 1/2 W. 27.50 poles to a stake on said Wilford Street; thence along said street N. 87 1/2 W. 17.20 poles to the place of beginning, containing Three (3) acres, more or less, and being the same real estate that was willed and devised to said Helena Gannon by Belle L. Manning, which was probated in the Office of the Clerk of the County Court of Taylor County, West Virginia, on the 21st day of June, 1955, and is of record in said Clerk's office in Will Book No. 6, at page 491, and being the same real estate that was conveyed to Margaret Manning by Michael Finnegan and wife by deed dated the 14th day of February, 1885, which deed is of record in said Clerk's office in Deed Book No. 19, at page 62, and the said Belle L. Manning acquired title to said real estate by inheritance from her mother, said Margaret Manning, from her sister, Rose Manning, and from her brother, Richard Manning, and reference is now made to the aforesaid Will and Deed for further description of the three acre tract herein conveyed.

LANGENHEIM/FINNEGAN TRACT

First - That certain tract or parcel of ground, situate, lying and being in said City, containing three and one half acres, and more particularly described in the deed of Michael Finnegan and wife to John Finnegan, dated March 24, 1886, and recorded in the office of the Clerk of the County Court of Taylor County, West Virginia, in Deed Book No. 20, page 79, to which deed reference is now here made;

Second - Those five certain lots or parcels of ground, situate, lying and being in said City, known and described as Lots Nos. 480, 481, 482, 483, 484, as shown on Plat "A" of said City, of record in said County Court Clerk's office in Deed Book No. 17, page 148, and more particularly described in the deed of Michael Finnegan and wife to John Finnegan, as aforesaid, and to which deed reference is now here made.

There is specifically EXCEPTED and RESERVED from the above-described property all coal, oil, gas, lignite, rock, aggregate and other minerals underlying the surface of said land, as well as all mining rights appurtenant rights and easements in favor of the estate of said coal, oil, gas or other minerals.

Schedule B
Description of State Tax Lien

Notice of State Tax Lien dated October 7, 2013, in the amount of $288,831.36, in the name of Grafton City Hospital, Inc., which is of record in the Office of the Clerk of the County Commission of Taylor County, West Virginia in State and Federal Tax Lien Book 21, at page 8.

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER

B. E-MAIL CONTACT AT FILER

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

United Bank, Inc.
500 Virginia Street East
Charleston, WV 25301
Attention: Corporate Trust Department

State of West Virginia
Secretary of State
Business and Licensing Division
UCC Section
Filed
2015E102900074
10/29/2015 10:35:18 AM

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME: City of Grafton

OR

1b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

1c. MAILING ADDRESS: 1 West Main Street | CITY: Grafton | STATE: WV | POSTAL CODE: 26354 | COUNTRY: USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

2c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME: United Bank, Inc.

OR

3b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX

3c. MAILING ADDRESS: 500 Virginia Street East | CITY: Charleston | STATE: WV | POSTAL CODE: 25301 | COUNTRY: USA

4. COLLATERAL: This financing statement covers the following collateral:

(a) the Net Revenues of Grafton City Hospital (as defined in the Indenture of Trust, attached to and made part of this financing statement), whether received by the City of Grafton or Grafton City Hospital, Inc. and whether in the form of cash, accounts receivable or other rights to receive payment or other payment intangibles;
(b) all cash and securities held in the funds and accounts held in trust pursuant to the Indenture; and
(c) any and all additional property, assets and other security that may be granted by the Debtor to the Secured Party from time to time for the purpose of further securing the repayment of the Bonds and the performance of the covenants herein contained to have and to hold, in trust upon the terms herein set forth, for the benefit, security and protection of all holders of such Bonds issued under and secured by the Indenture.

RECEIVED
OCT 29 2015

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: ☑ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box: ☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:

286771

INDENTURE OF TRUST

Dated as of
October 28, 2015

By and Between

CITY OF GRAFTON
(WEST VIRGINIA)

AND

UNITED BANK, INC.,
Trustee

Relating to

$3,649,930
City of Grafton
Hospital Refunding and Improvement Revenue Bonds,
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

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INDENTURE OF TRUST

This INDENTURE OF TRUST (the "Indenture") dated as of October 28, 2015, by and between the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer" or "City"), and UNITED BANK, INC., as bond trustee (together with its successors hereunder, the "Trustee").

W I T N E S S E T H:

WHEREAS, the Issuer owns in the City of Grafton, Taylor County, West Virginia, a critical access hospital known as "Grafton City Hospital" (such hospital, the site thereof, together with the buildings, improvements, fixtures, equipment and appurtenances thereto which are or were acquired or improved in part with the proceeds of the Bonds, the Prior Bonds or the Outstanding Obligations herein called the "Hospital") and has heretofore financed and refinanced the acquisition and construction of the Hospital and certain renovations, improvements and equipment therefore with several series of hospital revenue bonds, of which there are currently outstanding the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds");

WHEREAS, the Issuer has operated and continues to operate the Hospital through Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital (the "Board"), which is a West Virginia not for profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Code;

WHEREAS, the Issuer has determined to: (i) undertake the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"), (ii) refund the Prior Bonds, (iii) refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. in the original principal amount of $382,205.86 entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations") and (iv) pay existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"), and the Issuer has determined that such action will help to maintain or provide gainful employment and improve living conditions for the inhabitants of the City, will serve a public purpose of the Issuer by contributing to the prosperity, health and general welfare of the inhabitants of the City and will aid and assist in the provision of health care services in the community;

WHEREAS, pursuant to and in accordance with the provisions of Chapter 8, Article 16 (the "Revenue Bond Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act" and collectively with the Revenue Bond Act, the "Act"), the Issuer desires to issue

its Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), in the aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and its Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), in the aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Series 2015 Bonds") and has agreed to apply the net proceeds thereof to financing the costs of the Project, refunding the Prior Bonds, refinancing the Loan Obligation, paying the Federal Tax Obligations and paying costs of issuance of the Series 2015 Bonds and related costs;

WHEREAS, the current refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligations, the design, acquisition, construction and equipping of the Project, the issuance of the Bonds, the execution and delivery of this Indenture and matters relating thereto have been in all respects duly and validly authorized by the Amended and Restated Ordinance enacted by the Issuer on October 6, 2015 as the same has been supplemented pursuant to the Supplemental Resolution adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance"); and

WHEREAS, all Bonds issued under this Indenture will be secured by the trusts hereby created.

NOW, THEREFORE, the Issuer and the Board, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, in order to secure the payment of the principal of and interest on the Bonds issued hereunder and the performance and observance by the Issuer and the Board of all the covenants expressed herein and in such Bonds, do hereby irrevocably assign, grant, bargain, sell, convey, mortgage, pledge and grant a security interest in, to the Trustee, and to its successors in trust, as security for the performance of the obligations of the Issuer and the Board under this Indenture, the following (collectively, the "Trust Estate"): (a) the Net Revenues (as hereinafter defined), (b) all cash and securities held in the funds and accounts held in trust pursuant to this Indenture and (c) any and all additional property, assets and other security that may be granted by the Issuer or the Board to the Trustee from time to time for the purpose of further securing the repayment of the Bonds and the performance of the covenants herein contained to have and to hold, in trust upon the terms herein set forth, for the benefit, security and protection of all holders of such Bonds issued under and secured by this Indenture; and the parties hereto mutually covenant and agree, for the equal and proportionate benefit of the holders of such Bonds, as follows:

In addition to the foregoing Trust Estate, the Issuer and the Board hereby specifically recognize and reaffirm the effectiveness of the statutory mortgage lien upon the Hospital facilities created pursuant to Section 22 and other provisions of the Revenue Bond Act and the Deed of Trust on the Hospital facilities.

PROVIDED, NEVERTHELESS, and these presents are upon the express condition, that if the Issuer or its successors or assigns shall well and truly pay or cause to be paid the principal and redemption premium, if any, of such Bonds with interest, according to the provisions set forth in the Bonds and each of them or shall provide for the payment or redemption of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment or redemption thereof when and as authorized by the provisions hereof, and shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then these presents and the estate and rights hereby

granted shall cease, determine and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Issuer and upon the payment of the cost and expenses thereof, shall duly execute, acknowledge and deliver to the Issuer such instruments of satisfaction or release in respect of the trust estate as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Issuer, its successors or assigns, all and singular the property, rights, privileges and interests by them hereby granted, conveyed and assigned, and all substitutes therefore, or any part thereof, not previously disposed of or released as herein provided; otherwise this Indenture shall be and remain in full force;

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the terms defined elsewhere herein, including the recitals hereto, and unless the context otherwise requires, the following terms shall have the following meanings:

"Act" means collectively, the Refunding Act and the Revenue Bond Act.

"Additional Bonds" means the additional parity bonds of the Issuer which may be issued pursuant to and subject to the restrictions set forth in Section 4.04 hereof.

"Architect" means the architect for the Project which has been engaged by the Board which shall be Thrasher Engineering, Inc., Bridgeport, West Virginia.

"Authorized Newspaper" means a newspaper of general circulation in the City and otherwise satisfying the requirements of applicable law.

"Board" means Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital.

"Bond" or "Bonds" means the Series 2015 Bonds together with any Additional Bonds issued from time to time hereunder.

"Bond Act" or "Revenue Bond Act" means Chapter 8, Article 16 of the West Virginia Code of 1931, as amended to the date hereof.

"Bond Commission" or "Commission" means the West Virginia Municipal Bond Commission, Charleston, West Virginia, or its successor.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized as expert in matters relating to the issuance of tax-exempt bonds, and initially means Steptoe & Johnson PLLC, Bridgeport, West Virginia.

"Bondholder," "Holder," "Owner of Bonds," "Registered Owner" or any similar term means, initially, the Purchaser, and thereafter any other registered owner of any Bond or Bonds.

"Bond Register" means the books of the Issuer maintained by the Bond Registrar for the purpose of registering Bonds and the transfer of Bonds.

"Bond Registrar" or "Registrar" means the Trustee, or its successors as Bond Registrar.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Business Day" means a day other than a Saturday or Sunday and on which the principal corporate trust office of the Trustee is not required or authorized to remain closed and on which the New York Stock Exchange or the payment system of the Federal Reserve System is not closed.

"City" or "Issuer" means the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia, and where appropriate, includes the City Council and the Board.

"City Clerk" or "Clerk" means the City Clerk of the Issuer.

"City Manager" means the City Manager of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2015 Bonds for the initial advance of more than a de minimis amount of proceeds representing the purchase of Series 2015 Bonds by the Purchaser, or such other applicable meaning under the Code.

"Construction Fund" means the Construction Fund created pursuant to Section 5.01 of this Indenture.

"Code" or "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, and any applicable Regulations and rulings thereunder. Reference herein to any specific provision of the Code shall be deemed to refer to any successor provision thereof.

"Costs" or "Project Costs" means all costs permitted to be financed under the provisions of the Act and incident to the design, acquisition, construction and equipping of the Project, all expenses incurred in connection with the issuance of the Bonds, including, but not limited to, compensation, fees and expenses of the Issuer, Registrar and Trustee, compensation to any financial consultants or underwriters, legal fees and expenses, costs of printing and engraving, recording and filing fees and costs of title insurance, if any, but only to the extent properly payable from the proceeds of the Bonds; any sums required to reimburse the Issuer for advances made by the Issuer for any of the above items or for any other costs incurred and for work done by the Issuer which are properly chargeable to the Project, and all other costs and expenses relating to the Project and properly payable from the proceeds of the Bonds.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Debt Service Requirement" means, for any period of time, the aggregate of the payments to be made in respect of principal and interest on the Bonds during such period.

"Deed of Trust" means the Credit Line Deed of Trust by and between the Issuer and the trustee named therein for the benefit and security of the Purchaser in the repayment of the Series 2015 Bonds.

"Depository Bank" means Branch Banking and Trust Company, Grafton, West Virginia.

"Escrow Agent" means the Bond Commission, or any successor appointed by the Issuer under the Escrow Agreement.

"Escrow Agreement" means the agreement to be entered into between the Issuer and the Escrow Agent, providing for the defeasance and payment of the Prior Bonds, the Loan Obligation and the Federal Tax Obligations, the deposit therein of a portion of the proceeds of the Bonds, the disposition of moneys in the various funds and accounts for the Prior Bonds and other matters in connection therewith, the form of which shall be approved by the Supplemental Resolution.

"Escrow Fund" means the Escrow Fund established pursuant to the Escrow Agreement.

"Event of Default" means any of the events described as an Event of Default in Section 9.01 hereof.

"Federal Tax Obligations" means the existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities).

"Fiscal Year" means the twelve month period designated by the Issuer for financial reporting purposes, beginning on July 1 and ending on June 30 of each year, or such other 12-month period as may be determined in the future by the Issuer or pursuant to applicable law.

"Government Obligations" means direct and general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), for the payment of which the full faith and credit of the United States of America is pledged.

"Gross Revenues" means all receipts, revenues, income and other moneys received by or on behalf of the Issuer or the Board as a result of the operation of, or relating to the Hospital, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles, or other rights and the proceeds thereof, including any insurance proceeds and any condemnation awards derived therefrom, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Issuer or the Board relating to the Hospital; provided, however, that there shall be excluded from Gross Revenues gifts, grants, bequests, donations and contributions heretofore or hereafter made, designated or restricted at the time of making thereof by the donor or maker as being for certain specified purposes inconsistent with the application thereof to the payment of Debt Service or not subject to pledge.

"Hospital" means the existing Grafton City Hospital, a critical access hospital, such hospital, the site thereof, together with the buildings, improvements, fixtures, equipment and appurtenances thereto which are or were acquired or improved in part with the proceeds of the Bonds, the Prior Bonds or the Loan Obligation, located in the City of Grafton, Taylor County, West Virginia, and presently owned by or through the City and operated by the Board.

"Indebtedness" means all obligations incurred or assumed by the Issuer or the Board or any other obligation for payment of principal and interest with respect to borrowed money in connection with the ownership or operation of the Hospital.

"Indenture" means this Indenture of Trust, as amended or supplemented from time to time.

"Issuance Costs" means all costs and expenses of issuance of the Bonds, including, but not limited to any or all of the following as applicable:

(i) Purchaser's fees;

(ii) Counsel fees, including Bond Counsel, Issuer's counsel, Board counsel, Purchaser's counsel, counsel for the Trustee, Registrar and Paying Agent and special tax counsel fees, as well as any other specialized counsel fees;

(iii) Financial or municipal advisor fees;

(iv) Rating agency fees;

(v) Trustee fees;

(vi) Trustee, Registrar, Paying Agent and certifying and authenticating agent fees related to issuance of the Bonds;

(vii) Accountant fees;

(viii) Printing costs of the Bonds and of any preliminary and final official statement;

(ix) Publication costs associated with the financing proceedings; and

(x) Costs of engineering and feasibility studies necessary to the issuance of the Bonds;

"Issuer" means the City of Grafton, a municipal corporation and political subdivision of the State, and where appropriate, includes the Board.

"Issuer Representative" means the person or persons at the time designated to act on behalf of the Issuer in a written certificate furnished by the Issuer to the Trustee containing a specimen signature of such person or persons and signed by an officer of the Issuer.

"Letter of Conditions" means the Letter of Conditions of the Purchaser dated July 15, 2014, together with Amendment No. 1 to Letter of Conditions dated September 15, 2015, and all other amendments thereto, if any.

"Loan Obligation" means that certain Promissory Note, dated July 8, 2013 from the Board to JPMorgan Chase Bank, NA in the original aggregate principal amount of $382,205.86.

"Mayor" means the Mayor of the Issuer.

"Net Revenues" or "Revenues" means Gross Revenues less Operating Expenses.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the Hospital, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions,

betterments or improvements for the Hospital), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Outstanding Obligations or the Bonds, charges for depreciation, losses from the sale or other disposition of or any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Opinion of Counsel" means an opinion of counsel (who may be Bond Counsel, counsel to the Issuer or counsel to the Board) satisfactory to the Trustee.

"Ordinance" means the amended and restated ordinance of the Issuer finally enacted October 6, 2015, as Supplemented by the Supplemental Resolution adopted by the Issuer on October 6, 2015, authorizing the execution and delivery of this Indenture, the design, acquisition, construction equipping and financing of the Project, the refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligation, the issuance of the Bonds and other matters in connection therewith.

"Outstanding," "Bonds outstanding" or any similar term, when used with reference to Bonds, means, at any date as of which the amount of outstanding Bonds is to be determined, all Bonds which have been theretofore authenticated and delivered by the Trustee under this Indenture, except:

(A) Bonds canceled or required to be canceled by the Trustee at or prior to such date;

(B) Bonds for the full payment of the principal of, and interest on, which cash shall have been theretofore deposited with the Trustee and which (i) shall have been matured by their terms but shall not have been surrendered for payment or (ii) shall have been purchased by the Trustee but shall not have been presented for payment;

(C) Bonds in lieu of which others have been authenticated and delivered.

"Paying Agent" means the Bond Commission or its successors and assigns, and any co-paying agent appointed hereunder.

"Permitted Encumbrances" means, as of any particular time, (i) this Indenture, the Deed of Trust and the statutory mortgage lien securing the Bonds pursuant to the Revenue Bond Act; (ii) liens, security interests and encumbrances securing Permitted Indebtedness on a parity basis with the Bonds, to the extent permitted by this Indenture; (iii) liens, security interests or encumbrances by the terms thereof subject and subordinate to this Indenture; (iv) utility, access and other easements and rights-of-way, restrictions and exceptions that do not materially interfere with or materially impair the operation of the Hospital; (v) liens arising by reason of good faith deposits with or by the Issuer in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the Issuer to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges; (vi) any lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license, or to enable the Issuer to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance,

pension or profit sharing plans or other social security, or to share in the privileges or benefits required for companies participating in such arrangements; (vii) any judgment lien or notice of pending action against the Issuer so long as such judgment or pending action is being contested and execution thereon is stayed or while the period for responsive pleadings has not lapsed; (viii) any lien representing statutory rights of the United States of America by reason of Federal funds made available under 42 U.S.C. §291 et seq. and similar rights under other Federal and state statutes; (ix) leases which relate to portions of the Hospital and which are customarily the subject of such leases, such as office space for physicians and educational institutions, food service facilities, gift shops, bank teller machines, and radiology, pharmacy and similar departments, or other leases entered into in accordance with the disposition of property provisions of this Indenture; (x) liens for taxes and assessments which are not then delinquent, or if then delinquent, which are being contested; (xi) any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested; (xii) such minor defects and irregularities of title as normally exist with respect to property similar in character to the Hospital and which do not materially adversely affect the value of, or materially impair, the Hospital, as evidenced by an Opinion of Counsel to the effect that such minor defect or irregularity does not materially adversely affect the value of, or materially impair, the Hospital; (xiii) zoning laws and similar restrictions which are not violated by the Hospital; (xiv) conditional sales agreements and leases entered into in connection with the incurrence or assumption of Permitted Indebtedness; and (xv) purchase money security interests created in Personal Property or equipment owned or to be owned or leased by the Issuer or the Board with respect to or in connection with the Hospital facility.

"Person" means an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a limited liability company, a governmental body, and any other political subdivision, municipality or any other group or entity.

"Personal Property" means that property constituting a part of the Hospital other than real property.

"Prior Bonds" means the Issuer's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000.

"Project" means the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility which are being financed with proceeds of the Series 2015 Bonds.

"Purchase Price," for the purpose of computation of the Yield of the Bonds shall have the meaning set forth in the Code.

"Purchaser" or "Government" means the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, and any successor thereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefore; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Redemption Date" means the date fixed for prepayment or redemption of any of the Bonds, the Prior Bonds or the Loan Obligation subject to prepayment or redemption in any notice of prepayment or redemption published or mailed in accordance herewith.

"Refunding Act" means Chapter 13, Article 2E, of the West Virginia Code of 1931, as amended to the date hereof.

"Registrar" or "Bond Registrar" means initially, the Trustee, or any other entity so designated as registrar for the Bonds from time to time by the Issuer.

"Regulations" means temporary and permanent regulations promulgated under the Code, which may be applicable from time to time.

"Reserve Account" means the Reserve Account created by Section 5.01 hereof.

"Reserve Requirement" means the amount of $156,960 with respect to the Series 2015 A Bonds and the amount of $34,008 with respect to the Series 2015 B Bonds.

"Revenue Bond Act" means Chapter 8, Article 16 of the West Virginia Code of 1931, as amended to the date hereof.

"Revenue Fund" means the Revenue Fund created by Section 5.01 hereof.

"Series 2015 Bonds" means, collectively, the Series 2015 A Bonds together with the Series 2015 B Bonds.

"Series 2015 A Bonds" means the Hospital Refunding and Improvement Revenue Bonds, Series 2015 A, issued by the Issuer pursuant to this Indenture in the aggregate principal amount of $2,999,930.

"Series 2015 B Bonds" means the Hospital Refunding and Improvement Revenue Bonds, Series 2015 B, issued by the Issuer pursuant to this Indenture in the aggregate principal amount of $650,000.

"State" means the State of West Virginia.

"Subordinated Indebtedness" means Indebtedness which is subordinated to payments with respect to principal, premium, if any, and interest on the Bonds by subordination provisions reasonably satisfactory to the Trustee.

"Supplemental Resolution" means any ordinance or resolution amendatory or supplemental to the Ordinance and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the Issuer following enactment of the Ordinance, setting forth certain terms of the Bonds, authorizing the sale of the Bonds to the Purchaser, specifying the Outstanding Obligations to be refinanced and related matters; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Trustee" means United Bank, Inc., with a corporate trust office located in Charleston, West Virginia, and any successors thereto at any time serving as trustee or co-trustee under the Indenture.

Unless the context shall otherwise indicate, words importing the singular shall include the plural, words importing persons shall include firms, associations and corporations, and vice versa, words importing the masculine, feminine and neuter gender shall be deemed to include all such genders and the terms "hereof," "hereby," "hereto," "hereunder" and "herein" shall refer to this Indenture.

Section 1.02. Findings and Determinations. The Issuer hereby finds and determines as follows:

A. The Issuer is a municipal corporation and political subdivision of the State of West Virginia which owns the Hospital facility and operates and maintains the same through the Board.

B. The Project shall be designed, acquired, constructed and equipped at an estimated cost of approximately $1,764,180 in accordance with the plans and specifications prepared therefore by the Architect.

C. The Prior Bonds, the Loan Obligation and the Federal Tax Liabilities shall be redeemed and repaid in full with a portion of the proceeds of the Bonds.

D. The Issuer shall issue the Series 2015 A Bonds in an aggregate principal amount of $2,999,930 and the Series 2015 B Bonds in an aggregate principal amount of $650,000 and apply the proceeds thereof to currently refund and redeem in full the Prior Bonds and the Loan Obligation, to pay the Federal Tax Liabilities and pay costs of the Project.

E. The Hospital shall be owned by or through the City and operated and maintained by the Board pursuant to the Charter of the City.

F. It is in the best interest of the Issuer that the Bonds be sold to the Purchaser, pursuant to the terms and provisions of the Letter of Conditions.

ARTICLE II

THE BONDS

Section 2.01. Authorized Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with this Article II. Subject and pursuant to the provisions of this Indenture, the Bonds of the Issuer, to be known as "City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture)" are hereby authorized to be issued in the aggregate principal amount of $2,999,930 and the Bonds of the Issuer to be known as "City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture)" are hereby authorized to be issued in the aggregate principal amount of $650,000 for the purposes of (i) financing the current refunding and repayment in full of the Prior Bonds, (ii) financing the refinancing and repayment in full of the Loan Obligation, (iii) paying the Federal Tax Obligations, (iv) paying costs of the design, acquisition, construction and equipping of the Project and (v) paying costs of issuance of the Series 2015 Bonds. The aggregate principal amount of Bonds which may be executed by the Issuer and authenticated and delivered by the Trustee and secured by this Indenture shall not exceed $3,649,930 without the consent of all of the Bondholders. At the expense of the Bondholder requesting such exchange, the Bonds may be exchanged for Bonds of like series of denominations of $5,000 or integral multiples thereof.

Section 2.02. Issuance and Delivery of Bonds. The Series 2015 Bonds shall be issued in the aggregate principal amount of $3,649,930. The Series 2015 Bonds shall be dated their date of delivery, shall be issued only as fully registered Bonds, shall bear interest at the rates per annum, shall have principal and interest installment payment dates and shall mature as follows:

(A) The Series 2015 A Bonds shall bear interest at the fixed annual percentage rate of 3.25% from the date of delivery of such Series 2015 A Bonds and continuing to and including October 28, 2045, which shall be the final maturity date of such Series 2015 A Bonds (the "Maturity Date").

The Series 2015 B Bonds shall bear interest at the fixed annual percentage rate of 3.25% from the date of delivery of such Series 2015 B Bonds and continuing to and including October 28, 2045, which shall be the final maturity date of such Series 2015 B Bonds.

(B) Interest shall be computed on the basis of a year of 365 days payable for the actual number of days elapsed during any portion of a month.

(C) The principal amount of the Series 2015 A Bonds, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in equal amortizing monthly installments of principal and interest in the amount of $13,080, commencing on November 28, 2015 and concluding on the Maturity Date, except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The Series 2015 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the Bond form attached hereto as **Exhibit A**.

The principal amount of the Series 2015 B Bonds, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in equal amortizing monthly installments of principal and interest in the amount of $2,834, commencing on November 28, 2015 and concluding on the Maturity Date, except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The Series 2015 B Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the Bond form attached hereto as **Exhibit B**.

(D) The Issuer shall execute and the Trustee shall authenticate and deliver the Bonds, as may be directed by the Issuer, upon the filing with the Trustee of the following:

(i) Certified copies of the Ordinance of the Issuer authorizing the issuance of the Series 2015 Bonds and the execution and delivery of this Indenture;

(ii) An executed counterpart of this Indenture;

(iii) A request and authorization to the Trustee by the Issuer, signed by the Mayor and City Manager of the Issuer, to authenticate and deliver the Series 2015 Bonds to the Purchaser therein identified upon payment to the Depository Bank for deposit into the Construction Fund of the sum of $1,779,800, for the account of the Issuer, which sum shall constitute the initial advance of the purchase price of the Series 2015 A Bonds together with the entire aggregate principal amount of the Series 2015 B Bonds;

(iv) An approving legal opinion of Bond Counsel; and

(v) Such other documents, resolutions or other materials as may be required by the Trustee or the Purchaser.

Section 2.03. Execution. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of its Mayor and City Manager and attested with the manual or facsimile signature of its City Clerk and shall have affixed, imprinted or otherwise reproduced thereon a facsimile of the corporate seal of the Issuer. In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Section 2.04. Authentication. All Bonds shall have endorsed thereon a certificate of authentication and registration duly executed by the Trustee. No Bond shall be valid or entitled to any security or benefit under this Indenture unless and until such certificate of authentication and registration shall have been duly executed manually by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication and registration on any Bond shall be deemed to have been executed by it if signed by an authorized officer, but it shall not be necessary that the same officer sign the certificate of authentication and registration on all of the Bonds issued hereunder.

Section 2.05. Form of Bonds. (A) The Series 2015 A Bonds and the Trustee's certificate of authentication and registration shall be substantially in the form set forth in **EXHIBIT A - BOND FORM**, attached hereto and incorporated herein by reference, with such variations, omissions and insertions as may be authorized by the Issuer, the execution and delivery of such Series 2015 A Bonds by the City Manager and Mayor of the Issuer being conclusive evidence of the approval of such variations, omissions and insertions by the Issuer. The Series 2015 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the attached Bond form.

(B) The Series 2015 B Bonds and the Trustee's certificate of authentication and registration shall be substantially in the form set forth in **EXHIBIT B - BOND FORM**, attached hereto and incorporated herein by reference, with such variations, omissions and insertions as may be authorized by the Issuer, the execution and delivery of such Series 2015 B Bonds by the City Manager and Mayor of the Issuer being conclusive evidence of the approval of such variations, omissions and insertions by the Issuer. The Series 2015 B Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the attached Bond form.

Section 2.06. Mutilated, Lost, Stolen or Destroyed Bonds. In the event that any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute, and the Trustee shall, with the consent of the Issuer, authenticate and deliver, in lieu of any such mutilated, lost, stolen or destroyed Bond, a new Bond of like tenor and denomination as the Bond mutilated, lost, stolen or destroyed. Provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee and canceled, and, in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence to its satisfaction of such loss, theft or destruction together with such security or indemnification as may be required by the Issuer, and the Trustee to save them and any Paying Agent harmless. In the event any such Bond shall have matured, the Trustee may, instead of issuing a substitute Bond, pay the same from amounts held in the Sinking Fund created with respect to such Bond and available for purposes of such payment. The Trustee may charge the holder or owner of such Bond with its reasonable fees and expenses in this connection.

Section 2.07. Bond Registrar. The Trustee shall be the Registrar and will keep, or cause to be kept by its agent, at its office, sufficient books for the registration and transfer of the Bonds, and, upon presentation for such purpose, the Registrar shall, under such reasonable regulations as it may prescribe,

register the Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Bonds as hereinbefore provided.

The Registrar shall accept the Bonds for registration or transfer only if ownership thereof is to be registered in the name of the United States of America, an individual (including joint ownership), a corporation, a limited liability company, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation, limited liability company or partnership or the social security numbers of the settlor and beneficiaries of each trust and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law. The Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America acting through the Rural Housing Service. So long as the Bonds shall be registered in the name of the United States of America acting through the Rural Housing Service, the address for registration purposes shall be 1550 Earl Core Road, Suite 101, Morgantown, West Virginia 26505, or such other address as shall be stated in writing to the Issuer by the United States of America.

Section 2.08. Paying Agent. The Commission is hereby appointed as Paying Agent for the Bonds.

Section 2.09. Transfer, Registration of Transfer and Exchange. Bonds shall be transferable only by transfer of registration upon the Bond Register, which shall be established and maintained by the Registrar on behalf of, and as agent of, the Issuer. After initial registration, no registration of transfer thereof shall be valid unless made on the Bond Register at the written request of the registered owner or his or its duly authorized attorney or legal representative and similarly noted on such Bond. Upon the transfer of registration of any Bond and the surrender of the old Bond, the Issuer shall issue a new bond to the transferee in the principal amount of such Bond then outstanding, otherwise subject to the terms, rate of interest, provisions for payment and other terms and conditions set forth herein. No interests in any Bond shall be transferable except by means of registration of transfer of a Bond representing such interest in accordance with this Section 2.09.

No registration of transfer of the Bonds shall be permitted to be made after the 15th day next preceding any installment payment date on the Bonds.

Section 2.10. Fees. For every exchange or transfer of Bonds, the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Indenture, the cost of preparing each new Bond upon each exchange or transfer and any other expenses of the Issuer or the Trustee incurred in connection therewith shall be paid by the Holder requesting such exchange or transfer.

The Issuer, the Trustee and any agent of the Issuer or the Trustee shall treat the registered owner of any Bond, as the absolute owner of such Bond for the purpose of receiving payment of principal thereof, and stated interest thereon, or on account thereof and for all other purposes whether or not such Bond is overdue.

Section 2.11. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and deliver, and the Trustee shall authenticate, subject to the same provisions, limitations and conditions set forth above, one or more printed, lithographed or typewritten bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in

definitive form, such Bonds in temporary form shall be entitled to the lien and benefit of this Indenture. Upon the presentation and surrender of any Bond or Bonds in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Trustee and the Trustee shall authenticate and deliver, in exchange therefore, a Bond or Bonds in definitive form. Such exchange shall be made by the Trustee without making any charge therefore to the holder of such Bond in temporary form.

Section 2.12. Cancellation. All Bonds which have been redeemed and all registered Bonds which have been surrendered to the Trustee in an exchange or transfer shall be canceled and destroyed by the Trustee and shall not be reissued. Counterparts of the certificate of destruction shall be furnished by the Trustee to the Issuer.

Section 2.13. Limited Obligations. The Bonds shall be limited obligations of the Issuer. The Bonds shall be payable solely out of the Net Revenues derived from, or in connection with, the operation of the Hospital, certain funds on deposit with the Commission or the Depository Bank in connection with the Bonds from time to time as herein provided and the proceeds of any foreclosure sale under the Deed of Trust as herein provided. The Bonds shall never constitute an indebtedness of the State of West Virginia, the Issuer or the Board within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the State of West Virginia, the Issuer or the Board. Neither shall the Bonds be a charge against the general credit or taxing power, if any, of the State of West Virginia, the Issuer or the Board.

Section 2.14. Pledge of Net Revenues. The payment of the principal of and interest on the Bonds shall be secured equally and ratably with each other by a lien on and pledge of the Net Revenues of the Hospital. Such Net Revenues in an amount sufficient to pay the principal of and interest on the Bonds, all required payments to the Reserve Account for the Bonds, and all other costs and expenses in connection with the Bonds, including but not limited to all costs incurred in the exercise of remedies provided pursuant to this Indenture upon the occurrence of any Event of Default pursuant to this Indenture are hereby irrevocably pledged by the Issuer and the Board to such payments as they become due. Notwithstanding anything in this Indenture or otherwise to the contrary, all Gross Revenues shall first pass through or be deposited in an account over which the Issuer or the Board, as applicable, has sole dominion and control. In furtherance of the foregoing, except to the extent permitted by law, none of the receivables from Medicare or Medicaid are intended to be "assigned" to the Trustee or any Bondholders.

ARTICLE III

AUTHORIZATION OF PROJECT; REFUNDING OF PRIOR BONDS; REFINANCING OF LOAN OBLIGATION; PAYMENT OF FEDERAL TAX OBLIGATIONS

Section 3.01. Authorization of Design, Acquisition, Construction and Equipping of the Project. There is hereby authorized the design, acquisition, construction and equipping of the Project at an estimated cost of approximately $1,764,180 in accordance with the plans and specifications which have been prepared by the Architect and which are on file in the offices of the Board. The Board shall undertake the design, acquisition, construction and equipping of the Project and shall be the party to the construction contracts for such Project.

Section 3.02. Authorization of Refunding of Prior Bonds. All Prior Bonds Outstanding as of the date of issuance of the Bonds are hereby ordered to be refunded pursuant to the terms of the Escrow Agreement, and the pledge of revenues in favor of the Holders of such Prior Bonds imposed by the ordinance and Indenture of Trust pursuant to which the Prior Bonds were issued, the moneys in the funds and accounts thereunder and any other funds pledged thereto or liens created thereby are hereby ordered

terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Series 2015 Bonds, together with other moneys available therefore, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Agent charges to become due and payable in connection with the Prior Bonds and (b) an amount of money which will either remain uninvested or be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, to provide for the payment of the principal, premium and interest accrued on the Prior Bonds as of the redemption date therefore, all as set forth in the Escrow Agreement. Contemporaneously with the deposit of such Bond proceeds into the Escrow Fund, the amounts on deposit in the reserve account, and all other funds and accounts created and maintained on behalf of the Prior Bonds shall be deposited in the Escrow Fund or such other fund or account as shall be set forth in the Escrow Agreement, and either held uninvested or be invested in Government Obligations as provided in the Escrow Agreement and this Indenture.

Section 3.03. Authorization of Refinancing of the Loan Obligation. The Loan Obligation as of the date of issuance of the Bonds is hereby ordered to be repaid in full pursuant to the terms of the Escrow Agreement, and the liens and pledges in favor of the holder of the Loan Obligation are hereby ordered terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Bonds, together with other moneys available therefore, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Agent charges to become due and payable in connection with the Loan Obligation and (b) an amount of money which will either remain uninvested or be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, to provide for the payment of the principal, premium and interest accrued on the Loan Obligation as of the redemption date therefore, all as set forth in the Escrow Agreement. Contemporaneously with the deposit of such Bond proceeds into the Escrow Fund, the amounts on deposit in any funds and accounts created and maintained on behalf of the Loan Obligation shall be deposited in the Escrow Fund or such other fund or account as shall be set forth in the Escrow Agreement, and either held uninvested or be invested in Government Obligations as provided in the Escrow Agreement and this Indenture.

Section 3.04. Authorization of Payment of Federal Tax Obligations. The Federal Tax Obligations as of the date of the issuance of the Bonds are hereby ordered to be paid in full pursuant to the terms of the Escrow Agreement, and the liens and pledges of the Internal Revenue Service are hereby ordered terminated, discharged and released upon the payment of the Federal Tax Obligations to the Internal Revenue Service from the proceeds of the Bonds.

Section 3.05. Authorization of Payment of Issuance Costs. There is hereby authorized to be paid from proceeds of the Bonds deposited into the Construction Fund held by the Depository Bank, the Issuance Costs.

ARTICLE IV

GENERAL COVENANTS AND PROVISIONS

Section 4.01. Payment of Bonds. The Issuer covenants that it will promptly pay or cause to be paid, but solely from the Net Revenues, the principal of and interest on every Bond issued under this Indenture on the date and in the manner provided herein and in said Bonds according to the true intent and meaning thereof.

Section 4.02. Performance of Covenants. The Issuer covenants that it will at all times comply with all provisions contained in this Indenture, in any Bond, and in all proceedings pertaining thereto. The Issuer warrants that it is duly authorized under the Constitution and laws of the State of

West Virginia, including particularly and without limitation, the Act, to issue and sell the Bonds authorized hereby and to execute and deliver this Indenture; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken; and that the Bonds in the hands of the holder thereof are and will be valid and enforceable special obligations of the Issuer.

Section 4.03. Inspection of Hospital Books. The Issuer by and through the Board will keep books and records of the Hospital, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the Hospital and the Net Revenues of the Hospital and such books and records shall at all times be open to inspection by the Trustee and the Purchaser or such accountants, agencies or consultants as the Trustee or the holders of at least 25% of the outstanding Bonds may from time to time designate.

Section 4.04. Additional Bonds. At the request of the Issuer, Additional Bonds of the Issuer ranking on a parity with the Bonds may be issued under and secured by this Indenture, to the extent permitted by law then in effect, at any time and from time to time, to pay the cost of (a) additions, renovations and improvements to the Hospital, (b) restoring or repairing the Hospital following any condemnation thereof or damage thereto to the extent the net proceeds of any insurance or condemnation award are insufficient to pay same, (c) acquiring equipment or fixtures for the Hospital, (d) refunding all or part of the Bonds or other borrowings with respect to the Hospital, or (e) any combination of the foregoing, provided however, that Additional Bonds may not be issued unless, prior to issuance of such Additional Bonds, the Trustee has first received the written consent of all Bondholders to the issuance of such Additional Bonds.

Section 4.05. Permitted Indebtedness. Except as may be otherwise consented to in writing by 100% of the Bondholders, the Issuer and the Board will not incur, permit, guaranty or assume any indebtedness relating to the Hospital other than Indebtedness consisting of the following:

A. Indebtedness existing or contracted for on or prior to the date of delivery of the Series 2015 Bonds;

B. Liabilities under operating contracts and operating leases;

C. Liabilities incurred by way of endorsement for collection or deposit of checks or drafts or commercial paper received by the Issuer or Board in the ordinary course of its operations;

D. Indebtedness incurred to provide improvements secured solely by grants, gifts, bequests, contributions or other donations not in the nature of payment for services, or by property of the Issuer or the Board other than the Hospital, and that is specifically pledged by the Issuer or the Board for such purpose;

E. Indebtedness to a bank or banks or other lending institution for borrowed money for working capital purposes, which shall be payable no more than 365 days from the date of such borrowing and which shall be unsecured except that such indebtedness may not exceed the principal sum of $250,000 as of the date of the incurrence, which indebtedness may be secured solely by a security interest in and pledge of the accounts receivable derived from the operation of the Hospital or inventory, or such indebtedness may be secured solely by pledges, donations, gifts, grants, bequests or contributions;

F. Indebtedness incurred or assumed to acquire or improve property (other than current assets) and for capitalized leases; provided, that at the time of issuance thereof and after giving effect thereto, the amount of such indebtedness which, when taken, plus the indebtedness permitted to be

incurred by subsection E above, shall not exceed 20% of the Gross Revenues in the aggregate as shown on or calculable from the audited financial statements of the Board for the latest completed Fiscal Year; or

G. Subordinated Indebtedness.

Section 4.06. Covenant on Maintenance of Hospital. The Issuer agrees that as long as any of the Bonds are Outstanding, it will keep the Hospital in good condition, repair and working order (ordinary wear and tear excepted), making all repairs and replacements thereto, and operate the Hospital in a sound and economical manner.

Section 4.07. Compliance with Laws. The Issuer shall, throughout the term of this Indenture, promptly comply in all material respects or cause compliance in all material respects with all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities which may be applicable to the Hospital or to the repair and alteration thereof, or to the use or manner of use of the Hospital. Notwithstanding the foregoing, the Issuer shall have the right to contest the legality of any such law, ordinance, order, rule, regulation or requirement as applied to the Hospital, provided that such contest shall not in any way materially adversely affect or impair the rights or obligations of the Issuer under this Indenture or materially adversely affect or impair the security interest of the Trustee under this Indenture and the Issuer shall cooperate to the extent necessary with the Trustee in any such contest.

Section 4.08. Taxes and Assessments. Subject to good faith contests, the Issuer shall pay all lawfully assessed taxes and assessments, general and specific, if any, levied and assessed on the Hospital during the term, and all utility charges, assessments, and other governmental charges and impositions whatsoever, foreseen and unforeseen.

Section 4.09. Rate Covenant. The Issuer covenants that, during each Fiscal Year, it will, to the extent permitted by applicable law and regulations, charge rates, fees and charges for the provision of services by the Hospital sufficient, together with other available moneys, (i) to produce Net Revenues in an amount at least equal to 110% of the Debt Service Requirements for such Fiscal Year, and (ii) together with any other moneys that shall be available to the Issuer, to enable the Issuer to discharge the obligations relative to the Hospital as they shall become due and payable for such Fiscal Year. The Issuer covenants that, in the event that Net Revenues are less than the requirement set forth in this Section, the Issuer will employ a Consultant acceptable to the Trustee to examine the rates, fees and charges of the Issuer with respect to the Hospital facility and the method of operation of the Hospital and to make such recommendations as such Consultant believes appropriate to enable such rate covenant to be complied with as nearly as may be possible, and the Issuer further agrees to comply with such recommendations to the extent feasible.

The foregoing provisions notwithstanding, if in any Fiscal Year the Net Revenues are less than required by the rate covenant described above, the Trustee shall not be obligated to require the Issuer to retain such a Consultant to make such recommendations if: (a) there is filed with the Trustee a written report addressed to it of such a Consultant (which report, including without limitation, the scope, form, substance and other aspects thereof, is acceptable to the Trustee) which contains an opinion of such Consultant that applicable laws or regulations have prevented the Issuer from generating Net Revenues during such Fiscal Year in an amount sufficient to comply with such rate covenant and, if requested by the Trustee, such report is accompanied by a concurring opinion of counsel not regularly employed by the Issuer (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) as to any conclusions of law supporting the opinion of such Consultant; and (b) the ratio of Net Revenues during such Fiscal Year to such Debt Service Requirement (including Subordinated Indebtedness for this purpose) was at least 1:1. The Issuer shall not be required

to cause the Consultant's report referred to in this paragraph to be prepared more frequently than once every 2 Fiscal Years if at the end of the first of such 2 Fiscal Years the Issuer provides to the Trustee an opinion of counsel not regularly employed by the Issuer (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) to the effect that the applicable laws and regulations underlying the Consultant's report delivered in respect of the previous Fiscal Year have not changed in any material way.

Section 4.10. Hazardous Waste. In addition to and without limitation of all other representations, warranties and covenants made by the Issuer hereunder, the Issuer further represents, warrants and covenants it has not used Hazardous Materials (as hereinafter defined) on, from, or affecting the Hospital in any manner which violates federal, state or local laws, ordinances, rules, or regulations, governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, in a manner that would create a material adverse effect on the Hospital, and that, to the best of the Issuer's knowledge, no prior owner of the Hospital or any tenant, subtenant, prior tenant or prior subtenant has used Hazardous Materials on, from, or affecting the Hospital in any manner which violates or did violate existing applicable federal, state or local laws, ordinances, rules, or regulations governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, except for violations that would not create a material adverse effect on the Hospital. Without limiting the foregoing, the Issuer shall not cause or permit the Hospital or any part thereof to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in substantial compliance with all applicable federal, state and local laws, ordinances, rules or regulations, nor shall the Issuer cause or permit, as a result of any intentional or unintentional act or omission on the part of the Issuer or any tenant or subtenant, an unremediated release of Hazardous Materials onto the Hospital or onto any other property that would create a material adverse effect on the Hospital. The Trustee is aware that the Issuer provides healthcare services which necessitate the use, generation, storage, handling and disposal of Hazardous Materials, including Hazardous Waste and medical waste. The Issuer shall substantially comply with and require compliance by all tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, and shall obtain and comply with, and require that all tenants and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The Issuer shall conduct and complete all investigations, studies, sampling, and testing, and all remedial, removal, and other actions required by a governmental authority under an applicable statute or regulation necessary to clean up and remove all Hazardous Materials, on, from, or affecting the Hospital in accordance with all applicable federal, state and local laws, ordinances, rules, and regulations. In addition, the Issuer shall defend, indemnify, and hold harmless the Trustee from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (a) the presence, disposal, release, or threatened release of any Hazardous Materials which are on or from the Hospital, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials on or from the Hospital; and/or (c) any violation of laws, orders, regulations, requirements or demands of government authorities, which are based upon or in any way related to such Hazardous Materials, including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. For the purposes of this paragraph, "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes or hazardous or toxic substances defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et. seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 9601, et seq.), and in the regulations promulgated pursuant thereto, or any other applicable federal, state or local environmental law, ordinance, rule, or regulation. The provisions of this paragraph

shall be in addition to any and all other obligations and liabilities the Issuer may have to the Trustee at common law, and shall survive the termination of this Indenture.

The indemnifications and protections set forth in this Section 4.10 shall be extended, with respect to the Issuer, to its members, directors, officers, employees, agents, officials and servants and persons under the Issuer's control or supervision, and with respect to the Trustee, to any of its directors, officers, employees, agents and servants and persons under the Trustee's control or supervision.

Anything to the contrary in this Indenture notwithstanding, the covenants of the Issuer contained in this Section 4.10 shall remain in full force and effect after the termination of this Indenture until the later of (i) the expiration of the period stated in the applicable statute of limitations during which a claim or cause of action may be brought and (ii) the payment in full or the satisfaction of such claim or cause of action and of all expenses and charges incurred by the Issuer or the Trustee relating to the enforcement of the provisions herein specified.

Section 4.11. ERISA Covenant. The Issuer will not terminate any ERISA Plan in a manner which could result in the imposition of a lien on the property of the Issuer pursuant to Section 4068 of ERISA and it will notify the Trustee within 15 days after the happening of any "Reportable Event" with respect to any ERISA Plan, as such quoted term is defined in Section 4043 of ERISA, and, in any event, at least 5 days prior to any notification of such "Reportable Event" given to the Pension Benefit Guaranty Corporation pursuant to the terms of such Section 4043.

Section 4.12. Insurance Coverage and Terms. A. The Issuer hereby covenants and agrees that it will, as an expense of construction of the Project and the operation and maintenance of the Hospital, procure, carry and maintain, or cause to be procured, carried and maintained by the Board, so long as the Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(1) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor and from the date of issuance with respect to the remaining Hospital facilities, on all above-ground structures of the Hospital and the machinery and equipment in place or stored on the site in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the Hospital, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion or redemption of the Bonds. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during design, acquisition, construction and equipping of the Project in the full insurable value. The Issuer agrees to list the Purchaser as a lien holder on such policies as "United States of America acting through the Rural Housing Service or its Successor Agency, 1550 Earl Core Road, Suite 101, Morgantown, West Virginia 26505."

(2) Liability Insurance, with limits of not less than $500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than $200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the Hospital, such insurance to be procured not later than the date of delivery of the Bonds.

(3) Workers' Compensation Coverage for All Employees of the Issuer Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds have

been or will be filed with the Clerk of the County Commission of Taylor County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(4) Medical Malpractice, in an amount not less than $500,000 for one person and not less than $1,000,000 for any aggregate amount of claims and, in addition, as is adequate in the judgment of the Issuer to protect the Issuer and the Hospital and its operations.

(5) Fidelity Bonds, will be provided as to every officer and employee having custody of any Net Revenues of the Hospital or of any revenues or other funds of the Hospital in an amount at least equal to one annual installment on the Bonds. During construction of the Project such fidelity bond coverage shall be in an amount at least equal to the maximum amount of funds to be under the control of such individual at any one time.

Notwithstanding the foregoing, the Issuer shall be permitted to make modifications to the foregoing liability insurance requirements and deductible amounts, including without limitation self-insurance and participation in mutual insurance arrangements, in accordance with any recommendations of an Independent Insurance Consultant. In making its decision to permit such modifications, the Independent Insurance Consultant shall consider the policies of insurance carried by hospitals of a size and character similar to the Hospital, the availability of insurance, the terms upon which insurance is available and the cost of available insurance; and the Independent Insurance Consultant shall also consider the effect of such terms and such rates upon the Hospital's costs and charges for its services. The Issuer shall pay any fees charged by such Independent Insurance Consultant and prior to the effective date of modification of insurance requirements shall give written notice to the Trustee as to the making and effective date of any modifications and shall furnish to the Trustee a copy of the report of the Independent Insurance Consultant relating thereto. If the Issuer does not agree with the recommendations of the Independent Insurance Consultant, it may, with the consent of the Trustee, employ another Independent Insurance Consultant to make the recommendations required by this Section.

If the Issuer shall decide to establish a self-insurance program, such program shall be acceptable to the West Virginia Department of Health and Human Services if required (or any successor Federal or state agency) in connection with the Medicare and Medicaid reimbursement programs or any other government program providing similar benefits. In addition, the Issuer shall file annually with the Trustee a report of an Independent Insurance Consultant setting forth his recommendations, if any, as to actions which are required in his opinion to assure that any such self-insurance program is funded and maintained in a manner which assures the actuarial soundness of the program. The Issuer shall take such action at the earliest practicable time to comply with the recommendations contained in such report.

B. The Issuer agrees that such insurance coverage shall be maintained with financially sound and reputable insurers, qualified to do business in the State and not objected to by the Trustee, and all such policies and the forms thereof shall be acceptable to the Trustee. These insurance requirements for the Hospital may be included under respective blanket insurance policies covering all operations of the Issuer. The insurance referred to in subparagraph A above shall name the Issuer and the Trustee as additional insureds as their respective interests may appear. The insurance referred to in subparagraph A(1) above shall provide that any losses payable thereunder in excess of $100,000 with respect to the insurance referred to in subparagraph A(1) shall be payable to the Trustee. If the Issuer is the payee, or one of the payees, of any check or other instrument representing payment of any insurance proceeds referred to in subparagraph A(1) above and payable to the Trustee, as aforesaid, the Issuer will endorse the same to the order of the Trustee and deliver the same to the Trustee; and if the Issuer fails to do so, the Issuer hereby irrevocably authorizes any officer or employee of the Trustee to endorse and

deliver the same as the Issuer's attorney-in-fact. The policies for the insurance required by this Section 4.13 shall not, to the extent available, be cancellable without at least 30 days written notice to the Trustee. The Issuer covenants that it will take all action, or cause the same to be taken, which may be necessary to enable recovery upon the aforesaid insurance policies.

C. All policies and certificates of insurance required hereby shall be open to inspection by the Trustee at all reasonable times. Certificates of insurance describing such policies shall be furnished by the Issuer to the Trustee at or prior to the delivery of the Bonds, and a complete list describing such policies and certificates as of January 1 of each year and, if any change shall be made in such insurance as to either amount or type of coverage, a description and notice of such change shall be immediately furnished to the Trustee by the Issuer. In the event that the Issuer fails to maintain any insurance as provided in this Section 4.12, the Trustee may (but shall be under no obligation to), upon such notice to the Issuer as is reasonable under the circumstances, procure and maintain such insurance, and any amounts so advanced therefor by the Trustee shall become an additional obligation of the Issuer to the Trustee, which amounts, together with interest thereon at the interest on the Bonds, the Issuer agrees and covenants to pay and such payments and interest shall be considered to be additional indebtedness secured hereby and assigned to the Trustee under the Indenture.

Section 4.13. Insurance Proceeds. A. CASUALTY INSURANCE. Immediately after occurrence of loss or damage covered by insurance required under Section 4.12A(1) hereof, the Issuer shall immediately notify the Trustee of such event and shall remit such proceeds required to be paid to the Trustee to be held by the Trustee in an appropriately designated fund. Thereafter, the Issuer shall determine and advise the Trustee in writing, within 60 days of the occurrence of such loss or damage, whether it is practicable to repair, reconstruct or replace such damaged or destroyed property, and the estimated time required for such repair, reconstruction or replacement. The Issuer may apply the proceeds at its discretion either to the repair, reconstruction or replacement of such damaged property or to the prepayment of the Bonds in accordance with the terms hereof. In the event of an election by the Issuer not to repair, reconstruct or replace the damaged property, the Issuer will promptly (but in no event more than 60 days after such damage or destruction) inform the Trustee in writing of its decision to not rebuild and such proceeds shall be transferred to the Revenue Fund and the Bonds and the interest thereon shall become payable on the first payment date thereafter following receipt of such written notice and more than 60 days after such event. Notwithstanding any other provision in this Indenture or the Bonds, in the event that the Bonds or any part thereof are prepaid pursuant to this Section 4.13, no prepayment penalty shall be applicable and, notwithstanding the foregoing or any other provision in this Indenture to the contrary, in no event shall such proceeds be applied to the prepayment of Bonds unless the Bonds are then redeemable in accordance with the terms of this Indenture and the Bonds, including, without limitation, giving due regard to the time necessary for giving all notices of redemption thereunder. In the event that the Issuer elects to repair, reconstruct or replace the damaged property the Issuer shall promptly proceed to repair, reconstruct and replace such part of the Hospital to its original condition or a condition of at least equivalent value, immediately prior to such event, insofar as possible. The moneys required for such repair, reconstruction and replacement shall be paid from: (i) the net proceeds of insurance received by reason of such occurrence which net proceeds (after deducting any reasonable expenses incurred by the Issuer or the Trustee in collecting the same) shall be transferred to a renewal fund with the Trustee and disbursed in accordance with a requisition procedure established by the Trustee in its reasonable discretion; and (ii) to the extent such insurance proceeds are not sufficient, from moneys to be provided by the Issuer. Notwithstanding the foregoing or anything herein to the contrary, any amounts relating to such proceeds required to be rebated to the United States pursuant to Section 148(f) of the Code shall be paid in the time and manner required under the Code.

B. LIABILITY AND OTHER INSURANCE. The proceeds of all comprehensive general liability, owner's liability insurance, worker's compensation insurance and other insurance

required by Sections 4.12 and 4.13 hereof, which may be received by the Issuer shall be applied by the Issuer to the payment of any judgment, settlement or liability incurred for risks covered by such insurance, and such proceeds required to be payable to the Trustee shall be deposited in the Revenue Fund and if required by the Trustee, applied to the payment of principal and/or interest on the Bonds.

Section 4.14. City Acting Through Board. The City hereby covenants and agrees that so long as any of the Bonds are outstanding, the City will manage, administer, operate and maintain the Hospital solely through the Board and that the City will not interfere in any way with the Board in performance of its duties. It is expressly hereby represented by the City in the issuance of the Bonds that the Hospital will be free from political control and supervision so long as any of the Bonds are outstanding. All covenants hereof which require action by the City shall be deemed to mean that the City will act through the Board insofar as such action may lawfully be taken by the Board under the laws of the State.

Section 4.15. Additional Representations and Covenants. A. The estimated economic life of the Hospital is not less than 30 years.

B. The estimated revenues to be derived in each year after the date hereof from the operation of the Hospital shall be sufficient, upon refunding and defeasance of the Prior Bonds and the refinancing of the Loan Obligation, to provide for the repair, maintenance and operation of the Hospital, the payment of the principal of and interest on all Bonds issued hereunder and all payments into the Sinking Fund and the Reserve Account, as hereinafter provided, and to make all other payments provided for in this Indenture.

C. One of the purposes of issuing the Bonds for the purposes of refunding of the Prior Bonds, refinancing the Loan Obligation and paying the Federal Tax Obligations is to effect the release, termination or modification of liens, restrictions, covenants, conditions or limitations imposed by the Prior Bonds and the Loan Obligation.

D. It is in the best interest of the Issuer, and the residents thereof, that the Issuer issue the Bonds and secure the Bonds by a pledge and assignment of the Net Revenues derived from the operation of the Hospital, and all the moneys in the funds and accounts as further set forth herein.

E. All things necessary to make the Bonds, when authenticated by the Registrar and issued as in this Indenture provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Bonds, and to comply with the limitations imposed by the Bond Act and the Refunding Act upon the issuance of the Bonds have been timely met, done and duly performed.

F. The execution and issuance of the Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

ARTICLE V

FUNDS AND ACCOUNTS; REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Revenue Fund and Construction Fund. The Revenue Fund and Construction Fund are hereby created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other and the

funds on deposit therein from time to time are hereby pledged unto the Trustee in order to secure repayment of the Series 2015 Bonds.

Section 5.02. Establishment of Sinking Fund and Reserve Account. The Sinking Fund and Reserve Account therein are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other and all funds on deposit therein from time to time are hereby pledged and assigned to the Trustee as security for repayment of the Series 2015 Bonds.

Section 5.03. Bond Proceeds; Construction Fund. A portion of the proceeds of the sale of the Series 2015 Bonds in the amount of $1,779,800 shall be deposited on the Closing Date upon receipt by the Issuer in the Construction Fund. Additional funds shall be deposited into the Construction Fund as need to pay the costs of the Project on a periodic basis as such funds are requisitioned from time to time by the Issuer from the Purchaser and disbursed by the Purchaser upon completion of such inspections and the receipt of such documents as shall be satisfactory to the Purchaser. The moneys in the Construction Fund in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Construction Fund shall be expended by the Issuer solely for the purposes provided herein.

Moneys in the Construction Fund shall be used solely to pay the cost of design, acquisition, construction and equipping of the Project, to currently refund the Prior Bonds, to refinance the Loan Obligation and to pay the Issuance Costs of the Bonds upon vouchers and other documentation approved by the Purchaser.

The Board shall undertake and carry out the design, acquisition, construction and equipping of the Project. Until completion of design, acquisition, construction and equipping of the Project, the Issuer will additionally transfer from the Construction Fund and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installments on the Bonds if there are not sufficient Revenues to make such monthly payment.

Pending application as provided in this Section 5.03, money and funds in the Construction Fund shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Construction Fund shall be disposed of in accordance with the regulations of the Purchaser.

Section 5.04. Revenues; Flow of Funds. A. Notwithstanding anything in this Indenture to the contrary, the entire Gross Revenues derived from the operation of the Hospital shall, upon receipt by the Issuer or Board, as applicable, be deposited into, or otherwise be paid directly into, a deposit account in the name of the Issuer or Board, as applicable, which deposit account, including, without limitation, the funds held therein, shall be under the sole dominion and control of the Issuer or the Board, as the case may be, and in which the Issuer and the Board shall grant no pledge, assignment or other security interest. The Issuer or the Board, as applicable, will provide a standing revocable sweep directive to the bank in which such account is maintained to transfer, each Business Day, the funds in such account to the Revenue Fund. The Revenue Fund shall be kept separate and distinct from all other funds of the Issuer or the Board and the Depository Bank. Subject to the provisions of this Indenture, all Gross Revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The Issuer shall first, each month, pay from the Revenue Fund all Operating Expenses of the Hospital.

(2) The Issuer shall next, on or before the 1st day of each month, transfer from the Revenue Fund and pay to the Commission for deposit in the Sinking Fund, the amounts required to pay the interest on the Bonds, and to amortize the principal of the Bonds over the life of the Bond issue.

(3) The Issuer shall next, on each date that payment is made as set forth in Section 5.04(A)(2) above, transfer from the Revenue Fund and remit to the Commission for deposit in the Reserve Account, an amount equal to 1/120th of the Reserve Requirement, provided that, no further payments shall be made into the Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Reserve Requirement. After the Reserve Requirement has been accumulated in the Reserve Account, the Issuer shall monthly deposit into the Reserve Account such part of the moneys remaining in the Revenue Fund, after such provision for payment of monthly installments on, or payments with respect to, the Bonds, as shall be required to maintain the Reserve Requirement in the Reserve Account. Moneys in the Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on or with respect to the Series 2015 Bonds as the same shall become due or for prepayment of installments on the Series 2015 Bonds, or for mandatory prepayment of the Series 2015 Bonds as hereinafter provided, and for no other purpose.

(4) After all the foregoing provisions for use of moneys in the Revenue Fund have been fully complied with, any moneys remaining therein and not required to be retained therein may be used for any lawful purpose of the Hospital.

Whenever the moneys in the Reserve Account shall be sufficient to prepay the Series 2015 Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Series 2015 Bonds at the earliest practical date and in accordance with applicable provisions hereof.

Moneys in the Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2015 Bonds as the same shall become due. Moneys in the Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2015 Bonds as the same shall come due, when moneys in the Sinking Fund are insufficient therefore, and for no other purpose.

In the event that moneys in the Reserve Account are disbursed in order to make any scheduled payment of principal of or interest on the Series 2015 Bonds, or any portion thereof, such moneys shall be restored by the Issuer within a period of not more than 12 months.

As and when Additional Bonds ranking on a parity with the Series 2015 Bonds are issued, provision shall be made for additional payments into the Sinking Fund sufficient to pay the principal of and interest on such Additional Bonds as and when the same become due.

The Issuer shall not be required to make any further payments into the Sinking Fund or the Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate

principal amount of the Series 2015 Bonds issued pursuant to this Indenture then Outstanding and all interest to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Sinking Fund and the Reserve Account created hereunder, and all amounts required for said account shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

Moneys in the Sinking Fund and in the Reserve Account shall be invested and reinvested by the Commission as provided herein and in accordance with Section 7.01 hereof.

Subject to the provisions of this Indenture, all the funds provided for in this Article V shall be used only for the purposes and in the order provided herein, and until so used, the Trustee shall have a lien thereon for further securing payment of the Series 2015 Bonds and the interest thereon, but the Depository Bank and the Commission shall not be a trustee as to such funds.

The Commission shall keep the moneys in the Reserve Account invested and reinvested to the fullest extent possible in accordance with applicable law, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof. Investments in any fund or account under this Indenture shall, unless otherwise provided herein or required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia Board of Treasury Investments. Any investment shall be held in and at all times deemed part of the fund or account in which such moneys were originally held, and interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings upon moneys in the Reserve Account, so long as the Reserve Requirement is on deposit and maintained therein, shall be paid annually in January by the Commission to the Issuer for deposit by the Issuer into the Revenue Fund.

B. CHANGE OF DEPOSITORY BANK. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank if the Depository Bank should cease for any reason to serve or if the Issuer determines by resolution that the Depository Bank or its successor should no longer serve as Depository Bank. Upon any such change, the Issuer will cause notice of the change to be sent by registered or certified mail to the Trustee and the Purchaser.

C. CHARGES AND FEES. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such sums as shall be necessary to pay their respective charges, fees and expenses then due.

D. INVESTMENT OF EXCESS BALANCES. The moneys in excess of the sum insured by FDIC in any of such funds or accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, in a lawful manner for securing deposits of state and municipal funds under the laws of the State of West Virginia.

E. DEFICIENCIES. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the fund and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be

made pursuant to this Section 5.04, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

F. REMITTANCES. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited and shall be accompanied by appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Indenture.

G. GROSS REVENUES. The Gross Revenues of the Hospital shall only be used for purposes of the Hospital.

Section 5.05. Disbursements from Sinking Fund. The Commission shall disburse funds on deposit in the Sinking Fund, on or before the 15th day of each month, by check, or such other means of payment as shall be mutually agreed upon by the Commission and the Purchaser, to the local finance office of the Purchaser located at Randolph Center Building, 1200 Harrison Avenue, Suite 150, Elkins, West Virginia 26241 (the "Local Finance Office"). The Local Finance Office of the Purchaser shall thereupon disburse such funds as promptly as may be feasible in the circumstances to the Purchaser, or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Purchaser may hereafter designate in writing to the Commission and the Issuer.

Section 5.06. Repayment to Hospital Upon Payment of Bonds. Any amounts remaining in any fund or account created hereunder after payment in full of the principal and redemption premium, if any, of and interest on the Series 2015 Bonds, and the reasonable fees, charges and expenses of the Trustee, the Registrar, the Paying Agent and the Depository Bank incurred in connection with the Series 2015 Bonds, shall be paid to the Hospital for use by the Hospital for any lawful purpose of the Hospital.

ARTICLE VI

APPLICATION OF PROCEEDS OF BONDS

Section 6.01. Disposition of Proceeds of Bonds. Upon the issuance and delivery of the Series 2015 Bonds, the Issuer shall forthwith deposit a portion of the proceeds thereof on the Closing Date in the amount of $955,857.87 with the Commission for deposit into the Escrow Fund created pursuant to the Escrow Agreement and shall deposit a portion of the proceeds of the Bonds on the Closing Date in the amount of $846,165.32 with the Depository Bank for deposit into the Construction Fund established pursuant to Section 5.01 of this Indenture. Following such deposits, the Commission and the Depository Bank shall apply such funds as follows:

A. The Commission shall apply all Series 2015 Bond proceeds and other funds deposited into the Escrow Fund in the manner and otherwise as provided for in the Escrow Agreement, and in particular as follows:

$647,555.30 to the current refunding and defeasance of the Prior Bonds;

$336,079.88 to the repayment and refinancing of the Loan Obligation; and

$2,262.36 to the payment of the fees of the Commission

B. Series 2015 Bond proceeds in the amount of $848,427.68 which have been deposited into the Construction Fund on the Closing Date shall be applied to the payment of costs of the Project, the

payment of the Federal Tax Obligations and the payment of Issuance Costs, to such payees and in such amounts as set forth in a closing memorandum to be delivered on the Closing Date. The remaining available proceeds of the Series 2015 Bonds in the amount of $1,870,130 shall be advanced from time to time by the Purchaser upon the approval by the Purchaser of periodic requisitions and supporting invoices or other documentation as shall be acceptable by the Purchaser and upon the completion of any necessary inspections as may be required by the regulations or practices of the Purchaser and thereupon deposited into the Construction Fund for application to the payment of the costs of the Project which have been approved for payment by the Purchaser. Any proceeds of the Series 2015 Bonds which remain on deposit in the Construction Fund upon the completion of the Project and any available portion of the par amount of the Series 2015 Bonds which remains unadvanced following the completion of the Project shall be applied in accordance with the regulations and practices of the Purchaser.

ARTICLE VII

INVESTMENTS

Section 7.01. Investments. Any moneys held as a part of the funds and accounts created by this Indenture, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Indenture, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 7.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission and the Depository Bank shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank and the Commission shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often if reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding and for a period of 5 years thereafter.

ARTICLE VIII

SATISFACTION AND DISCHARGE

Section 8.01. Satisfaction and Discharge. All rights and obligations of the Issuer under this Indenture shall terminate, and this Indenture shall cease to be of further effect, and the Trustee, Depository Bank and Commission shall assign and deliver to the Issuer any moneys and investments held

hereunder (except moneys or investments held by the Commission for the payment of principal of and interest on the Bonds when due or called for redemption) at such time that:

(A) All reasonable fees, expenses and costs of the Trustee, Depository Bank, Registrar and the Commission shall have been paid;

(B) The Issuer shall have performed all of its agreements in this Indenture; and

(C) All principal of and interest on the Bonds shall have been paid as provided for herein or in the Bonds either upon the maturity thereof or upon prepayment as provided for in the Bonds together with all other costs, charges and expenses which are due and payable in connection with the Bonds as provided herein or in the Bonds; and

Notwithstanding any discharge of this Indenture, the Trustee shall enforce, on its own behalf and on behalf of the Bondholders, by appropriate action, any rights arising hereunder.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.01. Events of Default. Each of the following shall be an "Event of Default" hereunder:

(a) Failure to make a payment of principal of or interest on any Bond as the same becomes due and payable;

(b) Failure by the Issuer to perform any of its covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture other than as specified in (a) above, and such failure shall continue for the period and after the notice specified in Section 9.02 hereof.

(c) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United Sates of America;

(d) If the Issuer defaults in the due and punctual performance of any covenant set forth in the Loan Resolution (RUS Bulletin 1780-27) adopted by the Issuer on _____, 2014 in connection with the Series 2015 A Bonds and the Loan Resolution adopted by the Issuer on September 8, 2015 in connection with the Series 2015 B Bonds and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given to the Issuer by Purchaser; provided that if any such default cannot be cured within thirty (30) days the period shall be extended for such period as is reasonable to cure the same with due diligence if the Issuer commences the cure within thirty (30) days and proceeds diligently.

Section 9.02. Notice of Default; Opportunity to Cure. No default under Sections 9.01(b) or (d) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Issuer by the Trustee or by holders of not less than 25% in aggregate principal amounts of all Bonds Outstanding and until the Issuer shall have had 30 days after receipt of such notice to correct such default, and shall not have corrected it.

The Issuer hereby grants the Board full authority for the account of the Issuer to perform any covenant or obligation alleged to constitute a default in any notice given pursuant to this Section 9.02 in the name of the Issuer and with full power of substitution.

In the event that any payment referred to in Section 9.01(a) is not timely made, the Trustee shall immediately notify the Issuer by the fastest means of communication reasonably available that such payment has not been made and shall confirm such notice in writing, but failure to so notify will not toll any period or waive any Event of Default.

Section 9.03. Acceleration; Cure. If any Event of Default under subparagraph (a) of Section 9.01 occurs, the entire principal amount of the Bonds then Outstanding shall become due and payable without notice or demand. Should any Event of Default other than one described in the preceding sentence occur and be continuing, then the Trustee may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding, shall, by notice in writing delivered to the Issuer and the Board, declare the principal of all Bonds then Outstanding to be due and payable immediately. Upon such declaration, the said principal, together with interest accrued thereon, shall become due and payable immediately at the place of payment provided therein without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived, anything in this Indenture or in the Bonds to the contrary notwithstanding.

The above provisions, however, are subject to the condition that if, after the principal of the Bonds shall have been so declared to be due and payable, all arrears of principal and interest upon the Bonds, and all other sums payable under this Indenture (except the principal of, and interest on, the Bonds which by such declaration shall have become due and payable), shall have been paid by or on behalf of the Issuer, and the Issuer also shall have performed all other things in respect of which it may have been in default hereunder, and shall have paid the reasonable charges of the Trustee, its counsel and the holders of the Bonds, including reasonable attorneys' fees paid or incurred, then and in every such case, the holders of not less than a majority in aggregate principal amount of each series of Bonds then outstanding may, by written notice to the Issuer, the Board and to the Trustee, waive such default and rescind and annul such declaration and its consequences, and such waiver shall be binding upon the Trustee and upon all holders of Bonds; but no such waiver, rescission and annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

Section 9.04. Powers of Trustee. If any Event of Default occurs and is continuing, the Trustee in its discretion may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding and upon receipt of indemnity to its satisfaction, shall, take any or all of the following actions:

(a) Enforce each and every right of the Trustee under this Indenture or otherwise;

(b) By mandamus or other proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Issuer to comply with the provisions of this Indenture and to require the Issuer or the Board to carry out any other agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act;

(c) Bring suit upon the Bonds;

(d) By a proceeding in equity require the Issuer or the Board to account as if it were the trustee of an express trust for the Bondholders;

(e) By a proceeding in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; or

(f) Seek the appointment of a receiver for the Hospital facilities by a court of appropriate jurisdiction for the operation of such Hospital facilities by such receiver and the collection of the rents, revenues, issues, earnings, income and products of such Hospital facilities, with such powers as the court making such appointment shall direct.

The Trustee may maintain any proceeding without the possession of any of the Bonds or the production thereof in connection with said proceeding.

If any proceeding taken by the Trustee on account of any Event of Default is discontinued or abandoned for any reason, or determined adversely to the Trustee, then and in every case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 9.05. Powers of Bondholders. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder.

Section 9.06. Limitations on Bondholders. No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder, or any other remedy hereunder or on the Bonds, unless:

(a) Such holder previously shall have given to the Trustee written notice of an Event of Default;

(b) The holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name;

(c) There shall have been offered to the Trustee, security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and

(d) The Trustee shall have refused or neglected to comply with such request within a reasonable time.

Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or to any other remedy hereunder; it being understood and intended that no Bondholder shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder or under the Bonds, except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of all holders of Outstanding Bonds affected thereby,

subject to the provisions of this Indenture. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to institute suit for the enforcement of payment of the principal of and interest on such Bond when due and payable in accordance with its terms, upon redemption or otherwise.

Section 9.07. Right of Purchaser to Act. Notwithstanding anything set forth in this Indenture to the contrary, so long as the Purchaser is the Holder of the Bonds, the Purchaser may institute a suit, action or proceedings in equity or at law, in state or federal court, for the execution of any trust under this Indenture or for any other remedy hereunder using applicable state or federal law. Specifically, Purchaser shall not be obligated to first request the Trustee to act on behalf of Purchaser and may proceed directly against the Issuer, provided it is understood and intended that Purchaser shall not have any right to affect, disturb or prejudice the security of this Indenture, or to enforce any right under this Indenture, except in the manner provided therein, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture. Any recovery shall be for the benefit of all Holders of Outstanding Bonds on a parity basis. The Trustee shall not be answerable for the exercise by Purchaser of its powers set forth in this Section, except only its own misconduct or gross negligence. Where Purchaser institutes an action pursuant to this Section, the Trustee is empowered to receive moneys from such proceeding and to disburse such funds in accordance with the terms of this Indenture (as supplemented and/or amended from time to time), including for the payment of moneys due to the Trustee under this Indenture (as supplemented and/or amended from time to time) and for the benefit of all Holders on a parity basis.

Section 9.08. Control of Proceedings Commenced by the Trustee and Commenced by Purchaser. Notwithstanding anything in this Indenture to the contrary, until such time as the Purchaser shall have notified the Trustee of its election to have the Trustee enforce Purchaser's rights under this Indenture, and Trustee shall have accepted such election, the provisions of (i) Sections 9.04 and 9.06 requiring the Trustee to act and (ii) Sections 9.05 and 9.06 permitting Bondholders to act, in all such cases, on the written request of the Registered Owners of not less than twenty-five percent (25%) of principal amount of the Bonds then Outstanding hereunder, shall mean the Registered Owners excluding the Purchaser of not less than twenty-five percent (25%) of the principal amount of the Bonds then Outstanding hereunder excluding the principal amount of any Bonds then Outstanding held by the Purchaser. Where Purchaser has commenced an action pursuant to the terms of Section 9.07 above, Purchaser shall control such action in accordance with such Section 9.07.

Section 9.09. Remedies not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9.10. Delay or Omission of Trustee. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Article IX to the Trustee and to the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.11. Application of Moneys. Any moneys received by the Trustee while an Event of Default is continuing and any available moneys held in the Sinking Fund, Reserve Account or otherwise, after first being applied to the payment of the reasonable fees and expenses of the Trustee shall be applied in the following order:

(A) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment to the persons entitled thereto of all installments of principal and interest then due on the Bonds, in the order of maturity of the installments of such principal and interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege.

(B) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on the Bonds, without preference or priority, according to the amounts due respectively for principal and interest, to the persons entitled thereto.

(C) To the extent of the surplus, if any, to the Issuer or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Whenever moneys are to be applied pursuant to this Section 9.11, the Trustee shall fix the date (which shall be a payment date on the Bonds unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amount of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

Section 9.12. Severability of Remedies. It is the purpose and intention of this Article IX to provide rights and remedies to the Trustee and Bondholders which may be lawfully granted under the provisions of the Act, but, should any right or remedy herein granted be held to be unlawful, the Trustee and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided in this Indenture.

Section 9.13. Limitation on Remedies and Rights. The Trustee and the Bondholders expressly acknowledge and agree that the grant and exercise of all rights and remedies are subject to laws applicable to health care providers, including, without limitation, laws protecting the confidentiality of patient information, and that in connection with the exercise of any rights or remedies, it may be necessary to obtain approval of, consents, determinations, exceptions or certifications from, third parties, including without limitation, commercial and governmental payers and health care regulatory authorities and agencies.

Section 9.14. Limited Indemnification Where Trustee Acts on Behalf of Purchaser. Should Purchaser elect to have the Trustee enforce Purchaser's rights under this Indenture, Purchaser's obligation to indemnify the Trustee against the liabilities associated with a request for enforcement of remedies shall be limited to the extent permitted by law, provided however, the Trustee shall not be required to institute an action on Purchaser's behalf unless indemnification is provided to the Trustee in accordance with the terms of this Indenture.

ARTICLE X

CONCERNING THE TRUSTEE

Section 10.01. Acceptance of Trust. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts in accordance with the provisions set forth in this Indenture, but only upon and subject to the following express terms and conditions:

A. The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any non-negligent action or non-action in reliance upon such opinion or advice.

B. The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture, or for insuring the property herein conveyed or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the property herein conveyed, if any, or otherwise as to the maintenance of the security hereof; except that in the event the Trustee enters into possession of a part or all of the property pursuant to any provision of this Indenture it shall use due diligence in preserving such property, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer or the Board hereunder, except as hereinafter set forth, but the Trustee may require of the Issuer or the Board full information and advice as to the performance of the covenants, conditions and agreements aforesaid as to the condition of such property. The Trustee shall have no obligation to perform any of the duties of the Issuer under this Indenture. The Trustee shall not be responsible for reviewing any financial information of the Board which it receives pursuant to this Indenture. Except during the continuance of an Event of Default, the Trustee shall be obligated to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

C. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder after such Bonds shall have been delivered in accordance with instructions of the Issuer. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

D. The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee, pursuant to this Indenture upon the request, authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefore or in place thereof.

E. As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Issuer signed by its Mayor, City Manager or any certificate signed by the Board 's President or Secretary as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee has been notified as provided in Subsection G of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the City Clerk of the Issuer under its seal to the effect that a resolution

or ordinance in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution or ordinance has been duly adopted, and is in full force and effect.

F. The permissive right of the Trustee (indicated by the word "may" and not by the word "shall") to take actions under this Indenture shall not be construed as a duty and the Trustee, except during the continuance of an Event of Default, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In the performance of such duties, the Trustee shall be answerable only for its gross negligence or willful misconduct. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise, as an ordinarily prudent man would exercise or use under the circumstances in the conduct of his own affairs.

G. The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless the Trustee shall be specifically notified in writing of such default by the Issuer or by the holders of at least 25% in aggregate principal amount of Bonds then outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

H. The Trustee shall not be personally liable for any debts contracted or for damages to persons or property, or for salaries or non-fulfillment of contracts during any period in which it may be in the possession of or managing the real or tangible personal property as in this Indenture provided.

I. At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the property herein conveyed, including all books, papers and records of the Issuer pertaining to the Project and the Bonds, and to take copies of such memoranda from and in regard thereto as may be desired.

J. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

K. Notwithstanding anything contained elsewhere in this Indenture, the Trustee shall have the right, but shall not be required, to demand, with respect to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

L. Before taking any action hereunder the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from the gross negligence or willful default of the Trustee by reason of any action so taken.

M. All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for purposes for which they were received but need not be segregated from other funds except to the extent required by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 10.02. Notice of Default to Bondholder. Within 30 days after the occurrence of any Event of Default (or event which would with the passage of time or giving of notice or both be an Event of Default) hereunder of which the Trustee has actual knowledge or has, or is deemed to have, notice, the Trustee shall, unless such event or Event of Default shall no longer subsist, mail notice thereof to all Bondholders; provided, however, that such notice need not be given if the Trustee determines that to give such notice is not in the best interests of the holders of Bonds of all series.

For purposes of this Section 10.02, the Trustee shall not be deemed to have actual knowledge of any Event of Default unless a trust officer, assistant trust officer or other person charged with the administration of the obligations of the Trustee hereunder shall during the course of his duties have actual knowledge thereof.

Section 10.03. Rights and Powers During Default. Subject to its responsibility to act upon the direction of Bondholders hereunder, the Trustee shall exercise such of the rights and remedies vested in it by this Indenture and shall use the same degree of care in their exercise as a prudent man would exercise or use in the circumstances in the conduct of his own affairs; provided, that if in the opinion of the Trustee such action may tend to involve expense or liability, it shall not be obligated to take such action unless it is furnished with indemnity satisfactory to it.

Section 10.04. Right to Rely Upon Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine. The Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the trust and accuracy of such statements.

Section 10.05. Right to Own and Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholder may be entitled to take, with like effect as if the Trustee were not a party to this Indenture. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer or the Board and may act as depository, trustee or agent for any committee or body of holders of the Bonds or other obligations of the Issuer, as freely as if it were not Trustee hereunder.

Section 10.06. Interest Upon Moneys Received. The Trustee shall not be under any liability for interest on any moneys received under any of the provisions of this Indenture, except such as may be agreed upon between the Trustee and the Issuer. All interest allowed on any such moneys shall be credited as provided in Article VII hereof with respect to interest on investments.

Section 10.07. Construction of Provisions of Indenture. The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision thereof.

Section 10.08. Co-Trustee. The Trustee, with the approval of the Issuer, may appoint an additional individual institution as a separate or co-trustee. If the Trustee appoints a separate or co-trustee, each power or right vested in the Trustee hereunder shall be exercisable by and vest in such separate or co-trustee to exercise such powers or rights, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Section 10.09. Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days written notice to the Issuer and the Board and by registered or certified mail to each registered owner of Bonds then Outstanding, and such resignation

shall take effect upon the appointment of a successor Trustee by the Bondholders or by the Issuer. Such notice to the Issuer may be served personally or sent by registered mail.

Section 10.10. Removal of Trustee. The Trustee or any Trustee hereafter appointed hereunder may be removed at any time by an instrument in writing appointing a successor Trustee, filed with the Trustee so removed, the Issuer and the Board and executed by the holders of a majority in aggregate principal amount of the Bonds then outstanding.

Section 10.11. Appointment of Successor Trustee. In case the Trustee hereunder shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or shall otherwise become incapable of acting hereunder or in case it shall be taken under the control of any public officer, officers or a receiver appointed by a court, a successor may be appointed by the owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument executed and signed by its Mayor or City Manager and attested by its City Clerk under its seal shall forthwith appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondholders in the manner above provided; and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Bondholders.

Section 10.12. Qualification of Successor Trustee. Every successor Trustee appointed pursuant to any of the foregoing provisions which is not a governmental entity or representative of such governmental entity shall be a trust company or a national bank or state bank with trust powers in good standing and, if there be such a trust company or national or state bank willing and able to accept the trust on reasonable and customary terms, shall have a reported capital and surplus of not less than $10,000,000.

Section 10.13. Court Appointment of Successor Trustee. In case at any time the Trustee or any Trustee hereafter appointed shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article X prior to the date specified in the notice of resignation as the date when such resignation shall take effect, the resigning Trustee may forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article X within 3 months after a resignation by the Trustee, the holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Section 10.14. Acceptance and Transfer of Trust. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and the Board an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become duly vested with all the trust estate and the rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein. Upon request of such Trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument transferring to such successor Trustee all the trust estate and the rights, powers and trusts hereunder of the Trustee so ceasing to act; and the Trustee so ceasing to act shall pay over to the successor Trustee all moneys and other assets at the time held by it hereunder.

Section 10.15. Successor Trustee by Merger. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the successor Trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.16. Trustee's Right to Make Advances. If the Issuer shall fail to perform any of the covenants or agreements contained in this Indenture other than the covenants or agreements in respect of the payment of the principal or interest on the Bonds, the Trustee may, in its discretion and without notice to the Bondholders, at any time and from time to time, make advances to effect performance of the same on behalf of the Issuer, but the Trustee shall be under no obligation so to do, and no such advance shall operate to relieve the Issuer from any default hereunder.

Section 10.17. Intervention by Trustee. The Trustee may intervene on behalf of the Bondholders in any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Bondholders, and shall intervene if it is requested in writing by the holders of at least 25% in aggregate principal amount of the Bonds then Outstanding and if provided indemnity pursuant to Section 9.06 hereof. The rights and obligations of the Trustee under this Section 10.17 are subject to the approval of a court of competent jurisdiction. Notwithstanding anything herein to the contrary, the Trustee shall not be liable for its actions except as a result of its gross negligence or willful misconduct.

Section 10.18. Registration Under Securities Act, etc. In the event that the Bonds become subject to registration under the Securities Act of 1933 or the West Virginia Uniform Securities Act, or the Indenture becomes subject to qualification under the Trust Indenture Act of 1939, upon receipt of an opinion of Bond Counsel to such effect, the Trustee and the Issuer will take all actions necessary and will cooperate with the Issuer and Bond Counsel to accomplish such registration or qualification.

ARTICLE XI

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

Section 11.01. Execution of Instruments. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed by an instrument in writing. The fact and the date of the execution by any person of any such instrument may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgment or by an affidavit of a witness to such execution.

Nothing contained in this Article XI shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient. Any request, consent or other action of the holder of any Bond shall bind every future holder of the same Bond in respect of anything done by the Trustee, the Issuer or the Board in pursuance thereof.

ARTICLE XII

SUPPLEMENTAL INDENTURES; MODIFICATION OF THE INDENTURE

Section 12.01. Supplemental Indentures Without Consent of Bondholders. The Issuer and the Trustee may, without the consent of or notice to any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture as shall be consistent with the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee or either of them;

(c) To subject to the lien and pledge of this Indenture additional revenues, properties or collateral;

(d) To evidence the appointment of a separate trustee or a co-trustee or the succession of a new trustee hereunder;

(e) To make any other change in this Indenture which, in the judgment of the Trustee in reliance upon an Opinion of Counsel, does not materially adversely affect the rights of the holders of any Bonds; or

(f) To comply with the provisions of the Trust Indenture Act of 1939, as amended.

Section 12.02. Modification of the Indenture with Consent of Bondholders. From time to time the holders of not less than 60% in aggregate principal amount of the Outstanding Bonds materially adversely affected by any waiver under, or modification or alteration of, this Indenture may, by an instrument or instruments in writing signed by such holders and filed with the Trustee, assent to and authorize any such waiver, modification or alteration that shall be proposed by the Issuer and consented to by the Trustee; and any action herein authorized to be taken, with the assent or authority given as aforesaid shall be binding upon the holders of all the Bonds hereby secured and upon the Trustee as fully as though such action were specifically and expressly authorized by the terms of this Indenture; provided that, without the consent of the holders of all Bonds affected thereby, no such waiver, modification or alteration shall permit (a) the reduction of the portion of the Bonds the consent of the holders of which is required for any waiver, modification or alteration of this Indenture, (b) the extension of the time or times of payment of the principal of and interest on the Bonds, whether at maturity, upon redemption, or otherwise, or (c) the reduction in the principal amount thereof or in the rate of interest or the amount of any premium thereon or any change in the currency for payment thereof.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Sole Benefit of Parties and Bondholders. Except as herein otherwise provided with respect to the Board, nothing in this Indenture expressed or implied is intended or shall be

construed to confer upon any person, firm or corporation other than the parties hereto and the holders of the Bonds any right, remedy or claim under or by reason of this Indenture, this Indenture being intended to be for the sole and exclusive benefit of the parties hereto and the holders of the Bonds.

Section 13.02. Severability of Provisions. In case any one or more of the provisions of this Indenture or of the Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture or of said Bonds, but this Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

Section 13.03. Notices. All communications hereunder shall be in writing and, unless otherwise required under this Indenture, shall be deemed sufficiently given or made if delivered personally to the person who is to receive the same or if mailed to such person by first class mail, registered or certified, return receipt requested, postage prepaid, by deposit thereof in a United States Post Office, or branch thereof, within the United States of America addressed:

If to the Issuer:

City of Grafton
1 West Main Street
Grafton, West Virginia 26354
Attention: City Manager

If to the Board:

Grafton City Hospital, Inc.
1 Hospital Plaza
Grafton, West Virginia 26354
Attention: Administrator

If to the Trustee:

United Bank, Inc.
500 Virginia Street East
Charleston, WV 26301
Attention: Corporate Trust Department

If to Purchaser:

United States Department of Agriculture
National Finance Office
St. Louis, Missouri 63103

If to the Commission:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

The Trustee, the Issuer, the Board, the Purchaser and the Commission may, by notice given hereunder, designate any further or different addresses to which subsequent communications shall be sent.

Section 13.04. Successors and Assigns. None of the covenants, promises and agreements made in this Indenture by or on behalf of the Issuer or the Trustee shall be assignable by either of them except as expressly provided herein; but insofar as assignable or otherwise transferable this Indenture shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 13.05. Counterparts. This Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but all such counterparts shall together constitute but one and the same instrument.

Section 13.06. Governing Law. Except as otherwise specifically provided herein, this Indenture and all Bonds issued hereunder have been or will be executed and delivered under the laws of the State of West Virginia, and such laws shall govern the construction of this Indenture and of all such Bonds.

Section 13.07. Payments Due on Saturdays, Sundays and Holidays. In any case where the date for any payment on or with respect to the Bonds shall be a Saturday, a Sunday, a legal holiday or a day on which banking institutions in the domicile of the Trustee are authorized by law to close, then payment shall be made on the next succeeding business day not a Saturday, a Sunday, a legal holiday or a day upon which banking institutions are authorized by law to close.

Section 13.08. No Liability on Issuer. No provision, covenant or agreement contained in this Indenture or in the Bonds or any obligations herein or therein imposed upon the Issuer or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or a charge upon its general credit or taxing powers. In making the agreements, provisions and covenants set forth in this Indenture, the Issuer has not obligated itself except with respect to the Revenues, as herein above provided. No officer or member of the Issuer shall be personally liable on this Indenture or on any Bonds, nor shall the issuance of the Bonds under this Indenture be considered a misfeasance in office.

THE BENEFICIARY OF THIS INDENTURE OF TRUST AT THE TIME OF EXECUTION AND DELIVERY, AS THE PURCHASER OF THE BONDS, IS AS FOLLOWS:

United States of America Acting Through the Rural Housing Service
United States Department of Agriculture- Rural Development
West Virginia State Office
1550 Earl Core Road, Suite 101
Morgantown, West Virginia 26505

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture of Trust to be executed and their corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

UNITED BANK, INC.,
as Trustee

By _____
Its: _____

ACCEPTED AND AGREED TO BY:

GRAFTON CITY HOSPITAL, INC., as or its board as
the City Hospital Board of Grafton City Hospital or
the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

APPROVED AND CORRECT AS TO FORM:

By _____
Shawn Nines, City Attorney

IN WITNESS WHEREOF, the parties hereto have caused this Indenture of Trust to be executed and their corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

UNITED BANK, INC.,
as Trustee

By _____
Its: _____

ACCEPTED AND AGREED TO BY:

GRAFTON CITY HOSPITAL, INC., as or its board as
the City Hospital Board of Grafton City Hospital or
the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A – SERIES 2015 A BOND FORM

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. AR-1 $2,999,930

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Two Million Nine Hundred Ninety Nine Thousand Nine Hundred Thirty and 00/100 Dollars ($2,999,930), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $13,080, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by the Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $2,999,930, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 B BONDS" AND

TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $650,000.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part,

together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $1,129,800	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 A Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

UNITED BANK, INC., as Registrar

By _____
Its: _____

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	_____
_____	_____	_____
_____	_____	_____

EXHIBIT B – SERIES 2015 B BOND FORM

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 B
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. BR-1 $650,000

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Six Hundred Fifty Thousand and 00/100 Dollars ($650,000), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $2,834, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by the Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $650,000, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 A (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 A BONDS" AND

TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $2,999,930.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part,

together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $650,000	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $650,000

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 B Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

UNITED BANK, INC., as Registrar

By _____
Its: _____

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	_____
_____	_____	_____
_____	_____	_____

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER

B. E-MAIL CONTACT AT FILER

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

United Bank, Inc.
500 Virginia Street East
Charleston, WV 25301
Attention: Corporate Trust Department

State of West Virginia
Secretary of State
Business and Licensing Division
UCC Section
Filed
2015E102900075
10/29/2015 10:39:04 AM

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME: Grafton City Hospital, Inc.

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1 Hospital Plaza	Grafton	WV	26354	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME: Board of Trustees of Grafton City Hospital

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1 Hospital Plaza	Grafton	WV	26354	USA

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME: United Bank, Inc.

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
500 Virginia Street East	Charleston	WV	25301	USA

4. COLLATERAL: This financing statement covers the following collateral:

(a) the Net Revenues of Grafton City Hospital (as defined in the Indenture of Trust, attached to and made part of this financing statement), whether received by the City of Grafton or Grafton City Hospital, Inc. and whether in the form of cash, accounts receivable or other rights to receive payment or other payment intangibles;
(b) all cash and securities held in the funds and accounts held in trust pursuant to the Indenture; and
(c) any and all additional property, assets and other security that may be granted by the Debtor to the Secured Party from time to time for the purpose of further securing the repayment of the Bonds and the performance of the covenants herein contained to have and to hold, in trust upon the terms herein set forth, for the benefit, security and protection of all holders of such Bonds issued under and secured by the Indenture.

RECEIVED
OCT 29 2015

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and Instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: ☑ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box: ☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:

286771

INDENTURE OF TRUST

Dated as of
October 28, 2015

By and Between

CITY OF GRAFTON
(WEST VIRGINIA)

AND

UNITED BANK, INC.,
Trustee

Relating to

$3,649,930
City of Grafton
Hospital Refunding and Improvement Revenue Bonds,
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

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INDENTURE OF TRUST

This INDENTURE OF TRUST (the "Indenture") dated as of October 28, 2015, by and between the CITY OF GRAFTON, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer" or "City"), and UNITED BANK, INC., as bond trustee (together with its successors hereunder, the "Trustee").

W I T N E S S E T H:

WHEREAS, the Issuer owns in the City of Grafton, Taylor County, West Virginia, a critical access hospital known as "Grafton City Hospital" (such hospital, the site thereof, together with the buildings, improvements, fixtures, equipment and appurtenances thereto which are or were acquired or improved in part with the proceeds of the Bonds, the Prior Bonds or the Outstanding Obligations herein called the "Hospital") and has heretofore financed and refinanced the acquisition and construction of the Hospital and certain renovations, improvements and equipment therefore with several series of hospital revenue bonds, of which there are currently outstanding the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds");

WHEREAS, the Issuer has operated and continues to operate the Hospital through Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital (the "Board"), which is a West Virginia not for profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Code;

WHEREAS, the Issuer has determined to: (i) undertake the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"), (ii) refund the Prior Bonds, (iii) refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. in the original principal amount of $382,205.86 entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations") and (iv) pay existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"), and the Issuer has determined that such action will help to maintain or provide gainful employment and improve living conditions for the inhabitants of the City, will serve a public purpose of the Issuer by contributing to the prosperity, health and general welfare of the inhabitants of the City and will aid and assist in the provision of health care services in the community;

WHEREAS, pursuant to and in accordance with the provisions of Chapter 8, Article 16 (the "Revenue Bond Act") and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (the "Refunding Act" and collectively with the Revenue Bond Act, the "Act"), the Issuer desires to issue

its Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), in the aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and its Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), in the aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Series 2015 Bonds") and has agreed to apply the net proceeds thereof to financing the costs of the Project, refunding the Prior Bonds, refinancing the Loan Obligation, paying the Federal Tax Obligations and paying costs of issuance of the Series 2015 Bonds and related costs;

WHEREAS, the current refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligations, the design, acquisition, construction and equipping of the Project, the issuance of the Bonds, the execution and delivery of this Indenture and matters relating thereto have been in all respects duly and validly authorized by the Amended and Restated Ordinance enacted by the Issuer on October 6, 2015 as the same has been supplemented pursuant to the Supplemental Resolution adopted by the Issuer on October 6, 2015 (collectively, the "Ordinance"); and

WHEREAS, all Bonds issued under this Indenture will be secured by the trusts hereby created.

NOW, THEREFORE, the Issuer and the Board, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, in order to secure the payment of the principal of and interest on the Bonds issued hereunder and the performance and observance by the Issuer and the Board of all the covenants expressed herein and in such Bonds, do hereby irrevocably assign, grant, bargain, sell, convey, mortgage, pledge and grant a security interest in, to the Trustee, and to its successors in trust, as security for the performance of the obligations of the Issuer and the Board under this Indenture, the following (collectively, the "Trust Estate"): (a) the Net Revenues (as hereinafter defined), (b) all cash and securities held in the funds and accounts held in trust pursuant to this Indenture and (c) any and all additional property, assets and other security that may be granted by the Issuer or the Board to the Trustee from time to time for the purpose of further securing the repayment of the Bonds and the performance of the covenants herein contained to have and to hold, in trust upon the terms herein set forth, for the benefit, security and protection of all holders of such Bonds issued under and secured by this Indenture; and the parties hereto mutually covenant and agree, for the equal and proportionate benefit of the holders of such Bonds, as follows:

In addition to the foregoing Trust Estate, the Issuer and the Board hereby specifically recognize and reaffirm the effectiveness of the statutory mortgage lien upon the Hospital facilities created pursuant to Section 22 and other provisions of the Revenue Bond Act and the Deed of Trust on the Hospital facilities.

PROVIDED, NEVERTHELESS, and these presents are upon the express condition, that if the Issuer or its successors or assigns shall well and truly pay or cause to be paid the principal and redemption premium, if any, of such Bonds with interest, according to the provisions set forth in the Bonds and each of them or shall provide for the payment or redemption of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment or redemption thereof when and as authorized by the provisions hereof, and shall also pay or cause to be paid all other sums payable hereunder by the Issuer, then these presents and the estate and rights hereby

granted shall cease, determine and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Issuer and upon the payment of the cost and expenses thereof, shall duly execute, acknowledge and deliver to the Issuer such instruments of satisfaction or release in respect of the trust estate as may be necessary or proper to discharge this Indenture of record, and if necessary shall grant, reassign and deliver to the Issuer, its successors or assigns, all and singular the property, rights, privileges and interests by them hereby granted, conveyed and assigned, and all substitutes therefore, or any part thereof, not previously disposed of or released as herein provided; otherwise this Indenture shall be and remain in full force;

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the terms defined elsewhere herein, including the recitals hereto, and unless the context otherwise requires, the following terms shall have the following meanings:

"Act" means collectively, the Refunding Act and the Revenue Bond Act.

"Additional Bonds" means the additional parity bonds of the Issuer which may be issued pursuant to and subject to the restrictions set forth in Section 4.04 hereof.

"Architect" means the architect for the Project which has been engaged by the Board which shall be Thrasher Engineering, Inc., Bridgeport, West Virginia.

"Authorized Newspaper" means a newspaper of general circulation in the City and otherwise satisfying the requirements of applicable law.

"Board" means Grafton City Hospital, Inc., as, or through its Board as, the City Hospital Board of Grafton City Hospital or the Board of Trustees of Grafton City Hospital.

"Bond" or "Bonds" means the Series 2015 Bonds together with any Additional Bonds issued from time to time hereunder.

"Bond Act" or "Revenue Bond Act" means Chapter 8, Article 16 of the West Virginia Code of 1931, as amended to the date hereof.

"Bond Commission" or "Commission" means the West Virginia Municipal Bond Commission, Charleston, West Virginia, or its successor.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized as expert in matters relating to the issuance of tax-exempt bonds, and initially means Steptoe & Johnson PLLC, Bridgeport, West Virginia.

"Bondholder," "Holder," "Owner of Bonds," "Registered Owner" or any similar term means, initially, the Purchaser, and thereafter any other registered owner of any Bond or Bonds.

"Bond Register" means the books of the Issuer maintained by the Bond Registrar for the purpose of registering Bonds and the transfer of Bonds.

"Bond Registrar" or "Registrar" means the Trustee, or its successors as Bond Registrar.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Business Day" means a day other than a Saturday or Sunday and on which the principal corporate trust office of the Trustee is not required or authorized to remain closed and on which the New York Stock Exchange or the payment system of the Federal Reserve System is not closed.

"City" or "Issuer" means the City of Grafton, a municipal corporation and political subdivision of the State of West Virginia, and where appropriate, includes the City Council and the Board.

"City Clerk" or "Clerk" means the City Clerk of the Issuer.

"City Manager" means the City Manager of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2015 Bonds for the initial advance of more than a de minimis amount of proceeds representing the purchase of Series 2015 Bonds by the Purchaser, or such other applicable meaning under the Code.

"Construction Fund" means the Construction Fund created pursuant to Section 5.01 of this Indenture.

"Code" or "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, and any applicable Regulations and rulings thereunder. Reference herein to any specific provision of the Code shall be deemed to refer to any successor provision thereof.

"Costs" or "Project Costs" means all costs permitted to be financed under the provisions of the Act and incident to the design, acquisition, construction and equipping of the Project, all expenses incurred in connection with the issuance of the Bonds, including, but not limited to, compensation, fees and expenses of the Issuer, Registrar and Trustee, compensation to any financial consultants or underwriters, legal fees and expenses, costs of printing and engraving, recording and filing fees and costs of title insurance, if any, but only to the extent properly payable from the proceeds of the Bonds; any sums required to reimburse the Issuer for advances made by the Issuer for any of the above items or for any other costs incurred and for work done by the Issuer which are properly chargeable to the Project, and all other costs and expenses relating to the Project and properly payable from the proceeds of the Bonds.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Debt Service Requirement" means, for any period of time, the aggregate of the payments to be made in respect of principal and interest on the Bonds during such period.

"Deed of Trust" means the Credit Line Deed of Trust by and between the Issuer and the trustee named therein for the benefit and security of the Purchaser in the repayment of the Series 2015 Bonds.

"Depository Bank" means Branch Banking and Trust Company, Grafton, West Virginia.

"Escrow Agent" means the Bond Commission, or any successor appointed by the Issuer under the Escrow Agreement.

"Escrow Agreement" means the agreement to be entered into between the Issuer and the Escrow Agent, providing for the defeasance and payment of the Prior Bonds, the Loan Obligation and the Federal Tax Obligations, the deposit therein of a portion of the proceeds of the Bonds, the disposition of moneys in the various funds and accounts for the Prior Bonds and other matters in connection therewith, the form of which shall be approved by the Supplemental Resolution.

"Escrow Fund" means the Escrow Fund established pursuant to the Escrow Agreement.

"Event of Default" means any of the events described as an Event of Default in Section 9.01 hereof.

"Federal Tax Obligations" means the existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities).

"Fiscal Year" means the twelve month period designated by the Issuer for financial reporting purposes, beginning on July 1 and ending on June 30 of each year, or such other 12-month period as may be determined in the future by the Issuer or pursuant to applicable law.

"Government Obligations" means direct and general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), for the payment of which the full faith and credit of the United States of America is pledged.

"Gross Revenues" means all receipts, revenues, income and other moneys received by or on behalf of the Issuer or the Board as a result of the operation of, or relating to the Hospital, and all rights to receive the same whether in the form of accounts receivable, contract rights, chattel paper, instruments, general intangibles, or other rights and the proceeds thereof, including any insurance proceeds and any condemnation awards derived therefrom, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Issuer or the Board relating to the Hospital; provided, however, that there shall be excluded from Gross Revenues gifts, grants, bequests, donations and contributions heretofore or hereafter made, designated or restricted at the time of making thereof by the donor or maker as being for certain specified purposes inconsistent with the application thereof to the payment of Debt Service or not subject to pledge.

"Hospital" means the existing Grafton City Hospital, a critical access hospital, such hospital, the site thereof, together with the buildings, improvements, fixtures, equipment and appurtenances thereto which are or were acquired or improved in part with the proceeds of the Bonds, the Prior Bonds or the Loan Obligation, located in the City of Grafton, Taylor County, West Virginia, and presently owned by or through the City and operated by the Board.

"Indebtedness" means all obligations incurred or assumed by the Issuer or the Board or any other obligation for payment of principal and interest with respect to borrowed money in connection with the ownership or operation of the Hospital.

"Indenture" means this Indenture of Trust, as amended or supplemented from time to time.

"Issuance Costs" means all costs and expenses of issuance of the Bonds, including, but not limited to any or all of the following as applicable:

(i) Purchaser's fees;

(ii) Counsel fees, including Bond Counsel, Issuer's counsel, Board counsel, Purchaser's counsel, counsel for the Trustee, Registrar and Paying Agent and special tax counsel fees, as well as any other specialized counsel fees;

(iii) Financial or municipal advisor fees;

(iv) Rating agency fees;

(v) Trustee fees;

(vi) Trustee, Registrar, Paying Agent and certifying and authenticating agent fees related to issuance of the Bonds;

(vii) Accountant fees;

(viii) Printing costs of the Bonds and of any preliminary and final official statement;

(ix) Publication costs associated with the financing proceedings; and

(x) Costs of engineering and feasibility studies necessary to the issuance of the Bonds;

"Issuer" means the City of Grafton, a municipal corporation and political subdivision of the State, and where appropriate, includes the Board.

"Issuer Representative" means the person or persons at the time designated to act on behalf of the Issuer in a written certificate furnished by the Issuer to the Trustee containing a specimen signature of such person or persons and signed by an officer of the Issuer.

"Letter of Conditions" means the Letter of Conditions of the Purchaser dated July 15, 2014, together with Amendment No. 1 to Letter of Conditions dated September 15, 2015, and all other amendments thereto, if any.

"Loan Obligation" means that certain Promissory Note, dated July 8, 2013 from the Board to JPMorgan Chase Bank, NA in the original aggregate principal amount of $382,205.86.

"Mayor" means the Mayor of the Issuer.

"Net Revenues" or "Revenues" means Gross Revenues less Operating Expenses.

"Operating Expenses," unless qualified, means the current expenses, paid or accrued, of repair, operation and maintenance of the Hospital, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the costs of any project relating to the acquisition or construction of additions,

betterments or improvements for the Hospital), supplies, labor, wages, the cost of materials and supplies used for current operations, fees and expenses of fiscal agents and of the Depository Bank, Registrar and Paying Agent or Paying Agents, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Outstanding Obligations or the Bonds, charges for depreciation, losses from the sale or other disposition of or any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Opinion of Counsel" means an opinion of counsel (who may be Bond Counsel, counsel to the Issuer or counsel to the Board) satisfactory to the Trustee.

"Ordinance" means the amended and restated ordinance of the Issuer finally enacted October 6, 2015, as Supplemented by the Supplemental Resolution adopted by the Issuer on October 6, 2015, authorizing the execution and delivery of this Indenture, the design, acquisition, construction equipping and financing of the Project, the refunding of the Prior Bonds, the refinancing of the Loan Obligation, the payment of the Federal Tax Obligation, the issuance of the Bonds and other matters in connection therewith.

"Outstanding," "Bonds outstanding" or any similar term, when used with reference to Bonds, means, at any date as of which the amount of outstanding Bonds is to be determined, all Bonds which have been theretofore authenticated and delivered by the Trustee under this Indenture, except:

(A) Bonds canceled or required to be canceled by the Trustee at or prior to such date;

(B) Bonds for the full payment of the principal of, and interest on, which cash shall have been theretofore deposited with the Trustee and which (i) shall have been matured by their terms but shall not have been surrendered for payment or (ii) shall have been purchased by the Trustee but shall not have been presented for payment;

(C) Bonds in lieu of which others have been authenticated and delivered.

"Paying Agent" means the Bond Commission or its successors and assigns, and any co-paying agent appointed hereunder.

"Permitted Encumbrances" means, as of any particular time, (i) this Indenture, the Deed of Trust and the statutory mortgage lien securing the Bonds pursuant to the Revenue Bond Act; (ii) liens, security interests and encumbrances securing Permitted Indebtedness on a parity basis with the Bonds, to the extent permitted by this Indenture; (iii) liens, security interests or encumbrances by the terms thereof subject and subordinate to this Indenture; (iv) utility, access and other easements and rights-of-way, restrictions and exceptions that do not materially interfere with or materially impair the operation of the Hospital; (v) liens arising by reason of good faith deposits with or by the Issuer in connection with leases of real estate, bids or contracts (other than contracts for the payment of money), deposits by the Issuer to secure public or statutory obligations, or to secure, or in lieu of, surety, stay or appeal bonds, and deposits as security for the payment of taxes or assessments or other similar charges; (vi) any lien arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business or the exercise of any privilege or license, or to enable the Issuer to maintain self-insurance or to participate in any funds established to cover any insurance risks or in connection with workers' compensation, unemployment insurance,

pension or profit sharing plans or other social security, or to share in the privileges or benefits required for companies participating in such arrangements; (vii) any judgment lien or notice of pending action against the Issuer so long as such judgment or pending action is being contested and execution thereon is stayed or while the period for responsive pleadings has not lapsed; (viii) any lien representing statutory rights of the United States of America by reason of Federal funds made available under 42 U.S.C. §291 et seq. and similar rights under other Federal and state statutes; (ix) leases which relate to portions of the Hospital and which are customarily the subject of such leases, such as office space for physicians and educational institutions, food service facilities, gift shops, bank teller machines, and radiology, pharmacy and similar departments, or other leases entered into in accordance with the disposition of property provisions of this Indenture; (x) liens for taxes and assessments which are not then delinquent, or if then delinquent, which are being contested; (xi) any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested; (xii) such minor defects and irregularities of title as normally exist with respect to property similar in character to the Hospital and which do not materially adversely affect the value of, or materially impair, the Hospital, as evidenced by an Opinion of Counsel to the effect that such minor defect or irregularity does not materially adversely affect the value of, or materially impair, the Hospital; (xiii) zoning laws and similar restrictions which are not violated by the Hospital; (xiv) conditional sales agreements and leases entered into in connection with the incurrence or assumption of Permitted Indebtedness; and (xv) purchase money security interests created in Personal Property or equipment owned or to be owned or leased by the Issuer or the Board with respect to or in connection with the Hospital facility.

"Person" means an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, a limited liability company, a governmental body, and any other political subdivision, municipality or any other group or entity.

"Personal Property" means that property constituting a part of the Hospital other than real property.

"Prior Bonds" means the Issuer's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000.

"Project" means the design, acquisition, construction and equipping of certain improvements to the Hospital facility and the acquisition of certain personal property, equipment and fixtures for the Hospital facility which are being financed with proceeds of the Series 2015 Bonds.

"Purchase Price," for the purpose of computation of the Yield of the Bonds shall have the meaning set forth in the Code.

"Purchaser" or "Government" means the United States of America, acting through the Rural Housing Service, United States Department of Agriculture, and any successor thereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefore; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Redemption Date" means the date fixed for prepayment or redemption of any of the Bonds, the Prior Bonds or the Loan Obligation subject to prepayment or redemption in any notice of prepayment or redemption published or mailed in accordance herewith.

"Refunding Act" means Chapter 13, Article 2E, of the West Virginia Code of 1931, as amended to the date hereof.

"Registrar" or "Bond Registrar" means initially, the Trustee, or any other entity so designated as registrar for the Bonds from time to time by the Issuer.

"Regulations" means temporary and permanent regulations promulgated under the Code, which may be applicable from time to time.

"Reserve Account" means the Reserve Account created by Section 5.01 hereof.

"Reserve Requirement" means the amount of $156,960 with respect to the Series 2015 A Bonds and the amount of $34,008 with respect to the Series 2015 B Bonds.

"Revenue Bond Act" means Chapter 8, Article 16 of the West Virginia Code of 1931, as amended to the date hereof.

"Revenue Fund" means the Revenue Fund created by Section 5.01 hereof.

"Series 2015 Bonds" means, collectively, the Series 2015 A Bonds together with the Series 2015 B Bonds.

"Series 2015 A Bonds" means the Hospital Refunding and Improvement Revenue Bonds, Series 2015 A, issued by the Issuer pursuant to this Indenture in the aggregate principal amount of $2,999,930.

"Series 2015 B Bonds" means the Hospital Refunding and Improvement Revenue Bonds, Series 2015 B, issued by the Issuer pursuant to this Indenture in the aggregate principal amount of $650,000.

"State" means the State of West Virginia.

"Subordinated Indebtedness" means Indebtedness which is subordinated to payments with respect to principal, premium, if any, and interest on the Bonds by subordination provisions reasonably satisfactory to the Trustee.

"Supplemental Resolution" means any ordinance or resolution amendatory or supplemental to the Ordinance and, when preceded by the article "the," refers specifically to the Supplemental Resolution to be adopted by the Issuer following enactment of the Ordinance, setting forth certain terms of the Bonds, authorizing the sale of the Bonds to the Purchaser, specifying the Outstanding Obligations to be refinanced and related matters; provided, that any provision intended to be included in the Supplemental Resolution and not so included may be contained in any other Supplemental Resolution.

"Trustee" means United Bank, Inc., with a corporate trust office located in Charleston, West Virginia, and any successors thereto at any time serving as trustee or co-trustee under the Indenture.

Unless the context shall otherwise indicate, words importing the singular shall include the plural, words importing persons shall include firms, associations and corporations, and vice versa, words importing the masculine, feminine and neuter gender shall be deemed to include all such genders and the terms "hereof," "hereby," "hereto," "hereunder" and "herein" shall refer to this Indenture.

Section 1.02. Findings and Determinations. The Issuer hereby finds and determines as follows:

A. The Issuer is a municipal corporation and political subdivision of the State of West Virginia which owns the Hospital facility and operates and maintains the same through the Board.

B. The Project shall be designed, acquired, constructed and equipped at an estimated cost of approximately $1,764,180 in accordance with the plans and specifications prepared therefore by the Architect.

C. The Prior Bonds, the Loan Obligation and the Federal Tax Liabilities shall be redeemed and repaid in full with a portion of the proceeds of the Bonds.

D. The Issuer shall issue the Series 2015 A Bonds in an aggregate principal amount of $2,999,930 and the Series 2015 B Bonds in an aggregate principal amount of $650,000 and apply the proceeds thereof to currently refund and redeem in full the Prior Bonds and the Loan Obligation, to pay the Federal Tax Liabilities and pay costs of the Project.

E. The Hospital shall be owned by or through the City and operated and maintained by the Board pursuant to the Charter of the City.

F. It is in the best interest of the Issuer that the Bonds be sold to the Purchaser, pursuant to the terms and provisions of the Letter of Conditions.

ARTICLE II

THE BONDS

Section 2.01. Authorized Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with this Article II. Subject and pursuant to the provisions of this Indenture, the Bonds of the Issuer, to be known as "City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture)" are hereby authorized to be issued in the aggregate principal amount of $2,999,930 and the Bonds of the Issuer to be known as "City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture)" are hereby authorized to be issued in the aggregate principal amount of $650,000 for the purposes of (i) financing the current refunding and repayment in full of the Prior Bonds, (ii) financing the refinancing and repayment in full of the Loan Obligation, (iii) paying the Federal Tax Obligations, (iv) paying costs of the design, acquisition, construction and equipping of the Project and (v) paying costs of issuance of the Series 2015 Bonds. The aggregate principal amount of Bonds which may be executed by the Issuer and authenticated and delivered by the Trustee and secured by this Indenture shall not exceed $3,649,930 without the consent of all of the Bondholders. At the expense of the Bondholder requesting such exchange, the Bonds may be exchanged for Bonds of like series of denominations of $5,000 or integral multiples thereof.

Section 2.02. Issuance and Delivery of Bonds. The Series 2015 Bonds shall be issued in the aggregate principal amount of $3,649,930. The Series 2015 Bonds shall be dated their date of delivery, shall be issued only as fully registered Bonds, shall bear interest at the rates per annum, shall have principal and interest installment payment dates and shall mature as follows:

(A) The Series 2015 A Bonds shall bear interest at the fixed annual percentage rate of 3.25% from the date of delivery of such Series 2015 A Bonds and continuing to and including October 28, 2045, which shall be the final maturity date of such Series 2015 A Bonds (the "Maturity Date").

The Series 2015 B Bonds shall bear interest at the fixed annual percentage rate of 3.25% from the date of delivery of such Series 2015 B Bonds and continuing to and including October 28, 2045, which shall be the final maturity date of such Series 2015 B Bonds.

(B) Interest shall be computed on the basis of a year of 365 days payable for the actual number of days elapsed during any portion of a month.

(C) The principal amount of the Series 2015 A Bonds, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in equal amortizing monthly installments of principal and interest in the amount of $13,080, commencing on November 28, 2015 and concluding on the Maturity Date, except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The Series 2015 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the Bond form attached hereto as **Exhibit A**.

The principal amount of the Series 2015 B Bonds, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in equal amortizing monthly installments of principal and interest in the amount of $2,834, commencing on November 28, 2015 and concluding on the Maturity Date, except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The Series 2015 B Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the Bond form attached hereto as **Exhibit B**.

(D) The Issuer shall execute and the Trustee shall authenticate and deliver the Bonds, as may be directed by the Issuer, upon the filing with the Trustee of the following:

(i) Certified copies of the Ordinance of the Issuer authorizing the issuance of the Series 2015 Bonds and the execution and delivery of this Indenture;

(ii) An executed counterpart of this Indenture;

(iii) A request and authorization to the Trustee by the Issuer, signed by the Mayor and City Manager of the Issuer, to authenticate and deliver the Series 2015 Bonds to the Purchaser therein identified upon payment to the Depository Bank for deposit into the Construction Fund of the sum of $1,779,800, for the account of the Issuer, which sum shall constitute the initial advance of the purchase price of the Series 2015 A Bonds together with the entire aggregate principal amount of the Series 2015 B Bonds;

(iv) An approving legal opinion of Bond Counsel; and

(v) Such other documents, resolutions or other materials as may be required by the Trustee or the Purchaser.

Section 2.03. Execution. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of its Mayor and City Manager and attested with the manual or facsimile signature of its City Clerk and shall have affixed, imprinted or otherwise reproduced thereon a facsimile of the corporate seal of the Issuer. In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Section 2.04. Authentication. All Bonds shall have endorsed thereon a certificate of authentication and registration duly executed by the Trustee. No Bond shall be valid or entitled to any security or benefit under this Indenture unless and until such certificate of authentication and registration shall have been duly executed manually by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication and registration on any Bond shall be deemed to have been executed by it if signed by an authorized officer, but it shall not be necessary that the same officer sign the certificate of authentication and registration on all of the Bonds issued hereunder.

Section 2.05. Form of Bonds. (A) The Series 2015 A Bonds and the Trustee's certificate of authentication and registration shall be substantially in the form set forth in **EXHIBIT A - BOND FORM**, attached hereto and incorporated herein by reference, with such variations, omissions and insertions as may be authorized by the Issuer, the execution and delivery of such Series 2015 A Bonds by the City Manager and Mayor of the Issuer being conclusive evidence of the approval of such variations, omissions and insertions by the Issuer. The Series 2015 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the attached Bond form.

(B) The Series 2015 B Bonds and the Trustee's certificate of authentication and registration shall be substantially in the form set forth in **EXHIBIT B - BOND FORM**, attached hereto and incorporated herein by reference, with such variations, omissions and insertions as may be authorized by the Issuer, the execution and delivery of such Series 2015 B Bonds by the City Manager and Mayor of the Issuer being conclusive evidence of the approval of such variations, omissions and insertions by the Issuer. The Series 2015 B Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall otherwise be payable and have such terms and provisions as provided in the attached Bond form.

Section 2.06. Mutilated, Lost, Stolen or Destroyed Bonds. In the event that any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute, and the Trustee shall, with the consent of the Issuer, authenticate and deliver, in lieu of any such mutilated, lost, stolen or destroyed Bond, a new Bond of like tenor and denomination as the Bond mutilated, lost, stolen or destroyed. Provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee and canceled, and, in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence to its satisfaction of such loss, theft or destruction together with such security or indemnification as may be required by the Issuer, and the Trustee to save them and any Paying Agent harmless. In the event any such Bond shall have matured, the Trustee may, instead of issuing a substitute Bond, pay the same from amounts held in the Sinking Fund created with respect to such Bond and available for purposes of such payment. The Trustee may charge the holder or owner of such Bond with its reasonable fees and expenses in this connection.

Section 2.07. Bond Registrar. The Trustee shall be the Registrar and will keep, or cause to be kept by its agent, at its office, sufficient books for the registration and transfer of the Bonds, and, upon presentation for such purpose, the Registrar shall, under such reasonable regulations as it may prescribe,

register the Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Bonds as hereinbefore provided.

The Registrar shall accept the Bonds for registration or transfer only if ownership thereof is to be registered in the name of the United States of America, an individual (including joint ownership), a corporation, a limited liability company, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation, limited liability company or partnership or the social security numbers of the settlor and beneficiaries of each trust and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law. The Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America acting through the Rural Housing Service. So long as the Bonds shall be registered in the name of the United States of America acting through the Rural Housing Service, the address for registration purposes shall be 1550 Earl Core Road, Suite 101, Morgantown, West Virginia 26505, or such other address as shall be stated in writing to the Issuer by the United States of America.

Section 2.08. Paying Agent. The Commission is hereby appointed as Paying Agent for the Bonds.

Section 2.09. Transfer, Registration of Transfer and Exchange. Bonds shall be transferable only by transfer of registration upon the Bond Register, which shall be established and maintained by the Registrar on behalf of, and as agent of, the Issuer. After initial registration, no registration of transfer thereof shall be valid unless made on the Bond Register at the written request of the registered owner or his or its duly authorized attorney or legal representative and similarly noted on such Bond. Upon the transfer of registration of any Bond and the surrender of the old Bond, the Issuer shall issue a new bond to the transferee in the principal amount of such Bond then outstanding, otherwise subject to the terms, rate of interest, provisions for payment and other terms and conditions set forth herein. No interests in any Bond shall be transferable except by means of registration of transfer of a Bond representing such interest in accordance with this Section 2.09.

No registration of transfer of the Bonds shall be permitted to be made after the 15th day next preceding any installment payment date on the Bonds.

Section 2.10. Fees. For every exchange or transfer of Bonds, the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provision of this Indenture, the cost of preparing each new Bond upon each exchange or transfer and any other expenses of the Issuer or the Trustee incurred in connection therewith shall be paid by the Holder requesting such exchange or transfer.

The Issuer, the Trustee and any agent of the Issuer or the Trustee shall treat the registered owner of any Bond, as the absolute owner of such Bond for the purpose of receiving payment of principal thereof, and stated interest thereon, or on account thereof and for all other purposes whether or not such Bond is overdue.

Section 2.11. Temporary Bonds. Until Bonds of any series in definitive form are ready for delivery, the Issuer may execute and deliver, and the Trustee shall authenticate, subject to the same provisions, limitations and conditions set forth above, one or more printed, lithographed or typewritten bonds in temporary form, substantially in the form of the definitive Bonds of such series, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in

definitive form, such Bonds in temporary form shall be entitled to the lien and benefit of this Indenture. Upon the presentation and surrender of any Bond or Bonds in temporary form, the Issuer shall, without unreasonable delay, prepare, execute and deliver to the Trustee and the Trustee shall authenticate and deliver, in exchange therefore, a Bond or Bonds in definitive form. Such exchange shall be made by the Trustee without making any charge therefore to the holder of such Bond in temporary form.

Section 2.12. Cancellation. All Bonds which have been redeemed and all registered Bonds which have been surrendered to the Trustee in an exchange or transfer shall be canceled and destroyed by the Trustee and shall not be reissued. Counterparts of the certificate of destruction shall be furnished by the Trustee to the Issuer.

Section 2.13. Limited Obligations. The Bonds shall be limited obligations of the Issuer. The Bonds shall be payable solely out of the Net Revenues derived from, or in connection with, the operation of the Hospital, certain funds on deposit with the Commission or the Depository Bank in connection with the Bonds from time to time as herein provided and the proceeds of any foreclosure sale under the Deed of Trust as herein provided. The Bonds shall never constitute an indebtedness of the State of West Virginia, the Issuer or the Board within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the State of West Virginia, the Issuer or the Board. Neither shall the Bonds be a charge against the general credit or taxing power, if any, of the State of West Virginia, the Issuer or the Board.

Section 2.14. Pledge of Net Revenues. The payment of the principal of and interest on the Bonds shall be secured equally and ratably with each other by a lien on and pledge of the Net Revenues of the Hospital. Such Net Revenues in an amount sufficient to pay the principal of and interest on the Bonds, all required payments to the Reserve Account for the Bonds, and all other costs and expenses in connection with the Bonds, including but not limited to all costs incurred in the exercise of remedies provided pursuant to this Indenture upon the occurrence of any Event of Default pursuant to this Indenture are hereby irrevocably pledged by the Issuer and the Board to such payments as they become due. Notwithstanding anything in this Indenture or otherwise to the contrary, all Gross Revenues shall first pass through or be deposited in an account over which the Issuer or the Board, as applicable, has sole dominion and control. In furtherance of the foregoing, except to the extent permitted by law, none of the receivables from Medicare or Medicaid are intended to be "assigned" to the Trustee or any Bondholders.

ARTICLE III

AUTHORIZATION OF PROJECT; REFUNDING OF PRIOR BONDS; REFINANCING OF LOAN OBLIGATION; PAYMENT OF FEDERAL TAX OBLIGATIONS

Section 3.01. Authorization of Design, Acquisition, Construction and Equipping of the Project. There is hereby authorized the design, acquisition, construction and equipping of the Project at an estimated cost of approximately $1,764,180 in accordance with the plans and specifications which have been prepared by the Architect and which are on file in the offices of the Board. The Board shall undertake the design, acquisition, construction and equipping of the Project and shall be the party to the construction contracts for such Project.

Section 3.02. Authorization of Refunding of Prior Bonds. All Prior Bonds Outstanding as of the date of issuance of the Bonds are hereby ordered to be refunded pursuant to the terms of the Escrow Agreement, and the pledge of revenues in favor of the Holders of such Prior Bonds imposed by the ordinance and Indenture of Trust pursuant to which the Prior Bonds were issued, the moneys in the funds and accounts thereunder and any other funds pledged thereto or liens created thereby are hereby ordered

terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Series 2015 Bonds, together with other moneys available therefore, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Agent charges to become due and payable in connection with the Prior Bonds and (b) an amount of money which will either remain uninvested or be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, to provide for the payment of the principal, premium and interest accrued on the Prior Bonds as of the redemption date therefore, all as set forth in the Escrow Agreement. Contemporaneously with the deposit of such Bond proceeds into the Escrow Fund, the amounts on deposit in the reserve account, and all other funds and accounts created and maintained on behalf of the Prior Bonds shall be deposited in the Escrow Fund or such other fund or account as shall be set forth in the Escrow Agreement, and either held uninvested or be invested in Government Obligations as provided in the Escrow Agreement and this Indenture.

Section 3.03. Authorization of Refinancing of the Loan Obligation. The Loan Obligation as of the date of issuance of the Bonds is hereby ordered to be repaid in full pursuant to the terms of the Escrow Agreement, and the liens and pledges in favor of the holder of the Loan Obligation are hereby ordered terminated, discharged and released upon the payment into the Escrow Fund from the proceeds of the Bonds, together with other moneys available therefore, of the following: (a) if required by the Escrow Agreement, an amount equal to the fiscal and paying agent charges and the Escrow Agent charges to become due and payable in connection with the Loan Obligation and (b) an amount of money which will either remain uninvested or be simultaneously invested in Government Obligations bearing interest and having maturities sufficient, to provide for the payment of the principal, premium and interest accrued on the Loan Obligation as of the redemption date therefore, all as set forth in the Escrow Agreement. Contemporaneously with the deposit of such Bond proceeds into the Escrow Fund, the amounts on deposit in any funds and accounts created and maintained on behalf of the Loan Obligation shall be deposited in the Escrow Fund or such other fund or account as shall be set forth in the Escrow Agreement, and either held uninvested or be invested in Government Obligations as provided in the Escrow Agreement and this Indenture.

Section 3.04. Authorization of Payment of Federal Tax Obligations. The Federal Tax Obligations as of the date of the issuance of the Bonds are hereby ordered to be paid in full pursuant to the terms of the Escrow Agreement, and the liens and pledges of the Internal Revenue Service are hereby ordered terminated, discharged and released upon the payment of the Federal Tax Obligations to the Internal Revenue Service from the proceeds of the Bonds.

Section 3.05. Authorization of Payment of Issuance Costs. There is hereby authorized to be paid from proceeds of the Bonds deposited into the Construction Fund held by the Depository Bank, the Issuance Costs.

ARTICLE IV

GENERAL COVENANTS AND PROVISIONS

Section 4.01. Payment of Bonds. The Issuer covenants that it will promptly pay or cause to be paid, but solely from the Net Revenues, the principal of and interest on every Bond issued under this Indenture on the date and in the manner provided herein and in said Bonds according to the true intent and meaning thereof.

Section 4.02. Performance of Covenants. The Issuer covenants that it will at all times comply with all provisions contained in this Indenture, in any Bond, and in all proceedings pertaining thereto. The Issuer warrants that it is duly authorized under the Constitution and laws of the State of

West Virginia, including particularly and without limitation, the Act, to issue and sell the Bonds authorized hereby and to execute and deliver this Indenture; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken; and that the Bonds in the hands of the holder thereof are and will be valid and enforceable special obligations of the Issuer.

Section 4.03. Inspection of Hospital Books. The Issuer by and through the Board will keep books and records of the Hospital, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the Hospital and the Net Revenues of the Hospital and such books and records shall at all times be open to inspection by the Trustee and the Purchaser or such accountants, agencies or consultants as the Trustee or the holders of at least 25% of the outstanding Bonds may from time to time designate.

Section 4.04. Additional Bonds. At the request of the Issuer, Additional Bonds of the Issuer ranking on a parity with the Bonds may be issued under and secured by this Indenture, to the extent permitted by law then in effect, at any time and from time to time, to pay the cost of (a) additions, renovations and improvements to the Hospital, (b) restoring or repairing the Hospital following any condemnation thereof or damage thereto to the extent the net proceeds of any insurance or condemnation award are insufficient to pay same, (c) acquiring equipment or fixtures for the Hospital, (d) refunding all or part of the Bonds or other borrowings with respect to the Hospital, or (e) any combination of the foregoing, provided however, that Additional Bonds may not be issued unless, prior to issuance of such Additional Bonds, the Trustee has first received the written consent of all Bondholders to the issuance of such Additional Bonds.

Section 4.05. Permitted Indebtedness. Except as may be otherwise consented to in writing by 100% of the Bondholders, the Issuer and the Board will not incur, permit, guaranty or assume any indebtedness relating to the Hospital other than Indebtedness consisting of the following:

A. Indebtedness existing or contracted for on or prior to the date of delivery of the Series 2015 Bonds;

B. Liabilities under operating contracts and operating leases;

C. Liabilities incurred by way of endorsement for collection or deposit of checks or drafts or commercial paper received by the Issuer or Board in the ordinary course of its operations;

D. Indebtedness incurred to provide improvements secured solely by grants, gifts, bequests, contributions or other donations not in the nature of payment for services, or by property of the Issuer or the Board other than the Hospital, and that is specifically pledged by the Issuer or the Board for such purpose;

E. Indebtedness to a bank or banks or other lending institution for borrowed money for working capital purposes, which shall be payable no more than 365 days from the date of such borrowing and which shall be unsecured except that such indebtedness may not exceed the principal sum of $250,000 as of the date of the incurrence, which indebtedness may be secured solely by a security interest in and pledge of the accounts receivable derived from the operation of the Hospital or inventory, or such indebtedness may be secured solely by pledges, donations, gifts, grants, bequests or contributions;

F. Indebtedness incurred or assumed to acquire or improve property (other than current assets) and for capitalized leases; provided, that at the time of issuance thereof and after giving effect thereto, the amount of such indebtedness which, when taken, plus the indebtedness permitted to be

incurred by subsection E above, shall not exceed 20% of the Gross Revenues in the aggregate as shown on or calculable from the audited financial statements of the Board for the latest completed Fiscal Year; or

G. Subordinated Indebtedness.

Section 4.06. Covenant on Maintenance of Hospital. The Issuer agrees that as long as any of the Bonds are Outstanding, it will keep the Hospital in good condition, repair and working order (ordinary wear and tear excepted), making all repairs and replacements thereto, and operate the Hospital in a sound and economical manner.

Section 4.07. Compliance with Laws. The Issuer shall, throughout the term of this Indenture, promptly comply in all material respects or cause compliance in all material respects with all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities which may be applicable to the Hospital or to the repair and alteration thereof, or to the use or manner of use of the Hospital. Notwithstanding the foregoing, the Issuer shall have the right to contest the legality of any such law, ordinance, order, rule, regulation or requirement as applied to the Hospital, provided that such contest shall not in any way materially adversely affect or impair the rights or obligations of the Issuer under this Indenture or materially adversely affect or impair the security interest of the Trustee under this Indenture and the Issuer shall cooperate to the extent necessary with the Trustee in any such contest.

Section 4.08. Taxes and Assessments. Subject to good faith contests, the Issuer shall pay all lawfully assessed taxes and assessments, general and specific, if any, levied and assessed on the Hospital during the term, and all utility charges, assessments, and other governmental charges and impositions whatsoever, foreseen and unforeseen.

Section 4.09. Rate Covenant. The Issuer covenants that, during each Fiscal Year, it will, to the extent permitted by applicable law and regulations, charge rates, fees and charges for the provision of services by the Hospital sufficient, together with other available moneys, (i) to produce Net Revenues in an amount at least equal to 110% of the Debt Service Requirements for such Fiscal Year, and (ii) together with any other moneys that shall be available to the Issuer, to enable the Issuer to discharge the obligations relative to the Hospital as they shall become due and payable for such Fiscal Year. The Issuer covenants that, in the event that Net Revenues are less than the requirement set forth in this Section, the Issuer will employ a Consultant acceptable to the Trustee to examine the rates, fees and charges of the Issuer with respect to the Hospital facility and the method of operation of the Hospital and to make such recommendations as such Consultant believes appropriate to enable such rate covenant to be complied with as nearly as may be possible, and the Issuer further agrees to comply with such recommendations to the extent feasible.

The foregoing provisions notwithstanding, if in any Fiscal Year the Net Revenues are less than required by the rate covenant described above, the Trustee shall not be obligated to require the Issuer to retain such a Consultant to make such recommendations if: (a) there is filed with the Trustee a written report addressed to it of such a Consultant (which report, including without limitation, the scope, form, substance and other aspects thereof, is acceptable to the Trustee) which contains an opinion of such Consultant that applicable laws or regulations have prevented the Issuer from generating Net Revenues during such Fiscal Year in an amount sufficient to comply with such rate covenant and, if requested by the Trustee, such report is accompanied by a concurring opinion of counsel not regularly employed by the Issuer (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) as to any conclusions of law supporting the opinion of such Consultant; and (b) the ratio of Net Revenues during such Fiscal Year to such Debt Service Requirement (including Subordinated Indebtedness for this purpose) was at least 1:1. The Issuer shall not be required

to cause the Consultant's report referred to in this paragraph to be prepared more frequently than once every 2 Fiscal Years if at the end of the first of such 2 Fiscal Years the Issuer provides to the Trustee an opinion of counsel not regularly employed by the Issuer (which counsel and opinion, including without limitation the scope, form, substance and other aspects thereof, are acceptable to the Trustee) to the effect that the applicable laws and regulations underlying the Consultant's report delivered in respect of the previous Fiscal Year have not changed in any material way.

Section 4.10. Hazardous Waste. In addition to and without limitation of all other representations, warranties and covenants made by the Issuer hereunder, the Issuer further represents, warrants and covenants it has not used Hazardous Materials (as hereinafter defined) on, from, or affecting the Hospital in any manner which violates federal, state or local laws, ordinances, rules, or regulations, governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, in a manner that would create a material adverse effect on the Hospital, and that, to the best of the Issuer's knowledge, no prior owner of the Hospital or any tenant, subtenant, prior tenant or prior subtenant has used Hazardous Materials on, from, or affecting the Hospital in any manner which violates or did violate existing applicable federal, state or local laws, ordinances, rules, or regulations governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, except for violations that would not create a material adverse effect on the Hospital. Without limiting the foregoing, the Issuer shall not cause or permit the Hospital or any part thereof to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in substantial compliance with all applicable federal, state and local laws, ordinances, rules or regulations, nor shall the Issuer cause or permit, as a result of any intentional or unintentional act or omission on the part of the Issuer or any tenant or subtenant, an unremediated release of Hazardous Materials onto the Hospital or onto any other property that would create a material adverse effect on the Hospital. The Trustee is aware that the Issuer provides healthcare services which necessitate the use, generation, storage, handling and disposal of Hazardous Materials, including Hazardous Waste and medical waste. The Issuer shall substantially comply with and require compliance by all tenants and subtenants with all applicable federal, state and local laws, ordinances, rules and regulations, and shall obtain and comply with, and require that all tenants and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The Issuer shall conduct and complete all investigations, studies, sampling, and testing, and all remedial, removal, and other actions required by a governmental authority under an applicable statute or regulation necessary to clean up and remove all Hazardous Materials, on, from, or affecting the Hospital in accordance with all applicable federal, state and local laws, ordinances, rules, and regulations. In addition, the Issuer shall defend, indemnify, and hold harmless the Trustee from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (a) the presence, disposal, release, or threatened release of any Hazardous Materials which are on or from the Hospital, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials on or from the Hospital; and/or (c) any violation of laws, orders, regulations, requirements or demands of government authorities, which are based upon or in any way related to such Hazardous Materials, including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. For the purposes of this paragraph, "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes or hazardous or toxic substances defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et. seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 9601, et seq.), and in the regulations promulgated pursuant thereto, or any other applicable federal, state or local environmental law, ordinance, rule, or regulation. The provisions of this paragraph

shall be in addition to any and all other obligations and liabilities the Issuer may have to the Trustee at common law, and shall survive the termination of this Indenture.

The indemnifications and protections set forth in this Section 4.10 shall be extended, with respect to the Issuer, to its members, directors, officers, employees, agents, officials and servants and persons under the Issuer's control or supervision, and with respect to the Trustee, to any of its directors, officers, employees, agents and servants and persons under the Trustee's control or supervision.

Anything to the contrary in this Indenture notwithstanding, the covenants of the Issuer contained in this Section 4.10 shall remain in full force and effect after the termination of this Indenture until the later of (i) the expiration of the period stated in the applicable statute of limitations during which a claim or cause of action may be brought and (ii) the payment in full or the satisfaction of such claim or cause of action and of all expenses and charges incurred by the Issuer or the Trustee relating to the enforcement of the provisions herein specified.

Section 4.11. ERISA Covenant. The Issuer will not terminate any ERISA Plan in a manner which could result in the imposition of a lien on the property of the Issuer pursuant to Section 4068 of ERISA and it will notify the Trustee within 15 days after the happening of any "Reportable Event" with respect to any ERISA Plan, as such quoted term is defined in Section 4043 of ERISA, and, in any event, at least 5 days prior to any notification of such "Reportable Event" given to the Pension Benefit Guaranty Corporation pursuant to the terms of such Section 4043.

Section 4.12. Insurance Coverage and Terms. A. The Issuer hereby covenants and agrees that it will, as an expense of construction of the Project and the operation and maintenance of the Hospital, procure, carry and maintain, or cause to be procured, carried and maintained by the Board, so long as the Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(1) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor and from the date of issuance with respect to the remaining Hospital facilities, on all above-ground structures of the Hospital and the machinery and equipment in place or stored on the site in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the Hospital, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion or redemption of the Bonds. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during design, acquisition, construction and equipping of the Project in the full insurable value. The Issuer agrees to list the Purchaser as a lien holder on such policies as "United States of America acting through the Rural Housing Service or its Successor Agency, 1550 Earl Core Road, Suite 101, Morgantown, West Virginia 26505."

(2) Liability Insurance, with limits of not less than $500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than $200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the Hospital, such insurance to be procured not later than the date of delivery of the Bonds.

(3) Workers' Compensation Coverage for All Employees of the Issuer Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds have

been or will be filed with the Clerk of the County Commission of Taylor County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(4) Medical Malpractice, in an amount not less than $500,000 for one person and not less than $1,000,000 for any aggregate amount of claims and, in addition, as is adequate in the judgment of the Issuer to protect the Issuer and the Hospital and its operations.

(5) Fidelity Bonds, will be provided as to every officer and employee having custody of any Net Revenues of the Hospital or of any revenues or other funds of the Hospital in an amount at least equal to one annual installment on the Bonds. During construction of the Project such fidelity bond coverage shall be in an amount at least equal to the maximum amount of funds to be under the control of such individual at any one time.

Notwithstanding the foregoing, the Issuer shall be permitted to make modifications to the foregoing liability insurance requirements and deductible amounts, including without limitation self-insurance and participation in mutual insurance arrangements, in accordance with any recommendations of an Independent Insurance Consultant. In making its decision to permit such modifications, the Independent Insurance Consultant shall consider the policies of insurance carried by hospitals of a size and character similar to the Hospital, the availability of insurance, the terms upon which insurance is available and the cost of available insurance; and the Independent Insurance Consultant shall also consider the effect of such terms and such rates upon the Hospital's costs and charges for its services. The Issuer shall pay any fees charged by such Independent Insurance Consultant and prior to the effective date of modification of insurance requirements shall give written notice to the Trustee as to the making and effective date of any modifications and shall furnish to the Trustee a copy of the report of the Independent Insurance Consultant relating thereto. If the Issuer does not agree with the recommendations of the Independent Insurance Consultant, it may, with the consent of the Trustee, employ another Independent Insurance Consultant to make the recommendations required by this Section.

If the Issuer shall decide to establish a self-insurance program, such program shall be acceptable to the West Virginia Department of Health and Human Services if required (or any successor Federal or state agency) in connection with the Medicare and Medicaid reimbursement programs or any other government program providing similar benefits. In addition, the Issuer shall file annually with the Trustee a report of an Independent Insurance Consultant setting forth his recommendations, if any, as to actions which are required in his opinion to assure that any such self-insurance program is funded and maintained in a manner which assures the actuarial soundness of the program. The Issuer shall take such action at the earliest practicable time to comply with the recommendations contained in such report.

B. The Issuer agrees that such insurance coverage shall be maintained with financially sound and reputable insurers, qualified to do business in the State and not objected to by the Trustee, and all such policies and the forms thereof shall be acceptable to the Trustee. These insurance requirements for the Hospital may be included under respective blanket insurance policies covering all operations of the Issuer. The insurance referred to in subparagraph A above shall name the Issuer and the Trustee as additional insureds as their respective interests may appear. The insurance referred to in subparagraph A(1) above shall provide that any losses payable thereunder in excess of $100,000 with respect to the insurance referred to in subparagraph A(1) shall be payable to the Trustee. If the Issuer is the payee, or one of the payees, of any check or other instrument representing payment of any insurance proceeds referred to in subparagraph A(1) above and payable to the Trustee, as aforesaid, the Issuer will endorse the same to the order of the Trustee and deliver the same to the Trustee; and if the Issuer fails to do so, the Issuer hereby irrevocably authorizes any officer or employee of the Trustee to endorse and

deliver the same as the Issuer's attorney-in-fact. The policies for the insurance required by this Section 4.13 shall not, to the extent available, be cancellable without at least 30 days written notice to the Trustee. The Issuer covenants that it will take all action, or cause the same to be taken, which may be necessary to enable recovery upon the aforesaid insurance policies.

C. All policies and certificates of insurance required hereby shall be open to inspection by the Trustee at all reasonable times. Certificates of insurance describing such policies shall be furnished by the Issuer to the Trustee at or prior to the delivery of the Bonds, and a complete list describing such policies and certificates as of January 1 of each year and, if any change shall be made in such insurance as to either amount or type of coverage, a description and notice of such change shall be immediately furnished to the Trustee by the Issuer. In the event that the Issuer fails to maintain any insurance as provided in this Section 4.12, the Trustee may (but shall be under no obligation to), upon such notice to the Issuer as is reasonable under the circumstances, procure and maintain such insurance, and any amounts so advanced therefor by the Trustee shall become an additional obligation of the Issuer to the Trustee, which amounts, together with interest thereon at the interest on the Bonds, the Issuer agrees and covenants to pay and such payments and interest shall be considered to be additional indebtedness secured hereby and assigned to the Trustee under the Indenture.

Section 4.13. Insurance Proceeds. A. CASUALTY INSURANCE. Immediately after occurrence of loss or damage covered by insurance required under Section 4.12A(1) hereof, the Issuer shall immediately notify the Trustee of such event and shall remit such proceeds required to be paid to the Trustee to be held by the Trustee in an appropriately designated fund. Thereafter, the Issuer shall determine and advise the Trustee in writing, within 60 days of the occurrence of such loss or damage, whether it is practicable to repair, reconstruct or replace such damaged or destroyed property, and the estimated time required for such repair, reconstruction or replacement. The Issuer may apply the proceeds at its discretion either to the repair, reconstruction or replacement of such damaged property or to the prepayment of the Bonds in accordance with the terms hereof. In the event of an election by the Issuer not to repair, reconstruct or replace the damaged property, the Issuer will promptly (but in no event more than 60 days after such damage or destruction) inform the Trustee in writing of its decision to not rebuild and such proceeds shall be transferred to the Revenue Fund and the Bonds and the interest thereon shall become payable on the first payment date thereafter following receipt of such written notice and more than 60 days after such event. Notwithstanding any other provision in this Indenture or the Bonds, in the event that the Bonds or any part thereof are prepaid pursuant to this Section 4.13, no prepayment penalty shall be applicable and, notwithstanding the foregoing or any other provision in this Indenture to the contrary, in no event shall such proceeds be applied to the prepayment of Bonds unless the Bonds are then redeemable in accordance with the terms of this Indenture and the Bonds, including, without limitation, giving due regard to the time necessary for giving all notices of redemption thereunder. In the event that the Issuer elects to repair, reconstruct or replace the damaged property the Issuer shall promptly proceed to repair, reconstruct and replace such part of the Hospital to its original condition or a condition of at least equivalent value, immediately prior to such event, insofar as possible. The moneys required for such repair, reconstruction and replacement shall be paid from: (i) the net proceeds of insurance received by reason of such occurrence which net proceeds (after deducting any reasonable expenses incurred by the Issuer or the Trustee in collecting the same) shall be transferred to a renewal fund with the Trustee and disbursed in accordance with a requisition procedure established by the Trustee in its reasonable discretion; and (ii) to the extent such insurance proceeds are not sufficient, from moneys to be provided by the Issuer. Notwithstanding the foregoing or anything herein to the contrary, any amounts relating to such proceeds required to be rebated to the United States pursuant to Section 148(f) of the Code shall be paid in the time and manner required under the Code.

B. LIABILITY AND OTHER INSURANCE. The proceeds of all comprehensive general liability, owner's liability insurance, worker's compensation insurance and other insurance

required by Sections 4.12 and 4.13 hereof, which may be received by the Issuer shall be applied by the Issuer to the payment of any judgment, settlement or liability incurred for risks covered by such insurance, and such proceeds required to be payable to the Trustee shall be deposited in the Revenue Fund and if required by the Trustee, applied to the payment of principal and/or interest on the Bonds.

Section 4.14. City Acting Through Board. The City hereby covenants and agrees that so long as any of the Bonds are outstanding, the City will manage, administer, operate and maintain the Hospital solely through the Board and that the City will not interfere in any way with the Board in performance of its duties. It is expressly hereby represented by the City in the issuance of the Bonds that the Hospital will be free from political control and supervision so long as any of the Bonds are outstanding. All covenants hereof which require action by the City shall be deemed to mean that the City will act through the Board insofar as such action may lawfully be taken by the Board under the laws of the State.

Section 4.15. Additional Representations and Covenants. A. The estimated economic life of the Hospital is not less than 30 years.

B. The estimated revenues to be derived in each year after the date hereof from the operation of the Hospital shall be sufficient, upon refunding and defeasance of the Prior Bonds and the refinancing of the Loan Obligation, to provide for the repair, maintenance and operation of the Hospital, the payment of the principal of and interest on all Bonds issued hereunder and all payments into the Sinking Fund and the Reserve Account, as hereinafter provided, and to make all other payments provided for in this Indenture.

C. One of the purposes of issuing the Bonds for the purposes of refunding of the Prior Bonds, refinancing the Loan Obligation and paying the Federal Tax Obligations is to effect the release, termination or modification of liens, restrictions, covenants, conditions or limitations imposed by the Prior Bonds and the Loan Obligation.

D. It is in the best interest of the Issuer, and the residents thereof, that the Issuer issue the Bonds and secure the Bonds by a pledge and assignment of the Net Revenues derived from the operation of the Hospital, and all the moneys in the funds and accounts as further set forth herein.

E. All things necessary to make the Bonds, when authenticated by the Registrar and issued as in this Indenture provided, the valid, binding and legal special obligations of the Issuer according to the import thereof, to validly pledge and assign those funds pledged hereby to the payment of the principal of and interest on the Bonds, and to comply with the limitations imposed by the Bond Act and the Refunding Act upon the issuance of the Bonds have been timely met, done and duly performed.

F. The execution and issuance of the Bonds, subject to the terms thereof, will not result in any breach of, or constitute a default under, any instrument to which the Issuer is a party or by which it may be bound or affected.

ARTICLE V

FUNDS AND ACCOUNTS; REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Revenue Fund and Construction Fund. The Revenue Fund and Construction Fund are hereby created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other and the

funds on deposit therein from time to time are hereby pledged unto the Trustee in order to secure repayment of the Series 2015 Bonds.

Section 5.02. Establishment of Sinking Fund and Reserve Account. The Sinking Fund and Reserve Account therein are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other and all funds on deposit therein from time to time are hereby pledged and assigned to the Trustee as security for repayment of the Series 2015 Bonds.

Section 5.03. Bond Proceeds; Construction Fund. A portion of the proceeds of the sale of the Series 2015 Bonds in the amount of $1,779,800 shall be deposited on the Closing Date upon receipt by the Issuer in the Construction Fund. Additional funds shall be deposited into the Construction Fund as need to pay the costs of the Project on a periodic basis as such funds are requisitioned from time to time by the Issuer from the Purchaser and disbursed by the Purchaser upon completion of such inspections and the receipt of such documents as shall be satisfactory to the Purchaser. The moneys in the Construction Fund in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Construction Fund shall be expended by the Issuer solely for the purposes provided herein.

Moneys in the Construction Fund shall be used solely to pay the cost of design, acquisition, construction and equipping of the Project, to currently refund the Prior Bonds, to refinance the Loan Obligation and to pay the Issuance Costs of the Bonds upon vouchers and other documentation approved by the Purchaser.

The Board shall undertake and carry out the design, acquisition, construction and equipping of the Project. Until completion of design, acquisition, construction and equipping of the Project, the Issuer will additionally transfer from the Construction Fund and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installments on the Bonds if there are not sufficient Revenues to make such monthly payment.

Pending application as provided in this Section 5.03, money and funds in the Construction Fund shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Construction Fund shall be disposed of in accordance with the regulations of the Purchaser.

Section 5.04. Revenues; Flow of Funds. A. Notwithstanding anything in this Indenture to the contrary, the entire Gross Revenues derived from the operation of the Hospital shall, upon receipt by the Issuer or Board, as applicable, be deposited into, or otherwise be paid directly into, a deposit account in the name of the Issuer or Board, as applicable, which deposit account, including, without limitation, the funds held therein, shall be under the sole dominion and control of the Issuer or the Board, as the case may be, and in which the Issuer and the Board shall grant no pledge, assignment or other security interest. The Issuer or the Board, as applicable, will provide a standing revocable sweep directive to the bank in which such account is maintained to transfer, each Business Day, the funds in such account to the Revenue Fund. The Revenue Fund shall be kept separate and distinct from all other funds of the Issuer or the Board and the Depository Bank. Subject to the provisions of this Indenture, all Gross Revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The Issuer shall first, each month, pay from the Revenue Fund all Operating Expenses of the Hospital.

(2) The Issuer shall next, on or before the 1st day of each month, transfer from the Revenue Fund and pay to the Commission for deposit in the Sinking Fund, the amounts required to pay the interest on the Bonds, and to amortize the principal of the Bonds over the life of the Bond issue.

(3) The Issuer shall next, on each date that payment is made as set forth in Section 5.04(A)(2) above, transfer from the Revenue Fund and remit to the Commission for deposit in the Reserve Account, an amount equal to 1/120th of the Reserve Requirement, provided that, no further payments shall be made into the Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Reserve Requirement. After the Reserve Requirement has been accumulated in the Reserve Account, the Issuer shall monthly deposit into the Reserve Account such part of the moneys remaining in the Revenue Fund, after such provision for payment of monthly installments on, or payments with respect to, the Bonds, as shall be required to maintain the Reserve Requirement in the Reserve Account. Moneys in the Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on or with respect to the Series 2015 Bonds as the same shall become due or for prepayment of installments on the Series 2015 Bonds, or for mandatory prepayment of the Series 2015 Bonds as hereinafter provided, and for no other purpose.

(4) After all the foregoing provisions for use of moneys in the Revenue Fund have been fully complied with, any moneys remaining therein and not required to be retained therein may be used for any lawful purpose of the Hospital.

Whenever the moneys in the Reserve Account shall be sufficient to prepay the Series 2015 Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Series 2015 Bonds at the earliest practical date and in accordance with applicable provisions hereof.

Moneys in the Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2015 Bonds as the same shall become due. Moneys in the Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2015 Bonds as the same shall come due, when moneys in the Sinking Fund are insufficient therefore, and for no other purpose.

In the event that moneys in the Reserve Account are disbursed in order to make any scheduled payment of principal of or interest on the Series 2015 Bonds, or any portion thereof, such moneys shall be restored by the Issuer within a period of not more than 12 months.

As and when Additional Bonds ranking on a parity with the Series 2015 Bonds are issued, provision shall be made for additional payments into the Sinking Fund sufficient to pay the principal of and interest on such Additional Bonds as and when the same become due.

The Issuer shall not be required to make any further payments into the Sinking Fund or the Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate

principal amount of the Series 2015 Bonds issued pursuant to this Indenture then Outstanding and all interest to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Sinking Fund and the Reserve Account created hereunder, and all amounts required for said account shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

Moneys in the Sinking Fund and in the Reserve Account shall be invested and reinvested by the Commission as provided herein and in accordance with Section 7.01 hereof.

Subject to the provisions of this Indenture, all the funds provided for in this Article V shall be used only for the purposes and in the order provided herein, and until so used, the Trustee shall have a lien thereon for further securing payment of the Series 2015 Bonds and the interest thereon, but the Depository Bank and the Commission shall not be a trustee as to such funds.

The Commission shall keep the moneys in the Reserve Account invested and reinvested to the fullest extent possible in accordance with applicable law, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof. Investments in any fund or account under this Indenture shall, unless otherwise provided herein or required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia Board of Treasury Investments. Any investment shall be held in and at all times deemed part of the fund or account in which such moneys were originally held, and interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings upon moneys in the Reserve Account, so long as the Reserve Requirement is on deposit and maintained therein, shall be paid annually in January by the Commission to the Issuer for deposit by the Issuer into the Revenue Fund.

B. CHANGE OF DEPOSITORY BANK. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank if the Depository Bank should cease for any reason to serve or if the Issuer determines by resolution that the Depository Bank or its successor should no longer serve as Depository Bank. Upon any such change, the Issuer will cause notice of the change to be sent by registered or certified mail to the Trustee and the Purchaser.

C. CHARGES AND FEES. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such sums as shall be necessary to pay their respective charges, fees and expenses then due.

D. INVESTMENT OF EXCESS BALANCES. The moneys in excess of the sum insured by FDIC in any of such funds or accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, in a lawful manner for securing deposits of state and municipal funds under the laws of the State of West Virginia.

E. DEFICIENCIES. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the fund and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be

made pursuant to this Section 5.04, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

F. REMITTANCES. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited and shall be accompanied by appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Indenture.

G. GROSS REVENUES. The Gross Revenues of the Hospital shall only be used for purposes of the Hospital.

Section 5.05. Disbursements from Sinking Fund. The Commission shall disburse funds on deposit in the Sinking Fund, on or before the 15th day of each month, by check, or such other means of payment as shall be mutually agreed upon by the Commission and the Purchaser, to the local finance office of the Purchaser located at Randolph Center Building, 1200 Harrison Avenue, Suite 150, Elkins, West Virginia 26241 (the "Local Finance Office"). The Local Finance Office of the Purchaser shall thereupon disburse such funds as promptly as may be feasible in the circumstances to the Purchaser, or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Purchaser may hereafter designate in writing to the Commission and the Issuer.

Section 5.06. Repayment to Hospital Upon Payment of Bonds. Any amounts remaining in any fund or account created hereunder after payment in full of the principal and redemption premium, if any, of and interest on the Series 2015 Bonds, and the reasonable fees, charges and expenses of the Trustee, the Registrar, the Paying Agent and the Depository Bank incurred in connection with the Series 2015 Bonds, shall be paid to the Hospital for use by the Hospital for any lawful purpose of the Hospital.

ARTICLE VI

APPLICATION OF PROCEEDS OF BONDS

Section 6.01. Disposition of Proceeds of Bonds. Upon the issuance and delivery of the Series 2015 Bonds, the Issuer shall forthwith deposit a portion of the proceeds thereof on the Closing Date in the amount of $955,857.87 with the Commission for deposit into the Escrow Fund created pursuant to the Escrow Agreement and shall deposit a portion of the proceeds of the Bonds on the Closing Date in the amount of $846,165.32 with the Depository Bank for deposit into the Construction Fund established pursuant to Section 5.01 of this Indenture. Following such deposits, the Commission and the Depository Bank shall apply such funds as follows:

A. The Commission shall apply all Series 2015 Bond proceeds and other funds deposited into the Escrow Fund in the manner and otherwise as provided for in the Escrow Agreement, and in particular as follows:

$647,555.30 to the current refunding and defeasance of the Prior Bonds;

$336,079.88 to the repayment and refinancing of the Loan Obligation; and

$2,262.36 to the payment of the fees of the Commission

B. Series 2015 Bond proceeds in the amount of $848,427.68 which have been deposited into the Construction Fund on the Closing Date shall be applied to the payment of costs of the Project, the

payment of the Federal Tax Obligations and the payment of Issuance Costs, to such payees and in such amounts as set forth in a closing memorandum to be delivered on the Closing Date. The remaining available proceeds of the Series 2015 Bonds in the amount of $1,870,130 shall be advanced from time to time by the Purchaser upon the approval by the Purchaser of periodic requisitions and supporting invoices or other documentation as shall be acceptable by the Purchaser and upon the completion of any necessary inspections as may be required by the regulations or practices of the Purchaser and thereupon deposited into the Construction Fund for application to the payment of the costs of the Project which have been approved for payment by the Purchaser. Any proceeds of the Series 2015 Bonds which remain on deposit in the Construction Fund upon the completion of the Project and any available portion of the par amount of the Series 2015 Bonds which remains unadvanced following the completion of the Project shall be applied in accordance with the regulations and practices of the Purchaser.

ARTICLE VII

INVESTMENTS

Section 7.01. Investments. Any moneys held as a part of the funds and accounts created by this Indenture, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Indenture, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 7.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission and the Depository Bank shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank and the Commission shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often if reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding and for a period of 5 years thereafter.

ARTICLE VIII

SATISFACTION AND DISCHARGE

Section 8.01. Satisfaction and Discharge. All rights and obligations of the Issuer under this Indenture shall terminate, and this Indenture shall cease to be of further effect, and the Trustee, Depository Bank and Commission shall assign and deliver to the Issuer any moneys and investments held

hereunder (except moneys or investments held by the Commission for the payment of principal of and interest on the Bonds when due or called for redemption) at such time that:

(A) All reasonable fees, expenses and costs of the Trustee, Depository Bank, Registrar and the Commission shall have been paid;

(B) The Issuer shall have performed all of its agreements in this Indenture; and

(C) All principal of and interest on the Bonds shall have been paid as provided for herein or in the Bonds either upon the maturity thereof or upon prepayment as provided for in the Bonds together with all other costs, charges and expenses which are due and payable in connection with the Bonds as provided herein or in the Bonds; and

Notwithstanding any discharge of this Indenture, the Trustee shall enforce, on its own behalf and on behalf of the Bondholders, by appropriate action, any rights arising hereunder.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.01. Events of Default. Each of the following shall be an "Event of Default" hereunder:

(a) Failure to make a payment of principal of or interest on any Bond as the same becomes due and payable;

(b) Failure by the Issuer to perform any of its covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture other than as specified in (a) above, and such failure shall continue for the period and after the notice specified in Section 9.02 hereof.

(c) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United Sates of America;

(d) If the Issuer defaults in the due and punctual performance of any covenant set forth in the Loan Resolution (RUS Bulletin 1780-27) adopted by the Issuer on _____, 2014 in connection with the Series 2015 A Bonds and the Loan Resolution adopted by the Issuer on September 8, 2015 in connection with the Series 2015 B Bonds and such default continues for thirty (30) days after written notice requiring the same to be remedied shall have been given to the Issuer by Purchaser; provided that if any such default cannot be cured within thirty (30) days the period shall be extended for such period as is reasonable to cure the same with due diligence if the Issuer commences the cure within thirty (30) days and proceeds diligently.

Section 9.02. Notice of Default; Opportunity to Cure. No default under Sections 9.01(b) or (d) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the Issuer by the Trustee or by holders of not less than 25% in aggregate principal amounts of all Bonds Outstanding and until the Issuer shall have had 30 days after receipt of such notice to correct such default, and shall not have corrected it.

The Issuer hereby grants the Board full authority for the account of the Issuer to perform any covenant or obligation alleged to constitute a default in any notice given pursuant to this Section 9.02 in the name of the Issuer and with full power of substitution.

In the event that any payment referred to in Section 9.01(a) is not timely made, the Trustee shall immediately notify the Issuer by the fastest means of communication reasonably available that such payment has not been made and shall confirm such notice in writing, but failure to so notify will not toll any period or waive any Event of Default.

Section 9.03. Acceleration; Cure. If any Event of Default under subparagraph (a) of Section 9.01 occurs, the entire principal amount of the Bonds then Outstanding shall become due and payable without notice or demand. Should any Event of Default other than one described in the preceding sentence occur and be continuing, then the Trustee may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding, shall, by notice in writing delivered to the Issuer and the Board, declare the principal of all Bonds then Outstanding to be due and payable immediately. Upon such declaration, the said principal, together with interest accrued thereon, shall become due and payable immediately at the place of payment provided therein without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived, anything in this Indenture or in the Bonds to the contrary notwithstanding.

The above provisions, however, are subject to the condition that if, after the principal of the Bonds shall have been so declared to be due and payable, all arrears of principal and interest upon the Bonds, and all other sums payable under this Indenture (except the principal of, and interest on, the Bonds which by such declaration shall have become due and payable), shall have been paid by or on behalf of the Issuer, and the Issuer also shall have performed all other things in respect of which it may have been in default hereunder, and shall have paid the reasonable charges of the Trustee, its counsel and the holders of the Bonds, including reasonable attorneys' fees paid or incurred, then and in every such case, the holders of not less than a majority in aggregate principal amount of each series of Bonds then outstanding may, by written notice to the Issuer, the Board and to the Trustee, waive such default and rescind and annul such declaration and its consequences, and such waiver shall be binding upon the Trustee and upon all holders of Bonds; but no such waiver, rescission and annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

Section 9.04. Powers of Trustee. If any Event of Default occurs and is continuing, the Trustee in its discretion may, and, upon the written request of the holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding and upon receipt of indemnity to its satisfaction, shall, take any or all of the following actions:

(a) Enforce each and every right of the Trustee under this Indenture or otherwise;

(b) By mandamus or other proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Issuer to comply with the provisions of this Indenture and to require the Issuer or the Board to carry out any other agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act;

(c) Bring suit upon the Bonds;

(d) By a proceeding in equity require the Issuer or the Board to account as if it were the trustee of an express trust for the Bondholders;

(e) By a proceeding in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; or

(f) Seek the appointment of a receiver for the Hospital facilities by a court of appropriate jurisdiction for the operation of such Hospital facilities by such receiver and the collection of the rents, revenues, issues, earnings, income and products of such Hospital facilities, with such powers as the court making such appointment shall direct.

The Trustee may maintain any proceeding without the possession of any of the Bonds or the production thereof in connection with said proceeding.

If any proceeding taken by the Trustee on account of any Event of Default is discontinued or abandoned for any reason, or determined adversely to the Trustee, then and in every case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 9.05. Powers of Bondholders. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder.

Section 9.06. Limitations on Bondholders. No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder, or any other remedy hereunder or on the Bonds, unless:

(a) Such holder previously shall have given to the Trustee written notice of an Event of Default;

(b) The holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name;

(c) There shall have been offered to the Trustee, security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and

(d) The Trustee shall have refused or neglected to comply with such request within a reasonable time.

Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or to any other remedy hereunder; it being understood and intended that no Bondholder shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder or under the Bonds, except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of all holders of Outstanding Bonds affected thereby,

subject to the provisions of this Indenture. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to institute suit for the enforcement of payment of the principal of and interest on such Bond when due and payable in accordance with its terms, upon redemption or otherwise.

Section 9.07. Right of Purchaser to Act. Notwithstanding anything set forth in this Indenture to the contrary, so long as the Purchaser is the Holder of the Bonds, the Purchaser may institute a suit, action or proceedings in equity or at law, in state or federal court, for the execution of any trust under this Indenture or for any other remedy hereunder using applicable state or federal law. Specifically, Purchaser shall not be obligated to first request the Trustee to act on behalf of Purchaser and may proceed directly against the Issuer, provided it is understood and intended that Purchaser shall not have any right to affect, disturb or prejudice the security of this Indenture, or to enforce any right under this Indenture, except in the manner provided therein, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture. Any recovery shall be for the benefit of all Holders of Outstanding Bonds on a parity basis. The Trustee shall not be answerable for the exercise by Purchaser of its powers set forth in this Section, except only its own misconduct or gross negligence. Where Purchaser institutes an action pursuant to this Section, the Trustee is empowered to receive moneys from such proceeding and to disburse such funds in accordance with the terms of this Indenture (as supplemented and/or amended from time to time), including for the payment of moneys due to the Trustee under this Indenture (as supplemented and/or amended from time to time) and for the benefit of all Holders on a parity basis.

Section 9.08. Control of Proceedings Commenced by the Trustee and Commenced by Purchaser. Notwithstanding anything in this Indenture to the contrary, until such time as the Purchaser shall have notified the Trustee of its election to have the Trustee enforce Purchaser's rights under this Indenture, and Trustee shall have accepted such election, the provisions of (i) Sections 9.04 and 9.06 requiring the Trustee to act and (ii) Sections 9.05 and 9.06 permitting Bondholders to act, in all such cases, on the written request of the Registered Owners of not less than twenty-five percent (25%) of principal amount of the Bonds then Outstanding hereunder, shall mean the Registered Owners excluding the Purchaser of not less than twenty-five percent (25%) of the principal amount of the Bonds then Outstanding hereunder excluding the principal amount of any Bonds then Outstanding held by the Purchaser. Where Purchaser has commenced an action pursuant to the terms of Section 9.07 above, Purchaser shall control such action in accordance with such Section 9.07.

Section 9.09. Remedies not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9.10. Delay or Omission of Trustee. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Article IX to the Trustee and to the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.11. Application of Moneys. Any moneys received by the Trustee while an Event of Default is continuing and any available moneys held in the Sinking Fund, Reserve Account or otherwise, after first being applied to the payment of the reasonable fees and expenses of the Trustee shall be applied in the following order:

(A) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment to the persons entitled thereto of all installments of principal and interest then due on the Bonds, in the order of maturity of the installments of such principal and interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege.

(B) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on the Bonds, without preference or priority, according to the amounts due respectively for principal and interest, to the persons entitled thereto.

(C) To the extent of the surplus, if any, to the Issuer or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

Whenever moneys are to be applied pursuant to this Section 9.11, the Trustee shall fix the date (which shall be a payment date on the Bonds unless it shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amount of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date.

Section 9.12. Severability of Remedies. It is the purpose and intention of this Article IX to provide rights and remedies to the Trustee and Bondholders which may be lawfully granted under the provisions of the Act, but, should any right or remedy herein granted be held to be unlawful, the Trustee and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided in this Indenture.

Section 9.13. Limitation on Remedies and Rights. The Trustee and the Bondholders expressly acknowledge and agree that the grant and exercise of all rights and remedies are subject to laws applicable to health care providers, including, without limitation, laws protecting the confidentiality of patient information, and that in connection with the exercise of any rights or remedies, it may be necessary to obtain approval of, consents, determinations, exceptions or certifications from, third parties, including without limitation, commercial and governmental payers and health care regulatory authorities and agencies.

Section 9.14. Limited Indemnification Where Trustee Acts on Behalf of Purchaser. Should Purchaser elect to have the Trustee enforce Purchaser's rights under this Indenture, Purchaser's obligation to indemnify the Trustee against the liabilities associated with a request for enforcement of remedies shall be limited to the extent permitted by law, provided however, the Trustee shall not be required to institute an action on Purchaser's behalf unless indemnification is provided to the Trustee in accordance with the terms of this Indenture.

ARTICLE X

CONCERNING THE TRUSTEE

Section 10.01. Acceptance of Trust. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts in accordance with the provisions set forth in this Indenture, but only upon and subject to the following express terms and conditions:

A. The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any non-negligent action or non-action in reliance upon such opinion or advice.

B. The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture, or for insuring the property herein conveyed or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the property herein conveyed, if any, or otherwise as to the maintenance of the security hereof; except that in the event the Trustee enters into possession of a part or all of the property pursuant to any provision of this Indenture it shall use due diligence in preserving such property, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer or the Board hereunder, except as hereinafter set forth, but the Trustee may require of the Issuer or the Board full information and advice as to the performance of the covenants, conditions and agreements aforesaid as to the condition of such property. The Trustee shall have no obligation to perform any of the duties of the Issuer under this Indenture. The Trustee shall not be responsible for reviewing any financial information of the Board which it receives pursuant to this Indenture. Except during the continuance of an Event of Default, the Trustee shall be obligated to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

C. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder after such Bonds shall have been delivered in accordance with instructions of the Issuer. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

D. The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee, pursuant to this Indenture upon the request, authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefore or in place thereof.

E. As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate of the Issuer signed by its Mayor, City Manager or any certificate signed by the Board 's President or Secretary as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee has been notified as provided in Subsection G of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the City Clerk of the Issuer under its seal to the effect that a resolution

or ordinance in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution or ordinance has been duly adopted, and is in full force and effect.

F. The permissive right of the Trustee (indicated by the word "may" and not by the word "shall") to take actions under this Indenture shall not be construed as a duty and the Trustee, except during the continuance of an Event of Default, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In the performance of such duties, the Trustee shall be answerable only for its gross negligence or willful misconduct. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise, as an ordinarily prudent man would exercise or use under the circumstances in the conduct of his own affairs.

G. The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless the Trustee shall be specifically notified in writing of such default by the Issuer or by the holders of at least 25% in aggregate principal amount of Bonds then outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

H. The Trustee shall not be personally liable for any debts contracted or for damages to persons or property, or for salaries or non-fulfillment of contracts during any period in which it may be in the possession of or managing the real or tangible personal property as in this Indenture provided.

I. At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the property herein conveyed, including all books, papers and records of the Issuer pertaining to the Project and the Bonds, and to take copies of such memoranda from and in regard thereto as may be desired.

J. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

K. Notwithstanding anything contained elsewhere in this Indenture, the Trustee shall have the right, but shall not be required, to demand, with respect to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

L. Before taking any action hereunder the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from the gross negligence or willful default of the Trustee by reason of any action so taken.

M. All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for purposes for which they were received but need not be segregated from other funds except to the extent required by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 10.02. Notice of Default to Bondholder. Within 30 days after the occurrence of any Event of Default (or event which would with the passage of time or giving of notice or both be an Event of Default) hereunder of which the Trustee has actual knowledge or has, or is deemed to have, notice, the Trustee shall, unless such event or Event of Default shall no longer subsist, mail notice thereof to all Bondholders; provided, however, that such notice need not be given if the Trustee determines that to give such notice is not in the best interests of the holders of Bonds of all series.

For purposes of this Section 10.02, the Trustee shall not be deemed to have actual knowledge of any Event of Default unless a trust officer, assistant trust officer or other person charged with the administration of the obligations of the Trustee hereunder shall during the course of his duties have actual knowledge thereof.

Section 10.03. Rights and Powers During Default. Subject to its responsibility to act upon the direction of Bondholders hereunder, the Trustee shall exercise such of the rights and remedies vested in it by this Indenture and shall use the same degree of care in their exercise as a prudent man would exercise or use in the circumstances in the conduct of his own affairs; provided, that if in the opinion of the Trustee such action may tend to involve expense or liability, it shall not be obligated to take such action unless it is furnished with indemnity satisfactory to it.

Section 10.04. Right to Rely Upon Documents. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine. The Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the trust and accuracy of such statements.

Section 10.05. Right to Own and Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholder may be entitled to take, with like effect as if the Trustee were not a party to this Indenture. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer or the Board and may act as depository, trustee or agent for any committee or body of holders of the Bonds or other obligations of the Issuer, as freely as if it were not Trustee hereunder.

Section 10.06. Interest Upon Moneys Received. The Trustee shall not be under any liability for interest on any moneys received under any of the provisions of this Indenture, except such as may be agreed upon between the Trustee and the Issuer. All interest allowed on any such moneys shall be credited as provided in Article VII hereof with respect to interest on investments.

Section 10.07. Construction of Provisions of Indenture. The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision thereof.

Section 10.08. Co-Trustee. The Trustee, with the approval of the Issuer, may appoint an additional individual institution as a separate or co-trustee. If the Trustee appoints a separate or co-trustee, each power or right vested in the Trustee hereunder shall be exercisable by and vest in such separate or co-trustee to exercise such powers or rights, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Section 10.09. Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days written notice to the Issuer and the Board and by registered or certified mail to each registered owner of Bonds then Outstanding, and such resignation

shall take effect upon the appointment of a successor Trustee by the Bondholders or by the Issuer. Such notice to the Issuer may be served personally or sent by registered mail.

Section 10.10. Removal of Trustee. The Trustee or any Trustee hereafter appointed hereunder may be removed at any time by an instrument in writing appointing a successor Trustee, filed with the Trustee so removed, the Issuer and the Board and executed by the holders of a majority in aggregate principal amount of the Bonds then outstanding.

Section 10.11. Appointment of Successor Trustee. In case the Trustee hereunder shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or shall otherwise become incapable of acting hereunder or in case it shall be taken under the control of any public officer, officers or a receiver appointed by a court, a successor may be appointed by the owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument executed and signed by its Mayor or City Manager and attested by its City Clerk under its seal shall forthwith appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondholders in the manner above provided; and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Bondholders.

Section 10.12. Qualification of Successor Trustee. Every successor Trustee appointed pursuant to any of the foregoing provisions which is not a governmental entity or representative of such governmental entity shall be a trust company or a national bank or state bank with trust powers in good standing and, if there be such a trust company or national or state bank willing and able to accept the trust on reasonable and customary terms, shall have a reported capital and surplus of not less than $10,000,000.

Section 10.13. Court Appointment of Successor Trustee. In case at any time the Trustee or any Trustee hereafter appointed shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article X prior to the date specified in the notice of resignation as the date when such resignation shall take effect, the resigning Trustee may forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article X within 3 months after a resignation by the Trustee, the holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Section 10.14. Acceptance and Transfer of Trust. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and the Board an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become duly vested with all the trust estate and the rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein. Upon request of such Trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument transferring to such successor Trustee all the trust estate and the rights, powers and trusts hereunder of the Trustee so ceasing to act; and the Trustee so ceasing to act shall pay over to the successor Trustee all moneys and other assets at the time held by it hereunder.

Section 10.15. Successor Trustee by Merger. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the successor Trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.16. Trustee's Right to Make Advances. If the Issuer shall fail to perform any of the covenants or agreements contained in this Indenture other than the covenants or agreements in respect of the payment of the principal or interest on the Bonds, the Trustee may, in its discretion and without notice to the Bondholders, at any time and from time to time, make advances to effect performance of the same on behalf of the Issuer, but the Trustee shall be under no obligation so to do, and no such advance shall operate to relieve the Issuer from any default hereunder.

Section 10.17. Intervention by Trustee. The Trustee may intervene on behalf of the Bondholders in any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Bondholders, and shall intervene if it is requested in writing by the holders of at least 25% in aggregate principal amount of the Bonds then Outstanding and if provided indemnity pursuant to Section 9.06 hereof. The rights and obligations of the Trustee under this Section 10.17 are subject to the approval of a court of competent jurisdiction. Notwithstanding anything herein to the contrary, the Trustee shall not be liable for its actions except as a result of its gross negligence or willful misconduct.

Section 10.18. Registration Under Securities Act, etc. In the event that the Bonds become subject to registration under the Securities Act of 1933 or the West Virginia Uniform Securities Act, or the Indenture becomes subject to qualification under the Trust Indenture Act of 1939, upon receipt of an opinion of Bond Counsel to such effect, the Trustee and the Issuer will take all actions necessary and will cooperate with the Issuer and Bond Counsel to accomplish such registration or qualification.

ARTICLE XI

EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

Section 11.01. Execution of Instruments. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed by an instrument in writing. The fact and the date of the execution by any person of any such instrument may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgment or by an affidavit of a witness to such execution.

Nothing contained in this Article XI shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient. Any request, consent or other action of the holder of any Bond shall bind every future holder of the same Bond in respect of anything done by the Trustee, the Issuer or the Board in pursuance thereof.

ARTICLE XII

SUPPLEMENTAL INDENTURES; MODIFICATION OF THE INDENTURE

Section 12.01. Supplemental Indentures Without Consent of Bondholders. The Issuer and the Trustee may, without the consent of or notice to any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture as shall be consistent with the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee or either of them;

(c) To subject to the lien and pledge of this Indenture additional revenues, properties or collateral;

(d) To evidence the appointment of a separate trustee or a co-trustee or the succession of a new trustee hereunder;

(e) To make any other change in this Indenture which, in the judgment of the Trustee in reliance upon an Opinion of Counsel, does not materially adversely affect the rights of the holders of any Bonds; or

(f) To comply with the provisions of the Trust Indenture Act of 1939, as amended.

Section 12.02. Modification of the Indenture with Consent of Bondholders. From time to time the holders of not less than 60% in aggregate principal amount of the Outstanding Bonds materially adversely affected by any waiver under, or modification or alteration of, this Indenture may, by an instrument or instruments in writing signed by such holders and filed with the Trustee, assent to and authorize any such waiver, modification or alteration that shall be proposed by the Issuer and consented to by the Trustee; and any action herein authorized to be taken, with the assent or authority given as aforesaid shall be binding upon the holders of all the Bonds hereby secured and upon the Trustee as fully as though such action were specifically and expressly authorized by the terms of this Indenture; provided that, without the consent of the holders of all Bonds affected thereby, no such waiver, modification or alteration shall permit (a) the reduction of the portion of the Bonds the consent of the holders of which is required for any waiver, modification or alteration of this Indenture, (b) the extension of the time or times of payment of the principal of and interest on the Bonds, whether at maturity, upon redemption, or otherwise, or (c) the reduction in the principal amount thereof or in the rate of interest or the amount of any premium thereon or any change in the currency for payment thereof.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Sole Benefit of Parties and Bondholders. Except as herein otherwise provided with respect to the Board, nothing in this Indenture expressed or implied is intended or shall be

construed to confer upon any person, firm or corporation other than the parties hereto and the holders of the Bonds any right, remedy or claim under or by reason of this Indenture, this Indenture being intended to be for the sole and exclusive benefit of the parties hereto and the holders of the Bonds.

Section 13.02. Severability of Provisions. In case any one or more of the provisions of this Indenture or of the Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture or of said Bonds, but this Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein.

Section 13.03. Notices. All communications hereunder shall be in writing and, unless otherwise required under this Indenture, shall be deemed sufficiently given or made if delivered personally to the person who is to receive the same or if mailed to such person by first class mail, registered or certified, return receipt requested, postage prepaid, by deposit thereof in a United States Post Office, or branch thereof, within the United States of America addressed:

If to the Issuer:

City of Grafton
1 West Main Street
Grafton, West Virginia 26354
Attention: City Manager

If to the Board:

Grafton City Hospital, Inc.
1 Hospital Plaza
Grafton, West Virginia 26354
Attention: Administrator

If to the Trustee:

United Bank, Inc.
500 Virginia Street East
Charleston, WV 26301
Attention: Corporate Trust Department

If to Purchaser:

United States Department of Agriculture
National Finance Office
St. Louis, Missouri 63103

If to the Commission:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25301
Attention: Executive Director

The Trustee, the Issuer, the Board, the Purchaser and the Commission may, by notice given hereunder, designate any further or different addresses to which subsequent communications shall be sent.

Section 13.04. Successors and Assigns. None of the covenants, promises and agreements made in this Indenture by or on behalf of the Issuer or the Trustee shall be assignable by either of them except as expressly provided herein; but insofar as assignable or otherwise transferable this Indenture shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 13.05. Counterparts. This Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but all such counterparts shall together constitute but one and the same instrument.

Section 13.06. Governing Law. Except as otherwise specifically provided herein, this Indenture and all Bonds issued hereunder have been or will be executed and delivered under the laws of the State of West Virginia, and such laws shall govern the construction of this Indenture and of all such Bonds.

Section 13.07. Payments Due on Saturdays, Sundays and Holidays. In any case where the date for any payment on or with respect to the Bonds shall be a Saturday, a Sunday, a legal holiday or a day on which banking institutions in the domicile of the Trustee are authorized by law to close, then payment shall be made on the next succeeding business day not a Saturday, a Sunday, a legal holiday or a day upon which banking institutions are authorized by law to close.

Section 13.08. No Liability on Issuer. No provision, covenant or agreement contained in this Indenture or in the Bonds or any obligations herein or therein imposed upon the Issuer or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or a charge upon its general credit or taxing powers. In making the agreements, provisions and covenants set forth in this Indenture, the Issuer has not obligated itself except with respect to the Revenues, as herein above provided. No officer or member of the Issuer shall be personally liable on this Indenture or on any Bonds, nor shall the issuance of the Bonds under this Indenture be considered a misfeasance in office.

THE BENEFICIARY OF THIS INDENTURE OF TRUST AT THE TIME OF EXECUTION AND DELIVERY, AS THE PURCHASER OF THE BONDS, IS AS FOLLOWS:

United States of America Acting Through the Rural Housing Service
United States Department of Agriculture- Rural Development
West Virginia State Office
1550 Earl Core Road, Suite 101
Morgantown, West Virginia 26505

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture of Trust to be executed and their corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

UNITED BANK, INC.,
as Trustee

By _____
Its: _____

ACCEPTED AND AGREED TO BY:

GRAFTON CITY HOSPITAL, INC., as or its board as
the City Hospital Board of Grafton City Hospital or
the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

APPROVED AND CORRECT AS TO FORM:

By _____
Shawn Nines, City Attorney

IN WITNESS WHEREOF, the parties hereto have caused this Indenture of Trust to be executed and their corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

UNITED BANK, INC.,
as Trustee

By _____
Its: _____

ACCEPTED AND AGREED TO BY:

GRAFTON CITY HOSPITAL, INC., as or its board as
the City Hospital Board of Grafton City Hospital or
the Board of Trustees of Grafton City Hospital

By _____
David Efaw, Vice-President

By _____
Patrick D. Shaw, Administrator/Chief Executive Officer

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A – SERIES 2015 A BOND FORM

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. AR-1 $2,999,930

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Two Million Nine Hundred Ninety Nine Thousand Nine Hundred Thirty and 00/100 Dollars ($2,999,930), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $13,080, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by the Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $2,999,930, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 B BONDS" AND

TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $650,000.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part,

together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $1,129,800	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 A Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

UNITED BANK, INC., as Registrar

By _____

Its: _____

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	_____
_____	_____	_____
_____	_____	_____

EXHIBIT B – SERIES 2015 B BOND FORM

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND,
SERIES 2015 B
(UNITED STATES DEPARTMENT OF AGRICULTURE)

No. BR-1 $650,000

FOR VALUE RECEIVED, the CITY OF GRAFTON (West Virginia), a municipal corporation and political subdivision of the State of West Virginia (hereinafter referred to as the "Borrower"), hereby promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Six Hundred Fifty Thousand and 00/100 Dollars ($650,000), or such lesser amount as shall have been advanced to or upon the order of the Borrower and not theretofore been repaid as indicated in the Record of Advances attached hereto as Exhibit A, plus interest on the unpaid principal balance at the rate of 3.25% per annum. The principal amount of this Bond, together with the accruing interest thereon, shall be due and payable on the 28th day of each month in 360 equal amortizing monthly installment payments consisting of principal and interest in the amount of $2,834, commencing on November 28, 2015 and concluding on October 28, 2045, which shall be the maturity date of this Bond (the "Maturity Date"), except that the final installment shall be paid on the Maturity Date, in the sum of the unpaid principal and interest due on such date. The monthly payment amount will be adjusted by the Government and provided to the Issuer and the Trustee in the event that the entire principal amount of this Bond is not advanced by the Government as indicated in the attached Record of Advances. This Bond may be prepaid as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to the Borrower as requested by the Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, shall after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of the Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, the Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by the Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by the Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by the Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by the Borrower to the Government without demand. The Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

The Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond is the only Bond of an authorized issue of a series of City of Grafton Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture) (the "Bonds"), issued in the aggregate principal amount of $650,000, pursuant to the provisions of Chapter 8, Article 16 and Chapter 13, Article 2E of the West Virginia Code of 1931, as amended (collectively, the "Act") an Ordinance enacted by the Issuer on October 6, 2015 as supplemented (the "Ordinance") and an Indenture of Trust dated as of October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as Trustee (the "Trustee") for the purposes of (in combination with the proceeds of the Series 2015 B Bonds) (i) financing the design, acquisition, construction and equipping of certain improvements to Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (the "Project"); (ii) to refund the Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (iii) to refinance a Promissory Note, dated July 8, 2013, payable to JP Morgan Chase Bank, N.A. entered into with respect to the Hospital facility by Grafton City Hospital, Inc. by and through the Board (the "Loan Obligation" and collectively with the Prior Bonds, the "Outstanding Obligations"); (iv) paying existing federal tax liabilities of the Board with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (payroll tax withholding liabilities) (the "Federal Tax Obligations"); and (iv) paying costs of issuance of the Bonds and related costs. The Bonds are payable from the Net Revenues of the Hospital and are secured by a pledge of such Net Revenues and a first statutory mortgage lien on the Hospital, as provided pursuant to the Indenture and the Act and subject to the terms and conditions of the Indenture. The Bonds are also secured by a Credit Lien Deed of Trust (the "Deed of Trust") on the Hospital facilities by and between the Borrower and the trustees named therein for the benefit and security of the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser").

THE BONDS WILL BE ISSUED ON A PARITY WITH RESPECT TO LIEN ON, SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE CITY OF GRAFTON HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2015 A (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 2015 A BONDS" AND

TOGETHER WITH THE BONDS, THE "SERIES 2015 BONDS"), ISSUED CONCURRENTLY ON THE DATE HEREOF IN THE AGGREGATE PRINCIPAL AMOUNT OF $2,999,930.

The Bonds are issued under and are equally and ratably secured by and entitled to the protection of the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, default provisions, the rights, duties, limitations and obligations of the Issuer, the Trustee and the holders of the Bonds and the terms upon which the Bonds are issued.

This Bond shall only be transferable by transfer of registration upon the books of United Bank, Inc. (the "Registrar") as provided herein and in the Indenture. This Bond shall be registered in the Bond Register and such registration shall be noted on this Bond. After such registration, no registration of transfer hereof shall be valid unless made on the Bond Register at the written request of the registered owner or his duly authorized attorney or legal representative and similarly noted on this Bond.

The Registrar shall not be obligated to make any registration or transfer of any Bonds during the 15 day period preceding a scheduled payment date.

This Bond is a special and limited obligation of the Issuer and is payable solely from and secured solely by the Net Revenues of the Hospital as provided pursuant and subject to the Indenture, a pledge of certain funds and accounts created pursuant and subject to the Indenture as provided in the Indenture, a statutory mortgage lien on the Hospital, as provided under the Act and a Deed of Trust lien on the Hospital. This Bond shall never constitute an indebtedness of the Issuer, the Board or the State of West Virginia within the meaning of any constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Issuer, the Board or the State of West Virginia. Neither shall this Bond nor the interest payable hereon be a charge against the general credit or taxing power of the Issuer, the Board or the State of West Virginia.

Holders of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all of the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Indenture or any supplements thereto, or waivers thereunder, may be made only to the extent and in the circumstances permitted by the Indenture.

If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, the Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to the Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

All acts, conditions and things required to exist, happen and be performed, precedent to and in connection with the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law. The issuance of this Bond and the issue of which it is a part,

together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

All provisions of the Indenture, the Act and other statutes under which this Bond is issued shall be deemed a part of the contract evidenced by this Bond to the same extent as if written fully herein.

This Bond shall not be valid or obligatory unless the Bond has been authenticated by the Trustee, its successor or successors, by the execution of the Trustee's certificate of authentication and registration endorsed hereon.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Registrar.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the CITY OF GRAFTON has caused this Bond to be executed by its Mayor and City Manager, has caused its corporate seal to be impressed or imprinted hereon, has caused said seal and this Bond to be attested with the signature of its Clerk and has caused this Bond to be dated October 28, 2015.

The date of original delivery of this Bond is October 28, 2015.

CITY OF GRAFTON

[SEAL]

By _____
Its Mayor

By _____
Its City Manager

ATTEST:

By _____
Its City Clerk

APPROVED AND CORRECT AS TO FORM:

By_____
Shawn Nines, City Attorney

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $650,000	10/28/2015	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $650,000

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto_____the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, 20_____.

_____

In the presence of:

_____

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Bond is one of the Series 2015 B Bonds described in and issued under the provisions of the within-mentioned Indenture and has been duly registered in the name of the registered owner last set forth in the "SCHEDULE OF REGISTERED OWNERS," attached hereto as of the date set forth thereon.

Dated this October 28, 2015.

UNITED BANK, INC., as Registrar

By _____

Its: _____

(No writing on this Bond except by the Registrar)

SCHEDULE OF REGISTERED OWNERS

Date of Registration	In Whose Name Registered	Signature of Registrar
October 28, 2015	United States of America	

CLOSING MEMORANDUM

To: **Financing Team**

From: **Steptoe & Johnson PLLC**

Date: **October 28, 2015**

Re: **City of Grafton**
Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

The closing of the City of Grafton (the "Issuer") Hospital Refunding and Improvement Revenue Bonds, Series 2015 A (United States Department of Agriculture), dated October 28, 2015, issued in the original aggregate principal amount of $2,999,930 (the "Series 2015 A Bonds") and the Issuer's Hospital Refunding and Improvement Revenue Bonds, Series 2015 B (United States Department of Agriculture), dated October 28, 2015, issued in the original aggregate principal amount of $650,000 (the "Series 2015 B Bonds" and collectively with the Series 2015 A Bonds, the "Bonds") took place on October 28, 2015 (the "Closing Date") for the purposes of financing: (i) the current refunding and redemption in full of the Issuer's Hospital Refunding Revenue Bonds, Series 2002 (Grafton City Hospital), dated January 3, 2002, issued in the original aggregate principal amount of $1,500,000 (the "Prior Bonds"); (ii) the design, acquisition, construction and equipping of certain improvements to the facitities of Grafton City Hospital (the "Hospital") and the acquisition of certain personal property, equipment and fixtures for the Hospital facility (collectively, the "Project"); (iii) refinance a Promissory Note, dated July 8, 2013, payable by Grafton City Hospital, Inc. unto JPMorgan Chase Bank, N.A. in the original principal amount of $382,205.86 (the "Chase Bank Note"); (iv) the payment of existing federal tax liabilities with respect to the Hospital pursuant to Section 941 of the Internal Revenue Code (the "Federal Tax Obligations"); and (v) pay costs of issuance of the Bonds. The Bonds are being purchased by the United States of America, acting through the Rural Housing Service, United States Department of Agriculture (the "Purchaser"). The Bonds are being issued pursuant to an Indenture of Trust, dated October 28, 2015 (the "Indenture"), by and between the Issuer and United Bank, Inc., as bond trustee and registrar for the Bonds (the "Trustee"). The West Virginia Municipal Bond Commission (the "Bond Commission") will serve as the paying agent for the Bonds and escrow agent for the repayment of the Prior Bonds and the Chase Bank Note. The entire principal amount of the Series 2015 B Bonds will be advanced on the Closing Date by the Purchaser. A portion of the Series 2015 A Bonds will be advanced on the Closing Date by the Purchaser with the remaining principal amount being advanced from time to time as requisitioned by the Issuer and approved by the Purchaser for the purpose of paying costs of the Project. The sources and uses of funds for the closing of the issuance of the Bonds are as follows:

1. **SOURCES OF FUNDS:**

Series 2015 A Bonds	$1,129,800.00
Series 2015 B Bonds	650,000.00
Prior Bonds Sinking and Reserve Funds at Bond Commission	30,039.67
Issuer Funds	22,223.19
TOTAL SOURCES:	**$ 1,832,062.86**

USES OF FUNDS:

Payment of Project Costs	$ 137,800.00
Refunding of Prior Bonds	647,555.30
Refinancing of Chase Bank Note	336,079.88
Payment of Federal Tax Obligations	665,315.32
Payment of Costs of Issuance of Bonds	45,312.36
TOTAL USES:	**$1,832,062.86**

2. **TRANSFER OF SOURCES OF FUNDS ON CLOSING DATE:**

A. **BOND PROCEEDS TRANSFERRED TO ISSUER**

Payor:	Purchaser
Source:	Proceeds of Series 2015 A Bonds ($1,129,800) Proceeds of Series 2015 B Bonds ($650,000)
Amount:	$1,779,800
Form:	ACH Transfer
Payee:	City of Grafton 1 West Main Street Grafton, West Virginia 26354
For Deposit to:	Construction Fund Branch Banking and Trust Company, Grafton, West Virginia as Depository Bank (the "Depository Bank") 7 Harman Center Grafton, West Virginia 26354
Routing #:	051503394

Account #:	0005175517350
Purpose:	Payment of initial requisition of Costs of the Project, current refunding of Prior Bonds, refinancing of Chase Bank Note, payment of Federal Tax Obligations and payment of costs of issuance of the Bonds
Contact:	Tina Rucker at BB&T (phone 304.265.3400)

B. ISSUER FUNDS DEPOSITED INTO CONSTRUCTION FUND

Issuer cash deposited into Construction Fund $22,223.19
(Deposit to be confirmed by Tina Rucker at
Depository Bank- phone 304.265.3400)

3. TRANSFERS BY CITY OF GRAFTON FROM CONSTRUCTION FUND ON CLOSING DATE:

A. TRANSFER TO MUNICIPAL BOND COMMISSION

Payor:	City of Grafton
Source:	Proceeds of Bonds on deposit in Construction Fund
Amount:	$955,857.87 (consisting of $983,635.18 for repayment of Chase Bank Note and Prior Bonds and $2,262.36 for payment of Bond Commission fees less Sinking Fund and Reserve Fund deposits held by Bond Commission in amount of $30,039.67)
Form:	Wire Transfer
Payee:	West Virginia Municipal Bond Commission Sara Rogers, Executive Director 900 Pennsylvania Avenue, Suite 1117 Charleston, West Virginia 25301
For Deposit to:	Escrow Fund established under Escrow Agreement BB&T WV 322 70th St SE Charleston, WV 25304 State of West Virginia
Routing #:	ABA 051503394
Account #:	5270517317
Purpose:	Effect current refunding of Prior Bonds, refinancing of Chase Bank Note and payment of Bond Commission fees
Contact:	Sara Rogers (phone 304.558.3971)

B. PAYMENT OF FEDERAL TAX OBLIGATIONS

Payor:	City of Grafton
Source:	Proceeds of Bonds on deposit in Construction Fund
Amount:	$665,315.32
Form:	Certified check issued by Depository Bank

Payee:	United States Treasury Department of the Treasury Internal Revenue Service 11 Chenoweth Drive Bridgeport, West Virginia 26330-1675
Instructions:	Insert Grafton City Hospital, Inc. taxpayer id number in memo of check
Purpose:	Repayment in full of Federal Tax Obligations
Contact:	Mica Cooper (phone 681.456.6124)

C. PAYMENT OF INITIAL COSTS OF THE PROJECT

Payor:	City of Grafton
Source:	Proceeds of Bonds on deposit in Construction Fund
Amount:	$137,800
Form:	Check
Payee:	The Thrasher Group, Inc. P.O. Box 940 Bridgeport, West Virginia 26330
Purpose:	Payment of a portion of Architectural Fees
Contact:	Matthew Breakey (phone 304.624.4108)

D. PAYMENT OF COSTS OF ISSUANCE OF BONDS

(a)

Payor:	City of Grafton
Source:	Proceeds of Bonds on deposit in Construction Fund
Amount:	$28,500
Form:	Check
Payee:	Steptoe & Johnson PLLC P.O. Box 247 Bridgeport, West Virginia 26330
Purpose:	Payment of Bond Counsel fees and costs
Contact:	Tom Aman, Jr. (phone 304.933.8136)

(b)

Payor:	City of Grafton
Source:	Proceeds of Bonds on deposit in Construction Fund
Amount:	$9,500
Form:	Check
Payee:	Steptoe & Johnson PLLC Attn: Davin L. Seamon 400 White Oaks Boulevard Bridgeport, West Virginia 26330
Purpose:	Payment of legal fees and costs for Title Insurance and real property work
Contact:	Davin L. Seamon (phone 304.933.8112)

(c)

Payor:	City of Grafton
Source:	Proceeds of Bonds on deposit in Construction Fund

	Amount:	$1,050
	Form:	Wire Transfer
	Payee:	Bowles Rice LLP P.O. Box 1386 Charleston, West Virginia 25325-1386
	Routing #:	ABA 051900395
	Account #:	043190810 United Bank, Inc. 500 Virginia Street, East Charleston, West Virginia 25301
	Purpose:	Payment of legal fees and costs for Trustee's counsel
	Contact:	Camden P. Siegrist (phone 304.347.1129)
(d)	Payor:	City of Grafton
	Source:	Proceeds of Bonds on deposit in Construction Fund
	Amount:	$4,000
	Form:	Check
	Payee:	United Bank, Inc. Corporate Trust Department P.O. Box 393 Charleston, West Virginia 25322
	Purpose:	Payment of Trustee's initial Acceptance Fee and Annual Fee
	Contact:	Kathy Smith, Vice President (phone 304.348.8427)

4. TRANSFERS BY BOND COMMISSION ON OCTOBER 29, 2015

(a)	Payor:	West Virginia Municipal Bond Commission
	Source:	Funds on deposit in Escrow Fund
	Amount:	$647,555.30
	Form:	Wire Transfer
	Payee:	Huntington National Bank
	Routing #:	ABA 044000024 Columbus, OH Attn: Corporate Trust- Columbus
	Account#:	01891662889
	Further Credit Account#:	6082500150
	Purpose:	Repayment of Series 2002 Bonds
	Contact:	Jim Schultz, Corporate Trust (phone 614.331.8698)
(b)	Payor:	West Virginia Municipal Bond Commission
	Source:	Funds on deposit in Escrow Fund
	Amount:	$336,079.88
	Form:	Wire Transfer
	Payee:	JPMorgan Chase Bank, N.A.
	Routing #:	ABA 113000609

Account#:	17908221954
FCT:	Small Business Financial Services
FFCT:	Grafton City Hospital
FFCT ACCT#:	7002
Purpose:	Repayment of Chase Bank Note
Contact:	Roger Schroeder, Portfolio Management Center (phone 1.866.343.4079 ext. 6089)

5. PAYMENT OF MONTHLY DEBT SERVICE BY BOND COMMISSION

The Bond Commission shall send a check monthly for the payment of debt service on the Bonds and in order to fund the Reserve Account for the Bonds to the following office of the Purchaser (the "Elkins Office") in accordance with Section 5.05 of the Trust Indenture:

USDA, Rural Development
Randolph Center Building
1200 Harrison Avenue, Suite 150
Elkins, WV 26241

The Elkins Office will then forward the check received from the Bond Commission along with the accompanying payment coupon to the Purchaser at the following address until such time as the Purchaser shall have provided modified payment instructions to the Issuer or the Bond Commission in writing:

National Finance Office
St. Louis, Missouri 63103

EXHIBIT A TO CLOSING MEMORANDUM

[Invoices Supporting All Payments Described in Closing Memorandum]

(Attached Hereto)

THE THRASHER GROUP, INC.
P.O. BOX 940
BRIDGEPORT, WV 26330
304.624.4108

INVOICE

GRAFTON CITY HOSPITAL
ATTN: PAT SHAW
500 MARKET STREET
GRAFTON, WV 26354

Invoice Number:	60584-1
Project #:	101-060-0584
Client #:	01GRA003
Date:	07/24/2015
Thrasher P.M.:	BREAKEY, MATTHEW

Scope of Work:
FACILITY RENOVATIONS AND IMPROVEMENT AT GRAFTON CITY HOSPITAL

Professional Services

Professional Services

	Phase Fee	% Complete	Fee Earned	Prior Billing	Current Fee
SCHEMATIC DESIGN	$34,450.00	100.00%	$34,450.00	$.00	$34,450.00
DESIGN DEVELOPMENT	$43,062.50	100.00%	$43,062.50	$.00	$43,062.50
CONSTRUCTION DOCUMENTS	$51,675.00	100.00%	$51,675.00	$.00	$51,675.00
BIDDING & NEGOTIATIONS	$8,612.50	100.00%	$8,612.50	$.00	$8,612.50
CONSTRUCTION ADMIN	$34,450.00	0.00%	$.00	$.00	$.00
Total Professional Services	**$172,250.00**		**$137,800.00**	**$.00**	**$137,800.00**
Invoice Amount					**$137,800.00**

Huntington
Banking. Investments. Insurance.

Date: 10/20/2015

WEST VIRGINIA MUNICIPAL BOND COMMISSION
900 PENNSYLVANIA AVE SUITE 1117
CHARLESTON WV 25302

Re:
CITY OF GRAFTON WEST VIRGINIA HOSPITAL
REFUNDING REVENUE BOND SERIES 2002
(GRAFTON CITY HOSPITAL)

Corporate Trust Department
JIM SCHULTZ 614-331-8698
Trust Acct No: 6082500150
Account Name: GRAFTNHSP02

Debt Service

Registered interest due	10/29/2015	2,588.47
Registered principal due	10/29/2015	644,966.83
Issuer Fee Total		0.00
Total		647,555.30

IMPORTANT DEBT OBLIGATION NOTICE
1) Payment by wire transfer should be received no later than one business day prior to the due date.
2) Payment by check should be received five business days prior to the due date.

Failure to pay by the above referenced time frame could result in non-payment to the bondholders on the due date.

Please remit checks to:

The Huntington National Bank
Corporate Trust Department-EA4E63
7 EASTON OVAL
Columbus OH 43219

Please direct wires to:

Huntington National Bank
ABA# 044000024
Columbus OH
Attn: Corporate Trust-Columbus
Acct: 01891662889
Further Credit Acct 6082500150

CHASE

JPMorgan Chase Bank, N.A.
Fax:
Portfolio Management Center
AZ1-1025
P.O. Box 29550
Phoenix, AZ 85038

October 16, 2015

GRAFTON CITY HOSPITAL INC
500 MARKET STREET
GRAFTON, WV 26354

Re: Loan Number Ending In 7002 (the "Loan")

Dear Customer:

As you requested, below is your Loan payoff information as of 10/28/2015. If the payoff date changes, please contact me to obtain an updated payoff amount.

Principal:	Interest:	Int. Per Diem:	Late Fees:
332,786.67	3,235.43	57.78	

Appraisal Fees:	Attorney Fees:	PrePayment:	Payoff Amount:
			336,022.10

If you choose to pay off your Loan, please overnight or wire the funds, payable to "JPMorgan Chase Bank, N.A." ("Chase") as instructed below:

Overnight: JPMorgan Chase Bank, NA
Attn: ROGER SCHROEDER
Portfolio Management Center
AZ1-1025
201 North Central Avenue
17th Floor
Phoenix, AZ 85004

LTR #16

GRAFTON CITY HOSPITAL INC

October 16, 2015

Wire:	Pay To:	Chase Bank
	ABA #	113000609
	WIRE ACCT#	17908221954
	FCT:	Small Buisness Financial Services
	FFCT:	Grafton City Hosp
	FFCT ACCT#	7002

Please note that the Payoff Amount may not account for transactions not yet processed, charged back or returned payments, or unposted fees and charges. Additionally, if you make payments automatically from a Chase deposit account, the Payoff Amount must be received at least 5 days before your next scheduled automatic payment. If your Loan is a line of credit, by submitting the Payoff Amount you authorize Chase to close the line, and no further checks, credit card transactions, or automatic deductions will be honored or applied to the line.

It is important that you send the full Payoff Amount by the payoff date noted above in order for your Loan to be considered paid in full. Any shortage in payment may cause a delay in processing, including, but not limited to, the release of liens, if any.

If you have any questions or if I can be of any further assistance to you in this matter, please don't hesitate to contact me.

Sincerely,

ROGER SCHROEDER
Special Credits Risk
Portfolio Management Center
1-866-343-4079 Ext. 6089
E-Mail:roger.d.schroeder@jpmchase.com

To: GRAFTON CITY HOSPITAL INC 500 MARKET STREET GRAFTON, WV 26354

cc:

FAX TRANSMITTAL COVER SHEET

Date: 10/20/2015

To: Mr. Amen Mail Stop: _____

Address/Organization: _____

FAX Number: 301-933-8183 Office Phone: _____

From: MICA COOPER Mail Stop: _____

Address/Organization: 11 CHENOWETH DRIVE, BRIDGEPORT, WV 26330-1675,

FAX Number: (888)735-2907 Office Phone: (681)456-6124

Number of Pages: 3 *Including cover sheet*

Message:

*Please visit us on the intranet at http://publish.no.irs.gov to obtain information about every nationally numbered product published by the Internal Revenue Service. If you are not an IRS employee, visit the IRS homepage at **www.irs.gov** to obtain current information about the IRS and its services*

This communication is intended for the sole use of the individual to whom it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent for delivering the communication to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify the sender immediately by telephone (collect if necessary), and return the communication to the address above via the United States Postal Service. Thank you.

Department of the Treasury
Internal Revenue Service
11 CHENOWETH DRIVE
BRIDGEPORT, WV 26330-1675

Notice	Letter 3640
Notice Date	10/20/2015
Payoff Number	
Taxpayer ID number	55-6000526
To contact us	Call MICA COOPER at (681)456-6124
Contact ID#	1000746156

GRAFTON CITY HOSPITAL INC
1 HOSPITAL PLZ
GRAFTON, WV 26354-1283015

The total amount due of your outstanding tax debt is: computed to 10/28/2015.
The amount owed on the tax liabilities included on the notice(s) of federal tax lien is $$665,315.32.

Thank you for contacting us about paying your tax debt and having the lien(s) against you released. We previously filed Notice(s) of Federal Tax Lien on the tax liabilities listed under "Notices of lien on your tax debt" below. You also may owe other tax liabilities not included on a notice of lien. These liabilities are listed under "Other tax debt" below.

You owe a total of including interest and penalties, on all your tax debt. The amount you owe only on the lien(s) filed against your property is $665,315.32, computed to 10/28/2015.

What you need to do immediately

To have the lien(s) released, pay the amount due by the computation date shown. The lien(s) will be released within 30 days after we receive the payment or we receive notification that the funds have been transferred to us. Follow these instructions when making your payment:

- Make your check or money order payable to the United States Treasury.
- Write the full taxpayer identification number in the header of this notice and on the check or money order.
- Send your payment to the address shown above with a copy of this letter, so that we receive it by 10/28/2015. You don't need to send the payment by express or certified mail as it won't affect the processing of the payment.

To expedite processing of the certificate of release of lien, use one of the following payment options when paying the balance owed:

- Certified or cashier's check
- Treasurer's check drawn on a national or state bank or a trust company
- Postal or bank money order

You can receive an immediate certificate of release of the lien by visiting a local IRS office authorized to accept payments and paying the entire balance owed with cash or one of the types of payment listed above. To locate an office near you, visit our website at www.irs.gov.

Department of the Treasury
Internal Revenue Service
11 CHENOWETH DRIVE
BRIDGEPORT, WV 26330-1675

Notice	Letter 3640
Notice Date	10/20/2015
Payoff Number	
Taxpayer ID number	55-6000526
To contact us	Call MICA COOPER at (681)456-6124
Contact ID#	1000746156

Next steps

After you've paid your tax debt, see the enclosed Publication 1450, Instructions on How to Request a Certificate of Release of Federal Tax Lien, for more information on the lien release process.

If we receive your payment without a copy of this letter or in a method other than the ones listed, we'll issue Form 668(Z), Certificate of Release of Federal Tax Lien, within 30 days of receiving payment or notification of transferred funds.

You can contact the person identified at the top of this notice if you have questions.

What you should know

A tax lien generally attaches to all property you currently own and to all property you may acquire in the future. The notice of lien is a public record. It may damage your credit rating or negatively affect your ability to get credit. The notice of lien remains in effect until the tax liability is satisfied or is no longer enforceable.

Additional Information

- Visit www.irs.gov for general lien information and search "Federal Tax Lien".
- For tax forms, instructions, and publications, visit www.irs.gov or call 1-800-TAX-FORM (1-800-829-3676).
- Keep this notice for your records.

If you need assistance, please don't hesitate to contact us.

Notices of lien on your tax debt

We filed notices of lien on the following tax liabilities:

Type of Tax	MFT	Tax Period	Identifying Number	Name Control	Unpaid Balance	Statutory Additions to: 10/30/2015 Interest	Penalty	Total
941	01	201309	55-6000526	GRAF	$474,303.92	$14,558.30	$35,601.96	$524,464.18
941	01	201412	55-6000526	GRAF	$135,678.04	$3367.80	$1,805.30	$140,851.14
							Sub-Total	$665,315.32

IN ACCOUNT WITH

STEPTOE & JOHNSON PLLC
Attorneys at Law
P. O. Box 247
BRIDGEPORT, WV 26330

FEIN 55-0286140
PAYABLE UPON RECEIPT

October 28, 2015

City of Grafton
Hospital Refunding and Improvement Revenue Bonds
Series 2015 A and Series 2015 B
(United States Department of Agriculture)

City of Grafton
Attn: Kevin M. Stead, City Manager
1 West Main Street
Grafton, West Virginia 26354

Fees and Costs for Services as Bond Counsel to the City of Grafton	$28,500
TOTAL DUE	$28,500

Please Remit to:
Steptoe & Johnson PLLC
P. O. Box 247
Bridgeport, WV 26330
Apply to Account: 345720.00005

The Honorable G. Thomas Bartlett, III
Mayor of the City of Grafton
1 West Main Street
Grafton, West Virginia 26359

Through and including October 28, 2015

In Account With
Steptoe & Johnson
Attorneys at Law
FEIN No. 550286140

Re: Grafton City Hospital / Revenue Bonds – Series 2015
Real Estate and Title Matters
Our File No.: 345720/00005

SUMMARY:

Title Insurance Premium	$4,447.50
Title Examination and Document Preparation Fees	$4,781.04
Recording Fees (Estimated)	$ 100.00
Costs and Expenses	$ 171.46
Total Due	**$9,500.00**

Please Remit to:
Steptoe & Johnson PLLC
Attention: Davin L. Seamon
400 White Oaks Boulevard
Bridgeport, WV 26330

BOWLES RICE LLP
ATTORNEYS AT LAW
P. O. BOX 1386, CHARLESTON, WV 25325-1386
FEDERAL EMPLOYER ID #55-0394186
PAYABLE UPON RECEIPT

UNITED BANK, INC.
CORPORATE TRUST DEPARTMENT
P. O. BOX 393
PARKERSBURG, WEST VIRGINIA 25322

CLIENT NO.: U0212.00071
ATTORNEY CONTACT:
CAMDEN P. SIEGRIST

DATE: OCTOBER 28, 2015

CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND
SERIES 2015 A (UNITED STATES DEPARTMENT OF AGRICULTURE)
AND
CITY OF GRAFTON
HOSPITAL REFUNDING AND IMPROVEMENT REVENUE BOND
SERIES 2015 B (UNITED STATES DEPARTMENT OF AGRICULTURE)

FOR SERVICES RENDERED AND EXPENSES INCURRED AS COUNSEL TO UNITED BANK, INC., AS BOND TRUSTEE FOR THE ABOVE-REFERENCE BONDS	$ 1,050.00
TOTAL AMOUNT DUE	$ 1,050.00

WIRE TRANSFER INFORMATION:

Bowles Rice Account number to which money should be deposited:

Client Account	# 04319 0810
Routing number:	ABA 051900395
Bank name and address:	United Bank Inc. 500 Virginia Street, East Charleston, WV 25301

UNITED BANK
WEST VIRGINIA'S BANK

INVOICE

Date:	October , 2015
To:	Grafton City Hospital 1 Hospital Plaza Grafton, WV 26354
Re:	City of Grafton Hospital Refunding and Improvement Revenue Bonds (Grafton City Hospital) Series 2015
Amount Due:	$ 4,000.00

Acceptance Fee	$2,000.00
Annual	$2,000.00
Total:	$4,000.00

Please remit to

United Bank, Inc.
Corporate Trust Department
P. O. Box 393
Charleston, WV 25322

Thomas Aman

From: Rogers, Sara L [Sara.L.Rogers@wv.gov]
Sent: Friday, October 23, 2015 9:46 AM
To: Thomas Aman
Subject: RE: Grafton City Hospital

$1,489.38

Sara Rogers
Executive Director
Municipal Bond Commission
304-558-3971

-----Original Message-----
From: Thomas Aman [mailto:Thomas.Aman@Steptoe-Johnson.com]
Sent: Friday, October 23, 2015 9:43 AM
To: Rogers, Sara L
Subject: RE: Grafton City Hospital

Can you provide an amount for the Huntington Payoff fee as well. The payoff amount is $647,555.30.

Thanks, Tom

Tom Aman
Steptoe & Johnson PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330
O: 304-933-8136 F: 304-933-8183 C: 304-677-5338

thomas.aman@steptoe-johnson.com
www.steptoe-johnson.com

-----Original Message-----
From: Rogers, Sara L [mailto:Sara.L.Rogers@wv.gov]
Sent: Friday, October 23, 2015 9:35 AM
To: Thomas Aman
Subject: RE: Grafton City Hospital

The Chase payoff fee is $772.98

I have attached wiring instructions,

Sara Rogers
Executive Director
Municipal Bond Commission
304-558-3971

-----Original Message-----
From: Thomas Aman [mailto:Thomas.Aman@Steptoe-Johnson.com]
Sent: Thursday, October 22, 2015 2:00 PM
To: Rogers, Sara L

Cc: Regina Pickens
Subject: FW: Grafton City Hospital

Sara,

Could you please compute the Bond Commission fees that need to be paid in connection with the Bond closing based upon the attached Chase payoff and the payoff provided for the Series 2002 Bonds yesterday? The attached amount will need to have added one day of prorated interest accrual since the payoff is for 10/28 rather than 10/29.

Thanks, Tom

Tom Aman
Steptoe & Johnson PLLC
400 White Oaks Boulevard
Bridgeport, WV 26330
O: 304-933-8136 F: 304-933-8183 C: 304-677-5338

thomas.aman@steptoe-johnson.com
www.steptoe-johnson.com

Steptoe & Johnson PLLC Note:
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