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SERIES 1989A SUPPLEMENTAL MASTER TRUST INDENTURE,
MORTGAGE AND SECURITY AGREEMENT

Dated as of July 15, 1989

Among

RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER,

RUSH NORTH SHORE MEDICAL CENTER

and

CONTINENTAL BANK, NATIONAL ASSOCIATION,
as Master Trustee

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Supplementing and amending the Master Trust Indenture dated as of December 1, 1985, recorded as Document Number 85341269 with corrected instrument recorded as Document Number 86035107 and filed as Document LR 3486485 with corrected instrument filed as Document LR 3491663, the Series 1985 Supplemental Master Trust Indenture, Mortgage and Security Agreement also dated as of December 1, 1985, recorded as Document Number 85341270 and filed as Document Number 3486486 and re-filed as Document LR 3499938, the First Series 1987 Supplemental Master Trust Indenture, Mortgage and Security Agreement dated as of July 1, 1987, recorded as Document Number 87408578 and filed as Document LR 3637395, and the Rush North Shore Supplemental Master Trust Indenture dated as of July 15, 1989, recorded as Document Number ____________
and
Providing for the Issuance of
Direct Note Obligations
Series 1989A-1, Series 1989A-2, Series 1989B
and Series 1989C and for the security of the
Rush Facilities Mortgage

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This SERIES 1989A SUPPLEMENTAL MASTER TRUST INDENTURE, MORTGAGE AND SECURITY AGREEMENT (the "Series 1989A Mortgage"), dated as of July 15, 1989, among RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER, an Illinois not for profit corporation (the "Corporation"), RUSH NORTH SHORE MEDICAL CENTER, an Illinois not for profit corporation ("Rush North Shore"), and CONTINENTAL BANK, NATIONAL ASSOCIATION (formerly Continental Illinois National Bank and Trust Company of Chicago), a national banking institution duly established, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States, with its principal corporate trust office, domicile and post office address at 30 North LaSalle Street, Chicago, Illinois 60697, herein called the "Master Trustee";

PRELIMINARY STATEMENT

The Corporation and Rush North Shore are authorized by law, and deem it necessary and desirable that they be able, to issue Direct Note Obligations and other evidences of indebtedness (collectively, the "Obligations") of several series in order to secure the financing or refinancing of health care facilities and for other lawful and proper corporate purposes.

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The Corporation, as the sole Member of an Obligated Group, has heretofore executed and delivered to the Master Trustee that certain Master Trust Indenture dated as of December 1, 1985 (the "Original Master Indenture"), as supplemented and amended by the Series 1985 Supplemental Master Trust Indenture, Mortgage and Security Agreement dated as of December 1, 1985 (the "Series 1985 Mortgage") and the First Series 1987 Supplemental Master Trust Indenture, Mortgage and Security Agreement (the "Series 1987 Mortgage"), and the Corporation and Rush North Shore as a new Member of such Obligated Group have heretofore executed and delivered to the Master Trustee the Rush North Shore Supplemental Master Trust Indenture (the "Rush North Shore Supplemental Indenture"), dated as of July 15, 1989 (collectively, the "Original Master Indenture, as supplemented to date" and, as further as supplemented and amended from time to time, the "Master Indenture") for the purpose of providing for the admission of new Members of the Obligated Group, for the issuing of Obligations in various series, without limit as to principal amount except as therein stated, and for the securing of such Obligations.

The Original Master Indenture, in Article II thereof, provides for the issuance of "Obligations" thereunder without limitation. Each series of Obligations is to be designated so as to differentiate the Obligations of such series. Each series of Obligations issued thereunder may be secured by security (including, without limitation, liens, letters or lines

of credit or insurance) of a Member ("Secured Obligations") which need not extend to any other series of Obligations. The Supplemental Master Indenture pursuant to which any Secured Obligations are issued may provide for supplements and amendments to the Master Indenture to provide for such security.

The Series 1985 Mortgage provided for the issuance of Secured Obligations from time to time by the Corporation or another Member. Secured Obligations were initially issued in two series, designated the Series 1985 A and B Obligations. The Series 1987 Mortgage provided for the issuance of the Corporation's Secured Note designated the Series 1987 Obligation. Secured Obligations are not limited as to the number of additional series to be issued or as to the aggregate principal amount thereof. Additional series of Secured Obligations may be issued pursuant to one or more subsequent Supplemental Master Indentures which may provide for issuance of Secured Obligations equally and ratably secured with the Series 1985 A and B Obligations described in the Series 1985 Mortgage and the Series 1987 Obligation described in the Series 1987 Mortgage or which may provide for issuance of Secured Obligations creating separate liens on other properties of one or more Members.

Pursuant to a Credit Agreement, dated as of July 15, 1989 (the "Credit Agreement"), among the Corporation, The Dai-Ichi Kangyo Bank, Ltd. (Chicago Branch) (the "Bank"), The First National Bank of Chicago, The Northern Trust Company and Harris Trust and Savings Bank (the "Participants"), the Bank has agreed to make certain revolving credit loans to provide liquidity in the event the Series 1989A Bonds (referred to below) are tendered pursuant to certain tender rights described in the Bond Indenture (referred to below), and the Participants have agreed to make certain term loans after the termination date of the revolving credit loans. The Corporation has agreed, pursuant to Article 1 (Definitions) and Article 4 (Security) of the Credit Agreement, that all indebtedness and other obligations of the Corporation to the Bank and to the Participants arising under the Credit Agreement shall be "Credit Agreement Obligations" and that the Credit Agreement shall constitute an "Accelerable Instrument" (as defined in the Original Master Indenture) secured under the Master Indenture and secured by the Rush Facilities Mortgage. To provide therefor, the Corporation intends that the Credit Agreement will constitute the Rush-Presbyterian-St. Luke's Medical Center Direct Obligation, Series 1989B, referred to below and defined below as the "Credit Agreement Obligation."

The Illinois Health Facilities Authority (the "Authority") proposes to issue revenue bonds described as follows:

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$21,500,000
Illinois Health Facilities Authority
Revenue Bonds, Series 1989A
(Rush-Presbyterian-St. Luke's Medical Center Obligated Group)
(the "Series 1989A Bonds")

which are referred to herein as the "Series 1989A Bonds" and are to be issued pursuant to the Bond Trust Indenture dated as of July 15, 1989 (the "Bond Indenture") between the Authority and The First National Bank of Chicago, as Bond Trustee (the "Bond Trustee"). Pursuant to the Act, the Authority intends that funds obtained from issuance and sale of the Series 1989A Bonds will be used to provide for loans to the Corporation and Rush North Shore pursuant to the respective related Loan Agreements, both dated as of July 15, 1989 (the "Loan Agreements") between the Authority and the Corporation and between the Authority and Rush North Shore.

In 1983, the Authority issued its Illinois Health Facilities Authority Industrial Revenue Bonds, Series 1983 (Skokie Valley Hospital Project), (the "RNS Series 1983 Bonds") in the aggregate principal amount of $8,320,000, pursuant to the Trust Indenture dated as of December 1, 1983 (the "RNS Series 1983 Bond Indenture") between the Authority and American National Bank and Trust Company of Chicago, as trustee (the "RNS Series 1983 Bond Trustee"). The RNS Series 1983 Bonds are secured by the Loan Agreement, dated as of December 1, 1983 between Rush North Shore (then called Skokie Valley Hospital") and the Authority (the "RNS Series 1983 Loan Agreement") pursuant to which Rush North Shore issued and delivered to the Authority its Unsecured Direct Obligation Note, Series 1983 (the "RNS Series 1983 Note").

The RNS Series 1983 Bonds are currently held by American National Bank and Trust Company of Chicago ("American National"). The RNS Series 1983 Loan Agreement contains certain covenants that would prohibit certain of the transactions contemplated herein, including restrictions on the encumbrance of Rush North Shore's property and restrictions on incurrence by Rush North Shore of Indebtedness, including the Indebtedness in the forms contemplated by the Series 1989A Bonds and the related execution of the Loan Agreements and the Rush North Shore Supplemental Indenture. American National desires to cooperate with the Corporation and Rush North Shore in connection with the proposed issuance of the Series 1989A Bonds, provided that arrangement is made so that the RNS Series 1983 Bonds held by American National are placed in a parity position with the Series 1989A Bonds and other bonds previously issued or hereafter issued which are secured by the "Mortgaged Property" described herein. The Corporation and Rush North Shore have agreed to provide this parity position. To

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accomplish this, Rush North Shore will join the Obligated Group and a new Obligation will be issued with the same payment terms as the RNS Series 1983 Note which new Obligation will constitute the "Series 1989C Obligation" pursuant to this Series 1989A Mortgage. In consideration of the receipt of the Series 1989C Obligation, American National will consent to certain amendments to the RNS Series 1983 Loan Agreement (the "RNS Series 1983 Loan Agreement Amendment").

The Corporation and Rush North Shore deem it necessary and desirable to issue the following additional Secured Obligations as provided for in the Loan Agreements and in the Credit Agreement:

- Rush-Presbyterian-St. Luke's Medical Center Direct Note Obligation, Series 1989A-1,

- The Credit Agreement, constituting the Rush-Presbyterian-St. Luke's Medical Center Direct Obligation, Series 1989B,

- Rush North Shore Medical Center Direct Note Obligation, Series 1989A-2, and

- Rush North Shore Medical Center Direct Note Obligation, Series 1989C.

(hereinafter, collectively referred to as the "Series 1989 Obligations") to be issued under the Master Indenture, to be entitled to the security of this Series 1989A Mortgage, the Series 1985 Mortgage and the Series 1987 Mortgage, and to be equally and ratably secured with the Series 1985 A and B Obligations and the Series 1987 Obligation.

All acts and things necessary to make the Series 1989 Obligations when authenticated by the Master Trustee, as provided in the Master Indenture, the valid, binding and legal obligations of the Corporation and Rush North Shore, secured by the Series 1985 Mortgage and the Series 1987 Mortgage, as amended and supplemented by this Series 1989A Mortgage, have in all respects been duly authorized, and the Corporation and Rush North Shore, in the exercise of the legal right and power vested in them, execute this Series 1989A Mortgage and propose to make, execute and deliver the Series 1989 Obligations.

GRANTING CLAUSES

In consideration of the premises, the acceptance of the Series 1989A-1 Obligation and the Series 1989A-2 Obligation by the Authority, the acceptance of the Series 1989B Obligation by the Bank and the Participants, the acceptance of the Series

1989C Obligation by the RNS Series 1983 Bond Trustee and the Authority, the acceptance by the Master Trustee of the trusts hereby created and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of and any premium which may be due and payable on and the interest on all the Series 1985 A and B Obligations, the Series 1987 Obligation, the Series 1989 Obligations and any other Secured Obligations at any time issued and outstanding and designated by the Corporation and by any other member of the Obligated Group as Secured Obligations entitled to the equal and ratable security of the Series 1985 Mortgage as amended and supplemented by the Series 1987 Mortgage and by this Series 1989A Mortgage, in accordance with their tenor and effect, and the performance and observance by the Corporation and Rush North Shore of all the covenants and conditions contained in the 1989 Obligations, the Master Indenture, the Loan Agreements, and the RNS Series 1983 Loan Agreement Amendment, the Corporation and Rush North Shore have executed and delivered this Series 1989A Mortgage and by these presents do assign, grant, mortgage, warrant, convey, transfer, pledge, set over and confirm and do grant a security interest unto the Master Trustee and to its successors in the trust hereby created, and to it and its assigns forever, all the Corporation's and Rush North Shore's right, title and interest in, to and under any and all of the following described property (herein the "Mortgaged Property"):

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DIVISION I

The real estate described in Exhibit A hereto, together with the entire interest (whether now owned or hereafter acquired) in and to said real estate and the entire interest of the Corporation and Rush North Shore in and to all buildings, structures, improvements and appurtenances now standing, or at any time hereafter constructed upon such real estate, including all right, title and interest of the Corporation and Rush North Shore in and to all building materials, building equipment and fixtures of every kind and nature whatsoever on said real estate or in any building, structure or improvement now or hereafter constructed on said real estate, and the reversion or reversions, remainder or remainders, in and to said real estate, and together with the entire interest of the Corporation and Rush North Shore in and to all and singular the tenements, hereditaments, easements, rights of way, rights, privileges and appurtenances to said real estate (including the amendment and supplement to the Declaration of Easement among the Corporation, the Authority and the trustee under the 1976 Indenture dated as of March 1, 1979 and recorded as document 24957556 in the Office of the Recorder of Deeds and filed as LR 3091245 in the Office of the Registrar of Titles, Cook County, Illinois on May 11, 1979), belonging or in any wise

appertaining thereto, and all right, title and interest of the Corporation or Rush North Shore in and to any streets, ways or alleys adjoining said real estate or any part thereof including all bridges thereover and tunnels thereunder, including without limitation all claims or demands whatsoever of the Corporation or Rush North Shore either in law or in equity, in possession or expectancy of, in and to said real estate, it being the intention of the parties hereto that so far as may be permitted by law, all tangible property now owned or hereafter acquired by the Corporation, Rush North Shore or any other Member and affixed to or attached to said real estate shall be deemed to be, and shall be considered as, fixtures and appurtenances to said real estate of the Corporation, Rush North Shore or any other Member; provided, however, that food service equipment, television service equipment, x-ray, radiological, surgical, laboratory, radioisotope and similar medical equipment which may be attached or affixed to said real estate shall not be deemed to be fixtures to said real estate unless such equipment cannot be removed and the structures restored without material damage to said real estate;

SUBJECT, HOWEVER, to Permitted Encumbrances, as defined in Article I of the Master Indenture;

DIVISION II

Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder by the Corporation, Rush North Shore or any other Member or by anyone in their behalf to the Master Trustee, including, without limitation, funds of the Corporation, Rush North Shore or any other Member held by the Master Trustee as security for the Secured Obligations.

TO HAVE AND TO HOLD all and singular the Mortgaged Property, whether now owned or hereafter acquired, unto the Master Trustee, its successors and assigns forever; provided, however, that this Series 1989A Mortgage is upon the express condition that if the Corporation, Rush North Shore and the other Members shall pay or cause to be paid all indebtedness secured by the Series 1985 Mortgage, the Series 1987 Mortgage and by this Series 1989A Mortgage and shall keep, perform and observe all and singular the covenants and promises in the Series 1985 A and B Obligations, the Series 1987 Obligation, the Series 1989 Obligations or any other Secured Obligations hereinafter issued under the Master Indenture which the Corporation may designate to be secured under the Series 1985 Mortgage, the Series 1987 Mortgage and under this Series 1989A Mortgage and in the Series 1985 Mortgage, the Series 1987 Mortgage or in this Series 1989A Mortgage or in the Loan

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Agreements expressed to be kept, performed and observed by the Corporation, then the Series 1985 Mortgage, the Series 1987 Mortgage and this Series 1989A Mortgage and the rights thereby granted shall cease, determine and be void, otherwise to remain in full force and effect.

The lien and priority of the Series 1985 Mortgage, the Series 1987 Mortgage and this Series 1989A Mortgage at its inception shall equally and ratably extend to all amounts payable by the Corporation, Rush North Shore or any other Member from time to time under the Series 1985 A and B Obligations, the Series 1987 Obligation, the Series 1989 Obligations or any Secured Obligations hereinafter issued under the Master Indenture which the Corporation may designate by execution and delivery of a Supplemental Master Trust Indenture with respect thereto to be secured under the Series 1985 Mortgage, the Series 1987 Mortgage and this Series 1989A Mortgage. The lien and priority of any Supplemental Master Indenture which the Corporation may designate to add security hereto at its inception shall equally and ratably extend to such Series 1985 A and B Obligations, the Series 1987 Obligation, the Series 1989 Obligations or any Secured Obligations hereinafter issued under the Master Indenture which the Corporation may designate to be secured under the Series 1985 Mortgage, the Series 1987 Mortgage and this Series 1989A Mortgage.

The Corporation, Rush North Shore and the Master Trustee hereby further covenant and agree as follows:

ARTICLE I.

DEFINITIONS

SECTION 1.1 Definitions. The terms used in this Series 1989A Mortgage, unless the context requires otherwise, shall have the same meanings set forth in the Preliminary Statement, in the Original Master Indenture as amended to date and, when used with respect to the Series 1989A Bonds, as set forth in the Bond Indenture. All accounting terms not otherwise defined in such Indentures or herein shall have the meanings assigned to them in accordance with generally accepted accounting principles in effect from time to time. In addition, the following words and terms as used herein shall have the following meanings unless the context or use indicates another meaning or intent:

"Bank" means The Dai-Ichi Kangyo Bank, Ltd. (Chicago Branch) pursuant to the Credit Agreement.

"Bond Indenture" means the Bond Indenture, dated as of July 15, 1989, between the Authority and the Bond Trustee, securing the Series 1989A Bonds.

"Credit Agreement" means the Credit Agreement dated as of July 15, 1989 among the Corporation, the Bank and the Participants.

"Credit Agreement Obligations" means all indebtedness and other obligations of the Corporation to the Bank and the Participants arising under the Credit Agreement.

"Hospital Facilities" means the Land and all buildings, improvements and fixtures (excluding personal property and equipment which are not fixtures and may be removed without damage to the real estate) now or hereafter located on the Land.

"Land" means the real estate described in Exhibit A to this Series 1989A Mortgage and all improvements and fixtures, unless released under the provisions of Article VI hereto.

"Loan Agreements" means the two Loan Agreements, both dated as of July 15, 1989, one being between the Corporation and the Authority and the other between Rush North Shore and the Authority.

"Mortgaged Property" means the Land and other property described in the granting clauses of this Series 1989A Mortgage and any and all other property from time to time hereafter delivered as additional security pursuant to such granting clauses and this Series 1989A Mortgage unless released under the provisions of Article VI hereto.

"Participants" means The First National Bank of Chicago, The Northern Trust Company and Harris Trust and Savings Bank pursuant to the Credit Agreement.

"Rush Facilities Mortgage" means the first mortgage lien on the Mortgaged Property secured pursuant to the Series 1985 Mortgage, the Series 1987 Mortgage, and this Series 1989A Mortgage, and subsequent Supplemental Master Indentures, if any, pursuant to which the Corporation or another Member shall designate Obligations thereunder to be secured equally and ratably with the Series 1985 A and B Obligations, the Series 1987 Obligation and the Series 1989 Obligations.

"Rush Mortgage Obligations" means the Series 1985 A and B Obligations, the Series 1987 Obligation, the Series 1989 Obligations and other Obligations, if any, issued pursuant to the Rush Facilities Mortgage.

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"Secured Obligations" means the Series 1985 A and B Obligations, the Series 1987 Obligation, the Series 1989 Obligations and other Secured Obligations issued as provided in Section 208 of the Original Master Indenture secured by security (including, without limitation, liens, letters or lines of credit or insurance) of the Corporation or of another Member.

"Series 1985 Mortgage" means the Series 1985 Supplemental Master Trust Indenture, Mortgage and Security Agreement, dated as of December 1, 1985.

"Series 1987 Mortgage" means the First Series 1987 Supplemental Master Trust Indenture, Mortgage and Security Agreement, dated as of July 1, 1987.

"Series 1989A Mortgage" means this Series 1989A Supplemental Master Trust Indenture, Mortgage and Security Agreement, dated as of July 15, 1989.

"Series 1985 A and B Obligations" means the obligations defined in the Series 1985 Mortgage and referred to in the fourth paragraph of the Preliminary Statement of this Series 1989A Mortgage.

"Series 1987 Obligation" means the Secured Note referred to in the Series 1987 Mortgage.

"Series 1989A Bonds" mean the Authority's Series 1989A Bonds referred to in the sixth paragraph of the Preliminary Statement of this Series 1989A Mortgage.

"Series 1989A-1 Obligation" means the Rush-Presbyterian-St. Luke's Medical Center Direct Note Obligation, Series 1989A-1, which is the Obligation to be provided pursuant to the Corporation Loan Agreement.

"Series 1989A-2 Obligation" means the Rush North Shore Medical Center Direct Note Obligation, Series 1989A-2, which is the Obligation to be provided pursuant to the Rush North Shore Loan Agreement.

"Series 1989B Obligation" means the Credit Agreement in the form attached as Exhibit C.

"Series 1989C Obligation" means the Rush North Shore Medical Center Direct Note Obligation, Series 1989C, which is the note securing the RNS Series 1983 Note.

"Series 1989 Obligations" means the Series 1989A-1 Obligation, the Series 1989A-2 Obligation, the Series 1989B Obligation, and the Series 1989C Obligation.

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"Series 1976 Indenture" means the Trust Indenture dated as of October 1, 1976, between the Authority and The First National Bank of Chicago, as Trustee, as amended and supplemented.

"Series 1976 Mortgage" means the Mortgage and Security Agreement, dated as of October 1, 1976, between the Corporation and the Authority, as amended and supplemented.

"Series 1976 Mortgaged Property" means the property from time to time subject to the lien of the Series 1976 Mortgage.

SECTION 1.2 Construction of References. All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Series 1989A Mortgage as a whole and not to any particular Article, Section or subdivision unless the context indicates otherwise.

ARTICLE II.

OBLIGATIONS CREATED AND SECURED BY THIS SERIES 1989A MORTGAGE

SECTION 2.1 The Series 1989A-1 Obligation. (A) There is hereby created and secured hereunder an Obligation to be known as and entitled "Rush-Presbyterian-St. Luke's Medical Center Direct Note Obligation, Series 1989A-1" (the "Series 1989A-1 Obligation"). The Series 1989A-1 Obligation, in the form set forth in Exhibit B hereto and in the principal amount of $15,360,000, shall be executed, authenticated and delivered in accordance with Article II of the Original Master Indenture.

(B) The Series 1989A-1 Obligation shall be in the form of a fully registered Obligation without coupons, shall be numbered R-1 and shall be dated the day of issuance of the Series 1989A Bonds.

(C) The Series 1989A-1 Obligation shall bear interest from its date at a rate or rates equal to the interest accruing on and payable with respect to the Corporation Portion of the Series 1989A Bonds (as defined in the Bond Indenture).

(D) The Corporation hereby elects to make payments on the Series 1989A-1 Obligation by check or draft hand delivered to the Bond Trustee or sent by wire transfer to the Bond Trustee, in either case delivered on the date each such payment is due. The Corporation also hereby elects to have the Series 1989A-1 Obligation be issuable as a single Obligation only in fully

registered form exchangeable solely for another fully registered Obligation of such series.

(E) The Series 1989A-1 Obligation shall not be issued until all conditions precedent to the issuance of the Series 1989A Bonds set forth in the Bond Indenture and Loan Agreements shall have been satisfied or waived by the proper party or parties. The conditions precedent to the delivery of the Series 1989A-1 Obligation shall include, among other things:

(1) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that all requirements and conditions to the issuance of the Series 1989A-1 Obligation, if any, set forth herein and in the Original Master Indenture have been complied with and satisfied; and

(2) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that registration of the Series 1989A-1 Obligation under the Securities Act of 1933, as amended, is not required.

SECTION 2.2 The Series 1989B Obligation. (A) The Credit Agreement and the Credit Agreement Obligations are hereby designated as an Obligation hereunder, duly secured by the Rush Facility Mortgage, and entitled the "Series 1989B Obligation". The Series 1989B Obligation, in the form set forth in Exhibit C hereto, shall be executed, authenticated and delivered in accordance with Article II of the Original Master Indenture and, as provided in Section 4 thereof, shall constitute an "Accelerable Instrument" hereunder.

(B) The Series 1989B Obligation shall not be issued until all conditions precedent to the issuance of the Series 1989A Bonds set forth in the Bond Indenture and Loan Agreements shall have been satisfied or waived by the proper party or parties. The conditions precedent to the delivery of the Series 1989B Obligation shall include, among other things:

(1) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that all requirements and conditions to the issuance of the Series 1989B Obligation, if any, set forth herein and in the Original Master Indenture have been complied with and satisfied; and

(2) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that registration of the Series

1989B Obligation under the Securities Act of 1933, as amended, is not required.

SECTION 2.3 The Series 1989A-2 Obligation. (A) There is hereby created and secured hereunder an Obligation to be known as and entitled "Rush North Shore Direct Note Obligation, Series 1989A-2" (the "Series 1989A-2 Obligation"). The Series 1989A-2 Obligation, in the form set forth in Exhibit D hereto and in the principal amount of $6,140,000, shall be executed, authenticated and delivered in accordance with Article II of the Original Master Indenture.

(B) The Series 1989A-2 Obligation shall be in the form of a fully registered Obligation without coupons, shall be numbered R-1 and shall be dated the day of issuance of the Series 1989A Bonds.

(C) The Series 1989A-2 Obligation shall bear interest from its date at a rate or rates equal to the interest accruing on and payable with respect to the Rush North Shore Portion of the Series 1989A Bonds.

(D) Rush North Shore hereby elects to make payments on the Series 1989A-2 Obligation by check or draft hand delivered to the Bond Trustee or by wire transfer to the Bond Trustee, in either case delivered on the date each such payment is due. Rush North Shore also hereby elects to have the Series 1989A-2 Obligation be issuable as a single Obligation only in fully registered form exchangeable solely for another fully registered Obligation of such series.

(E) The Series 1989A-2 Obligation shall not be issued until all conditions precedent to the issuance of the Series 1989A Bonds set forth in the Bond Indenture and Loan Agreements shall have been satisfied or waived by the proper party or parties. The conditions precedent to the delivery of the Series 1989A-2 Obligation shall include, among other things:

(1) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that all requirements and conditions to the issuance of the Series 1989A-2 Obligation, if any, set forth herein and in the Original Master Indenture have been complied with and satisfied; and

(2) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that registration of the Series 1989A-2 Obligation under the Securities Act of 1933, as amended, is not required.

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SECTION 2.4 The Series 1989C Obligation. (A) There is hereby created and secured hereunder an Obligation to be known as and entitled "Rush North Shore Medical Center Direct Note Obligation, Series 1989C" (the "Series 1989C Obligation"). The Series 1989C Obligation, in the form set forth in Exhibit E hereto and in the principal amount of $8,320 000, shall be executed, authenticated and delivered in accordance with Article II of the Original Master Indenture.

(B) The Series 1989C Obligation shall be in the form of a fully registered Obligation without coupons, shall be numbered R-1 and shall be dated the day of issuance of the Series 1989A Bonds.

(C) The Series 1989C Obligation shall bear interest from its date at a rate or rates equal to the interest accruing on and payable with respect to the RNS Series 1983 Note.

(D) Rush North Shore hereby elects to make payments on the Series 1989C Obligation by check or draft hand delivered to the RNS Series 1983 Bond Trustee or sent by wire transfer to the RNS Series 1983 Bond Trustee, in either case delivered on the date each such payment is due. Rush North Shore also hereby elects to have the Series 1989C Obligation be issuable as a single Obligation only in fully registered form exchangeable solely for another fully registered Obligation of such series.

(E) The Series 1989C Obligation shall not be issued until all conditions precedent to the issuance of the Series 1989C Obligation set forth in the RNS Series 1983 Loan Agreement Amendment shall have been satisfied or waived by the proper party or parties. The conditions precedent to the delivery of the Series 1989C Obligation shall include, among other things:

(1) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that all requirements and conditions to the issuance of the Series 1989C Obligation, if any, set forth herein and in the Original Master Indenture have been complied with and satisfied; and

(2) delivery to the Master Trustee of an opinion of Independent Counsel acceptable to the Master Trustee to the effect that registration of the Series 1989C Obligation under the Securities Act of 1933, as amended, is not required.

ARTICLE III.

SECURITY FOR THE 1989 OBLIGATIONS AND OTHER SECURED OBLIGATIONS ISSUABLE HEREUNDER

SECTION 3.1 Security for Series 1989 Obligations and Other Equal Priority Obligations. The Series 1989 Obligations are Obligations designated under Section 208 of the Original Master Indenture as Secured Obligations, secured by certain designated security (including, without limitation, liens, letters or lines of credit or insurance) of the Corporation or of another Member. The Series 1989 Obligations are also designated as Rush Mortgage Obligations to which the security of the Series 1985 Mortgage, the Series 1987 Mortgage and this Series 1989A Mortgage and any subsequent Supplemental Master Indenture which shall be issued as a part of the Rush Facilities Mortgage is extended and incorporated equally and ratably with the Series 1985 A and B Obligations and the Series 1987 Obligation pursuant to Section 208 of the Original Master Indenture and Sections 2.2 and 2.3 of the Series 1985 Mortgage. The Series 1985 A and B Obligations, the Series 1987 Obligation, the Series 1989 Obligations and other Rush Mortgage Obligations, if any, which the Corporation shall designate to be issued under and pursuant to the Rush Facilities Mortgage shall in all respects be equally and ratably secured thereby, without preference, priority or distinction on account of the date or dates or the actual time of issue or maturity of such Rush Mortgage Obligations, as a result of which all Rush Mortgage Obligations at any time issued under the Rush Facilities Mortgage shall have the same right, lien and preference under and by virtue of all the Rush Facilities Mortgage. Additional series of Obligations to be so equally and ratably secured hereby shall be issued pursuant to one or more subsequent Supplemental Master Indentures which shall provide for incorporation in the Rush Facilities Mortgage then outstanding on such equal and ratable basis. However, additional series of Obligations not designated as Rush Mortgage Obligations may be issued pursuant to one or more subsequent Supplemental Master Indentures which may provide for separate security and other terms.

SECTION 3.2 Designation by the Corporation. In order for additional series of Secured Obligations to be Rush Mortgage Obligations, the Corporation shall designate, in writing, to the Master Trustee the equal priority status of the Secured Obligations to be so issued.

ARTICLE IV.

REDEMPTION OF CERTAIN SERIES 1989 OBLIGATIONS

SECTION 4.1 Redemption of the Series 1989A-1 and Series 1989A-2 Obligations. The Series 1989A-1 Obligation and the

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Series 1989A-2 Obligation shall be redeemable prior to maturity, in whole or in part, in accordance with ARTICLE VI of the respective Loan Agreements. The giving of notice to the registered owners of the Series 1989A Bonds pursuant to the Bond Indenture shall, without further notice or action by the Bond Trustee, the Corporation or Rush North Shore, constitute notice of redemption of the corresponding amounts of principal on the Series 1989A-1 Obligation and the Series 1989A-2 Obligation, and the same shall, thereby, become due and payable on the date of redemption of the Series 1989A Bonds and at a total redemption price equal to the redemption price payable with respect to the Series 1989A Bonds, all as provided in ARTICLE VI of the respective Loan Agreements.

SECTION 4.2 <u>Redemption of the Series 1989C Obligation</u>. The Series 1989C Obligation shall be redeemable prior to maturity, in whole or in part in accordance with its terms and the terms of ARTICLE VI of the RNS Series 1983 Loan Agreement with respect to the RNS Series 1983 Note. The giving of notice to the registered owner of the RNS Series 1983 Bond pursuant to the RNS Series 1983 Bond Indenture shall, without further notice or action by the RNS Series 1983 Bond Trustee or Rush North Shore, constitute notice of redemption of the corresponding amounts of principal on the Series 1989C Obligation, and the same shall, thereby, become due and payable on the date of redemption of the RNS Series 1983 Bonds and at a total redemption price equal to the redemption price payable with respect to the RNS Series 1983 Note and the RNS Series 1983 Bonds.

ARTICLE V.

PARTICULAR COVENANTS AND AGREEMENTS OF THE CORPORATION

SECTION 5.1 <u>Ownership of Mortgaged Property</u>. The Corporation covenants and warrants that it (and not Rush North Shore) is the owner and is now lawfully seized and possessed of and holds good and marketable fee simple title to the Mortgaged Property hereinbefore conveyed to the Master Trustee free and clear of all liens, security interests, charges and encumbrances whatsoever, except Permitted Encumbrances, and the Corporation has good right, full power and lawful authority to convey, transfer, mortgage and grant a security interest in the same to the Master Trustee for the uses and purposes in this Series 1989A Mortgage set forth; and it will preserve, warrant and defend such title unto the Master Trustee against all claims and demands whatsoever.

SECTION 5.2 <u>Further Assurances; Additional Property</u>. (a) The Corporation will do, execute, acknowledge and deliver,

or cause to be done, executed, acknowledged and delivered such agreements supplemental hereto and all such further acts, deeds, conveyances, mortgages, assignments, instruments, transfers and assurances as the Master Trustee reasonably may require for the better assuring, transferring, mortgaging, conveying, pledging, assigning and confirming unto the Master Trustee all and singular the Mortgaged Property as now or hereafter constituted.

(b) All right, title and interest of the Corporation in and to all improvements, betterments, renewals, substitutions and replacements of the Mortgaged Property or any part thereof, hereafter constructed or acquired by the Corporation, immediately upon such construction or acquisition, and without any further mortgaging, conveyance or assignment, shall become and be part of the Mortgaged Property and shall be subject to the lien and security interest of the Rush Facilities Mortgage as fully and completely and with the same effect as though now owned by the Corporation, but at any and all times the Corporation will execute and deliver, or cause to be executed and delivered, to the Master Trustee any and all such further assurances, mortgages, conveyances or assignments therefor and other instruments with respect thereto as the Master Trustee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien and security interest of the Rush Facilities Mortgage.

SECTION 5.3 Maintenance of Mortgaged Property, Other Liens, Compliance with Laws, Etc. Without limiting the provisions of Article IV of the Original Master Indenture and except as hereinafter set forth in Article VI hereof, the Corporation shall (i) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the real property included in the Mortgaged Property which may become damaged or be destroyed, (ii) keep the Mortgaged Property in good condition and repair, without waste, and free from all claims, liens, charges and encumbrances other than Permitted Encumbrances, (iii) complete within a reasonable time any building or buildings now or at any time in the process of erection upon the Mortgaged Property, and (iv) comply with all requirements of law, including but not limited to municipal ordinances, with respect to the Mortgaged Property and the use thereof.

SECTION 5.4 Maintenance of Lien; Recording. (a) The Corporation will, at its expense, take all necessary action to maintain and preserve the lien and security interest of the Rush Facilities Mortgage so long as any amount of Rush Mortgage Obligations is outstanding.

(b) The Corporation will, forthwith after the execution and delivery of this Series 1989A Mortgage and thereafter from time

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to time, cause the Rush Facilities Mortgage (including any amendments thereto and supplements thereof) and any financing statements in respect thereof to be filed, registered and recorded in such manner and in such places as may be required by law in order to publish notice of and fully to perfect and protect the lien and security interest hereof upon, and the title of the Corporation to, the Mortgaged Property, and from time to time will perform or cause to be performed any other act as provided by law and will execute or cause to be executed any and all continuation statements and further instruments that may be required by the Master Trustee for such publication, perfection and protection. Except to the extent it is exempt therefrom, the Corporation will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Rush Facilities Mortgage and such instruments of further assurance.

SECTION 5.5 Corporation's Right of Possession. So long as the Corporation is in full compliance with the terms and provisions of this Series 1989A Mortgage, the Corporation shall be suffered and permitted to possess, use and enjoy the properties and appurtenances constituting the Mortgaged Property.

ARTICLE VI.

RELEASE AND SUBSTITUTION OF PROPERTY

SECTION 6.1 Conditions for Substitution. In addition to the requirements contained in Article IV of the Original Master Indenture, so long as no default shall have occurred and be continuing under the Rush Facilities Mortgage, the Master Trustee shall release any of the Hospital Facilities or other real property subject to the lien of the Rush Facilities Mortgage upon receipt by the Master Trustee of the following:

(a) Written Request of Corporation. A Written Request of the Corporation for such release, describing the property to be released (referred to in this Article VI as the "Released Property");

(b) Certificate of Corporation. A certificate of the Corporation to the Master Trustee certifying:

(1) The fair market value of the Released Property and of the property (referred to in this Article VI as the "Substituted Property") other than

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cash to be substituted for the Released Property pursuant to the terms hereof;

(2) The disposition to be made of the Released Property and the consideration, including the fair market value of consideration other than cash, to be received for the Released Property;

(3) That the disposition of the Released Property and the substitution therefor of the Substituted Property will not materially adversely affect the operations of the remaining Hospital Facilities or any other properties of the Corporation or any other Member or the ability of the Corporation or any other Member to satisfy its obligations under the Rush Facilities Mortgage, the Rush Mortgage Obligations or any other *Obligations* and will not materially reduce or adversely affect Income Available for Debt Service of the Obligated Group;

(4) That the Substituted Property other than cash is necessary or useful to the health care, education or research operations of the Corporation or of another Member;

(5) That the cash or the fair market value of the Substituted Property together with cash, if any, to be received is at least equal to the fair market value of the Released Property; and

(6) That the execution and delivery of the release by the Master Trustee and the subjection of the Substituted Property to the lien of the Rush Facilities Mortgage will not result in a default thereunder;

(c) Appraisal of Released Property. An appraisal of the fair market value of the Released Property based on its "highest and best use" by a member of the American Institute of Real Estate Appraisers (an "MAI Appraiser") or by another expert satisfactory to the Master Trustee;

(d) Appraisal of Substituted Property. An appraisal of the fair market value of the Substituted Property based on its "highest and best use" by an MAI Appraiser or by another expert satisfactory to the Master Trustee;

(e) Documents of Conveyance. A form of release effective to release the property to be released from the lien of this Series 1989A Mortgage and a Supplemental Master Indenture constituting a supplement to this Series 1989A Mortgage and other

documents reasonably requested by, and in form satisfactory to the Master Trustee necessary to subject the Substituted Property to the lien of this Series 1989A Mortgage, the Series 1987 Mortgage and the Series 1985 Mortgage and, if the Substituted Property is real property, an amendment to the existing ALTA Mortgage Loan Policy or an additional mortgagee's loan insurance policy, evidencing that the Substituted Property is subject to the lien of this Series 1989A Mortgage subject only to Permitted Encumbrances;

(f) Certificate of Hospital Consultant. If the fair market value of the Released Property when added to the fair market value of other property released pursuant to the provisions of this Article VI within the same twelve month period is in excess of 5% of the Book Value of the Property, Plant and Equipment of the Obligated Group, a certificate of a Hospital Consultant to the effect set forth in paragraph (b)(3) of this Article VI;

(g) Opinion of Counsel. A letter of opinion addressed to the Master Trustee from Independent Counsel satisfactory to the Master Trustee to the effect that:

(1) The release of the property requested by the Corporation is authorized hereunder;

(2) The Substituted Property is subject to the lien and security interest of this Series 1989A Mortgage, the Series 1987 Mortgage and the Series 1985 Mortgage subject only to Permitted Encumbrances, as to which the attorney rendering such opinion may rely on the mortgagee's title insurance policy referred to in paragraph (e) above;

(3) The execution and delivery of the requested release and the Supplement to this Series 1989A Mortgage and the acceptance of the Substituted Property will not violate any provisions of this Series 1989A Mortgage or the related Loan Agreement including, without limitation, provisions therein relating to "arbitrage bonds"; all necessary action required to be taken by the Corporation and the Master Trustee to effect the release of the Released Property and the conveyance of the Substituted Property has been taken;

(4) The Supplemental Master Indenture hereto and all other documents required to effect the release of the Released Property and substitution therefor of the Substituted Property have been duly authorized, executed and delivered and are binding upon the

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parties executing and delivering the same (assuming due execution by the Master Trustee) in accordance with their respective terms (except as may be limited by bankruptcy laws or laws relating to creditors' rights); and

(5) To the knowledge of such counsel, all permits and authorizations of all federal, state and local governmental bodies and agencies have been granted, or no such permits or authorizations are required.

SECTION 6.2 Disposition of Substituted Property. The Corporation agrees that (i) the Master Trustee shall invest any cash delivered to it as Substituted Property in Permitted Investments pursuant to a Written Request of the Corporation and any such cash and Permitted Investments, together with any Investments delivered to the Master Trustee as Substituted Property, shall be held by the Master Trustee in a separate trust account for the benefit and security of the outstanding Rush Mortgage Obligations; (ii) all income from Permitted Investments pursuant to this Section 6.2 shall be segregated in such trust account and applied to the payment of interest on the Rush Mortgage Obligations when and as the same become due; (iii) funds from time to time on deposit with the Master Trustee pursuant to this Section shall be used to make up any deficiencies in the amounts required to pay interest, and principal in the order listed, due on the Rush Mortgage Obligations, and to the extent funds are used to make up such deficiencies, the Corporation will make payment directly to the Master Trustee for deposit in such trust account in the amount of any such deficiencies forthwith; and (iv) at such time as the amount on deposit in such trust account (other than interest income on deposit therein which has been segregated as in this Section provided) equals or exceeds 5% of the Book Value of the Property, Plant and Equipment of the Obligated Group, such moneys shall be applied by the Trustee to the prepayment of Obligations entitled to the security of Rush Mortgage Obligations in the same manner as Net Proceeds pursuant to Section 410(b) or 411(b) of the Original Master Indenture.

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SECTION 6.3 Convenience Release. Notwithstanding anything set forth in this Article V to the contrary, so long as no default shall have occurred and be continuing under this the Master Indenture, the Master Trustee shall release portions of the Hospital Facilities or other real property subject to the lien of the Rush Facilities Mortgage; provided, however, that such releases shall be limited to two separate releases during the term of the Rush Facilities Mortgage, the total appraised fair market value of property released pursuant to both such releases shall not exceed $5,000,000 and shall be based upon receipt by the Master Trustee of the following:

(a) Written Request of Corporation. A Written Request of the Corporation for such release, describing the Released Property;

(b) Certificate of Corporation. A certificate of the Corporation to the Master Trustee certifying:

(1) The fair market value of the Released Property and the cumulative fair market value of property previously so released, if any, and the Released Property;

(2) The disposition to be made of the Released Property and the consideration, including the fair market value of consideration other than money, to be received for the Released Property;

(3) That the disposition of the Released Property will not materially adversely affect the operations of the remaining Hospital Facilities or any other properties of the Corporation or the ability of the Corporation to satisfy its obligations under the Rush Mortgage Obligations or the Master Indenture and will not materially reduce or adversely affect Income Available for Debt Service of the Obligated Group;

(4) That the execution and delivery of the release by the Master Trustee will not result in a default under the Master Indenture; and

(5) That all permits and authorizations of all federal, state and local governmental bodies and agencies have been granted, or that no such permits or authorizations are required;

(c) Appraisal of Released Property. An appraisal of the fair market value of the Released Property based on its "highest and best use" by an MAI Appraiser or by another expert satisfactory to the Master Trustee;

(d) Form of Release. A form of release effective to release the property to be released from the lien of the Rush Facilities Mortgage;

(e) Opinion of Counsel. A letter of opinion addressed to the Master Trustee from Independent Counsel who is satisfactory to the Master Trustee, the Bank and the Participants to the effect that:

(1) The release of the property requested by the Corporation is authorized hereunder;

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(2) The execution and delivery of the requested release will not violate any provisions of the Master Indenture or the Loan Agreements including, without limitation, the provisions therein relating to "arbitrage bonds"; all necessary action required to be taken by the Corporation and the Master Trustee to effect the release of the Released Property have been taken;

(3) The release and all other documents required to effect the release of the Released Property have been duly authorized, executed and delivered and are binding upon the parties executing and delivering the same in accordance with their respective terms (except as may be limited by bankruptcy laws or laws relating to creditor's rights by the availability of equitable remedies); and

(4) To the knowledge of such counsel all permits and authorizations of all federal, state and local governmental bodies and agencies have been granted, or that no such permits or authorizations are required.

The Corporation agrees that in the event of a sale of any property released pursuant to this Section the Corporation shall apply the net proceeds of such sale of the Released Property to the prepayment of Obligations entitled to the security of this Series 1989A Mortgage in the same manner as Net Proceeds pursuant to Section 410(b) or 411(b) of the Original Master Indenture. 3816181

SECTION 6.4 Inclusion of Certain Additional Property and Release of Certain Mortgaged Property.

(a) Notice Regarding the Series 1976 Mortgaged Property. The Corporation covenants and agrees that in connection with the release for any reason of the Series 1976 Mortgaged Property from the terms of the Series 1976 Mortgage, the Corporation will give notice to the Master Trustee of the Corporation's intention to provide for such release not less than 30 days prior to the date planned for such release.

(b) Conveyance of the Series 1976 Mortgaged Property. Upon such release, the Corporation will cause the 1976 Mortgaged Property to become subject to the lien of the Rush Facilities Mortgage by delivery of documents of conveyance (similar to the documents to be delivered pursuant to paragraph (e) of Section 6.1 hereof) for the purpose of rendering the Series 1976 Mortgaged Property as of the time of such release subject to the lien of the Rush Facilities Mortgage.

(c) Condition of the Series 1976 Mortgaged Property. The Corporation will cause the Series 1976 Mortgaged Property to be so conveyed free and clear of all liens, security interests, charges and encumbrances whatsoever, except "Permitted Encumbrances" pursuant to the Series 1976 Mortgage and "Permitted Encumbrances" pursuant to the Master Indenture.

(d) Academic Facilities Parcel. Anything in Article VI or elsewhere in this Series 1989A Mortgage, in the Series 1987 Mortgage, in the Series 1985 Mortgage or in Section 417 of the Original Master Indenture notwithstanding, that portion of the Mortgaged Property designated as "Parcel 3" in Exhibit A hereto and commonly referred to as the "Academic Facilities" shall be released from the lien of the Rush Facilities Mortgage in the event substantially all of the Series 1976 Mortgaged Property is added thereto as provided in this Section, such release to be as of the time conveyance of the Series 1976 Mortgaged Property is made pursuant to paragraph (b) of this Section. The Master Trustee shall cooperate with the Corporation in the preparation and execution of instruments of conveyance to release the Academic Facilities in accordance with the terms of this Section.

(e) No Requirement to Prepay 1976 Bonds, etc. Nothing in this Section 6.4 shall in any way (i) require or direct that the Corporation prepay the bonds issued pursuant to the Series 1976 Indenture or take any other action to clear the Series 1976 Mortgaged Property from the lien of the Series 1976 Mortgage prior to the maturity of such bonds, (ii) affect the power of the Corporation to release property pursuant to Section 11.2 of the Series 1976 Mortgage or (iii) affect the power of the Corporation with respect to the sale lease or other disposition of Property pursuant to Section 417 of the Original Master Indenture.

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ARTICLE VII.

REPRESENTATIONS

(A) The Corporation represents and warrants that all representations and warranties of the Corporation contained in Section 403 of the Original Master Indenture, and (B) Rush North Shore represents and warrants that all representations and warranties of Rush North Shore contained in Section 201 of the Rush North Shore Supplemental Master Indenture are, respectively, true and correct on the date hereof with the same effect as if said representations and warranties were made herein on and as of the date hereof, provided, in both cases, that the references to the Master Indenture shall be deemed to include the 1985 Mortgage, the Series 1987 Mortgage, the Rush North Shore Supplemental Master Indenture and this Series 1989A Mortgage.

ARTICLE VIII.

ADDITIONAL REMEDIES

SECTION 8.1 Separate Remedies Hereunder. Pursuant to Section 507 of the Original Master Indenture, any moneys received by the Master Trustee pursuant to the rights of the Master Trustee and the rights of holders of the Rush Mortgage Obligations and any other holders of Obligations secured by this Series 1989A Mortgage to realize on the Mortgaged Property shall (after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, expenses, liabilities and advances incurred or made by the Master Trustee, any related Issuers and any Related Bond Trustees, including the proceedings described in Section 8.3 hereof) be applied first to the equal and ratable benefit of such holders and thereafter as provided in Section 507 of the Original Master Indenture.

SECTION 8.2 Sale of Mortgaged Property. In case of any sale of the Mortgaged Property, or of any part thereof, pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Series 1989A Mortgage, the principal of the Rush Mortgage Obligations and any other Obligations secured by this Series 1989A Mortgage, if not previously due, and the interest accrued thereon, shall at once become and be immediately due and payable; also in the case of any such sale, the holders of such Obligation or Obligations may bid for and purchase the property being sold, and upon compliance with the terms of sale, the holders of such Obligation or Obligations may hold, retain and possess and dispose of such property in their own absolute right without further accountability; and the holders of such Obligation or Obligations at any such sale shall, in paying the purchase price, turn in such Obligation or Obligations at par in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon pursuant to Article V of the Original Master Indenture. In case the amounts so payable on such Obligation or Obligations shall be less than the amount due thereon, such Obligation or Obligations shall be returned to the holders thereof after a notation of such partial payment shall have been made thereon.

SECTION 8.3 Expenses of Proceedings. In any suit to foreclose the lien of this Series 1989A Mortgage, there shall be allowed and included as additional indebtedness in the decree of sale all expenditures and expenses which may be paid or incurred by or on behalf to the Master Trustee or any holder of the Series 1989 Obligations (or of any other holder of a Rush Mortgage Obligation), for reasonable attorneys' fees, court costs, appraiser's fees, outlays for documentary and

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expert evidence, stenographers' charges, publication costs and costs of procuring title insurance policies (which fees, charges and costs may be estimated as to items to be expended after entry of the decree), and all other expenses as the Master Trustee or such holders, may deem reasonably necessary to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Mortgaged Property. All expenditures and expenses of the nature in this section mentioned shall become so much additional indebtedness secured hereby and shall be immediately due and payable with interest thereon at the highest rate in effect under the Rush Mortgage Obligations when paid or incurred by the Master Trustee or such holders. In addition to foreclosure proceedings, the above provisions of this paragraph shall apply to (a) any proceeding to which the Master Trustee or such holders shall be a party, either as plaintiff, claimant or defendant, by reason of the Rush Facilities Mortgage or a Rush Mortgage Obligation; (b) preparations for the commencement of any suit for foreclosure hereof after accrual of such right to foreclosure whether or not actually commenced, or (c) preparation for the defense of or investigation of any threatened suit, claim or proceeding which might affect the Mortgaged Property or the security hereof, whether or not actually commenced.

SECTION 8.4 Appointment of Receiver. Upon or at any time after the filing of proceedings to foreclose this Series 1989A Mortgage, the court in which such proceedings are filed may appoint a receiver of the Mortgaged Property. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency at the time of application for such receiver of the person or persons, if any, liable for the payment of the Rush Mortgage Obligations and without regard to the then value of the Property, and the Master Trustee may be placed in possession of the Mortgaged Property. Except as limited by or otherwise provided with respect to the pledge of receivables in the Series 1976 Mortgage, the receiver shall have power to collect the rents, issues and profits of the Mortgaged Property during the pendency of such foreclosure suit as well as during any further times when the Master Trustee, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period. The court from time to time may authorize the receiver to apply the net income in the hands of such receiver in payment in whole or in part of the Rush Mortgage Obligations, or in payment of any tax, special assessment or other lien which may be or become superior to the lien of the Rush Facilities Mortgage or superior to a

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decree foreclosing the Rush Facilities Mortgage, provided such application is made prior to such foreclosure sale.

ARTICLE IX.
MISCELLANEOUS PROVISIONS

SECTION 9.1 Covenant to Pay the Series 1989 Obligations. The Corporation agrees that it will duly and punctually pay the principal of and premium, if any, and interest on the Series 1989 Obligations on the dates, at the times and at the place and in the manner provided in the Series 1989 Obligations, the Rush Facilities Mortgage and the Original Master Indenture, when and as the same become payable, whether at maturity, upon call for redemption, by acceleration of maturity or otherwise, according to the true intent and meaning thereof and hereof. In addition, each Person becoming a Member of the Obligated Group pursuant to Section 404 of the Original Master Indenture will unconditionally and irrevocably agree to make payments upon the Series 1989 Obligations.

SECTION 9.2 Incorporation of the Master Indenture. The provisions of the Master Indenture as supplemented to date are incorporated herein by reference, and in all respects not inconsistent with the terms and provisions of this Series 1989A Mortgage, the Master Indenture is as supplemented to date hereby ratified, approved and confirmed.

IN WITNESS WHEREOF, RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER has caused these presents to be signed in its name and on its behalf by its Vice President and its corporate seal to be hereunto affixed and attested by its Assistant Secretary, RUSH NORTH SHORE MEDICAL CENTER has caused these presents to be signed in its name and on its behalf by its Vice President and its corporate seal to be hereunto affixed and attested by its __________ Secretary, and, to evidence its acceptance of the trusts hereby created, CONTINENTAL BANK, NATIONAL ASSOCIATION has caused these presents to be signed in its name and on its

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behalf by its Vice President, its official seal to be hereunto affixed, and the same to be attested by its Corporate Products Officer, all as of the day and year first above written.

RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER

By ______________________
Its Vice President

(SEAL)

Attest:

____
Its Assistant Secretary

RUSH NORTH SHORE MEDICAL CENTER

By ______________________
Its Vice President - Finance

(SEAL)

Attest:

____
Its Secretary

CONTINENTAL BANK, NATIONAL ASSOCIATION

By ______________________
Its Vice President

(SEAL)

Attest:

Dedra DeLaney
____
Its Corporate Products Officer

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Susan J. Goebel, a Notary Public, do hereby certify that James T. Frankenbach and Spencer H. Raymond, personally known to me to be the same persons whose names are, respectively, as Vice President and as ________ Secretary of Rush North Shore Medical Center, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 9th day of August, 1989.

Susan Jane Goebel
Notary Public in and for Cook County, Illinois

(SEAL)

My commission expires:

OFFICIAL SEAL
SUSAN JANE GOEBEL
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. JULY ,1993

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, SUSAN J. GOEBEL a Notary Public, do hereby certify that J. C. MULL, JR. and DEDRA DeLaney, personally known to me to be the same persons whose names are, respectively, as Vice President and as Corporate Products Officer of Continental Bank, National Association, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the corporate seal, and delivered the said instrument as the free and voluntary act of said Corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 9th day of August, 1989.

Susan Jane Goebel

Notary Public in and for Cook County, Illinois

(SEAL)

My commission expires:

OFFICIAL SEAL
SUSAN JANE GOEBEL
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. JULY 11,1993

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EXHIBIT A

[Atrium Building]
1630 W. Harrison St.
Chicago, Illinois

Parcel 1

A TRACT OF LAND IN THE NORTH EAST 1/4 OF SECTION 18, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF WEST CONGRESS PARKWAY (66 FEET WIDE) AND THE CENTER LINE OF A NORTH AND SOUTH VACATED ALLEY IN BLOCK 12 IN ASHLAND ADDITION TO CHICAGO, BEING OGDENS SUBDIVISION OF THE SOUTH EAST 1/4 OF THE NORTH EAST 1/4 OF SAID SECTION 18, SAID ALLEY VACATED BY ORDINANCE PASSED JANUARY 20, 1960 AS PER DOCUMENT 17820686; THENCE SOUTH 00 DEGREES 08 MINUTES 03 SECONDS WEST ALONG THE CENTER LINE OF SAID VACATED ALLEY, A DISTANCE OF 97.70 FEET; THENCE CONTINUING ALONG SAID CENTER LINE A BEARING OF SOUTH 17 DEGREES 36 MINUTES 07 SECONDS WEST, A DISTANCE OF 5.83 FEET; THENCE CONTINUING ALONG SAID CENTER LINE A BEARING OF SOUTH 00 DEGREES 08 MINUTES 03 SECONDS WEST A DISTANCE OF 86.70 FEET TO A POINT ON THE MOST SOUTHERLY NORTH LINE OF LOT 7 IN THE SUBDIVISION (BY SANDS) OF LOT 5 IN ELLIOT'S RESUBDIVISION OF PART OF BLOCK 12 IN "ASHLAND ADDITION TO CHGO" BEING OGDEN'S SUBDIVISION OF THE SOUTH EAST 1/4 OF THE NORTH EAST 1/4 OF SAID SECTION 18; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG THE SAID MOST SOUTHERLY NORTH LINE OF LOT 7, A DISTANCE OF 1.85 FEET; THENCE NORTH 00 DEGREES 05 MINUTES 17 SECONDS EAST ALONG THE WEST LINE OF THE EAST 8.25 FEET OF SAID VACATED ALLEY, A DISTANCE OF 11 FEET TO THE WESTERLY EXTENSION OF THE MOST NORTHERLY NORTH LINE OF SAID LOT 7; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG SAID WESTERLY EXTENSION OF LOT 7, A DISTANCE OF 8.25 FEET TO THE NORTHERLY EXTENSION OF THE EAST LINE OF THE WEST 10.4 FEET OF SAID LOT 7; THENCE SOUTH 00 DEGREES 05 MINUTES 17 SECONDS WEST ALONG THE SAID EAST LINE AND THE NORTHERLY EXTENSION OF SAID EAST LINE OF THE WEST 10.4 FEET OF LOT 7 A DISTANCE OF 111.17 FEET TO THE NORTH LINE OF WEST HARRISON STREET (66 FEET WIDE); THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG THE NORTH LINE OF SAID WEST HARRISON STREET, A DISTANCE OF 526.74 FEET TO THE EAST LINE OF VACATED SOUTH MARSHFIELD AVENUE (66 FEET WIDE) SAID SOUTH MARSHFIELD AVENUE VACATED BY ORDINANCE PASSED JUNE 7, 1978 AS PER DOCUMENT NUMBER 24688188; THENCE NORTH 00 DEGREES 01 MINUTES 14 SECONDS EAST ALONG THE EAST LINE OF SAID MARSHFIELD AVENUE, A DISTANCE OF 290.30 FEET TO THE SOUTH LINE OF SAID WEST CONGRESS PARKWAY THENCE SOUTH 89 DEGREES 58 MINUTES 50 SECONDS WEST ALONG THE SOUTH LINE OF SAID CONGRESS PARKWAY, A DISTANCE OF 534.62 FEET TO THE POINT OF BEGINNING IN COOK COUNTY, ILLINOIS

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[Parking Garage]
601 South Paulina
Chicago, Illinois 60612

Parcel 2

A TRACT OF LAND IN THE SOUTH EAST 1/4 OF SECTION 18, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: THAT PART OF BLOCKS 1 AND 2 AND VACATED STREETS AND ALLEYS (ALL TAKEN AS A TRACT) IN SUTTON'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF BLOCKS 1, 2 AND 3 IN THE ASSESSOR'S DIVISION OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 18, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH WEST CORNER OF LOT 1 IN THE RESUBDIVISION OF LOTS 28 TO 32 AND THE NORTH 10 FEET OF LOT 27 IN BLOCK 2 IN SUTTON'S ADDITION TO CHICAGO; THENCE EAST ALONG THE NORTH LINE OF BLOCKS 1 AND 2 (AND THEIR EXTENSIONS) TO A POINT, 8.25 FEET EAST OF THE NORTH EAST CORNER OF LOT 1 IN THE SUBDIVISION OF LOTS 25 TO 32 BOTH INCLUSIVE, IN BLOCK 1 IN SUTTON'S ADDITION AFORESAID; THENCE SOUTH ALONG THE CENTER LINE OF THE VACATED 16.50 FOOT ALLEY TO THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 11 IN BLOCK 1 IN SUTTON'S ADDITION AFORESAID; THE EAST 8.25 FEET TO THE NORTH WEST CORNER OF LOT 11; THENCE SOUTH ALONG THE WEST LINE OF LOTS 11 THROUGH 16 BOTH INCLUSIVE, IN BLOCK 1 in SUTTON'S ADDITION AFORESAID, TO THE SOUTH WEST CORNER OF LOT 16 IN BLOCK 1 IN SUTTON'S ADDITION AFORESAID; THENCE WEST ALONG THE SOUTH LINE OF SAID BLOCKS 1 AND 2 (AND THEIR EXTENSIONS) TO THE SOUTH WEST CORNER OF LOT 17 IN BLOCK 2 IN SUTTON'S ADDITION AFORESAID; THENCE NORTH ALONG THE WEST LINE OF BLOCK 2 TO THE HEREINABOVE DESCRIBED POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

[Academic Facility]
600 South Paulina
Chicago, Illinois 60612

Parcel 3

A PARCEL OF LAND IN THE EAST 1/2 OF SECTION 18, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, CONTAINING THAT PART OF WEST HARRISON STREET VACATED ABOVE CERTAIN ELEVATIONS AS PER ORDINANCE RECORDED AS DOCUMENT NUMBER 23002397; ALSO, PART OF WEST HARRISON STREET DEDICATED BY INSTRUMENT RECORDED AS DOCUMENT NUMBER 18871019 AND VACATED BY ORDINANCE RECORDED AS DOCUMENT 23002397; ALSO, THE EAST 1/2 OF A 16.50 FOOT WIDE NORTH AND SOUTH VACATED ALLEY, SAID ALLEY HAVING BEEN VACATED BY ORDINANCE RECORDED AS DOCUMENT NUMBER 18915082· ALSO PART OF THE NORTH 1/2 OF VACATED WEST FLOURNOY STREET VACATED BY ORDINANCE RECORDED AS DOCUMENT NUMBER

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23002337; ALSO, LOTS 1 TO 16 IN BLOCK 3 OF SUTTON'S ADDITION TO CHICAGO IN THE NORTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 18, (LOTS 13 TO 16 THEREON HAVING BEEN RESUBDIVIDED INTO LOTS 1 TO 7 BOTH INCLUSIVE, IN WILLIAM FALLOW'S SUBDIVISION OF SAID LOTS 13 TO 16 AFORESAID), BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH EAST CORNER OF LOT 12 OF SUBDIVISION OF LOT 5 IN BLOCK 12 IN ELLIOT'S RESUBDIVISION OF PARTS OF BLOCKS 12 AND 13 IN ASHLAND ADDITION TO CHICAGO, BEING THE SOUTH EAST 1/4 OF THE NORTH EAST 1/4 AND A FRACTION IN THE SOUTH WEST CORNER OF THE NORTH EAST 1/4 OF THE NORTH EAST 1/4 OF SAID SECTION 18; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG THE NORTH LINE OF WEST HARRISON STREET (66 FEET WIDE) EXTENDED EASTERLY, A DISTANCE OF 0.66 FEET TO THE WEST LINE OF SOUTH PAULINA STREET (66 FEET WIDE) EXTENDED NORTHERLY; THENCE SOUTH 00 DEGREES 00 MINUTES 45 SECONDS EAST ALONG THE WEST LINE OF SAID SOUTH PAULINA STREET AND ITS NORTHERLY EXTENSION, A DISTANCE OF 502.20 FEET TO THE CENTER LINE OF SAID VACATED WEST FLOURNOY STREET; THENCE NORTH 89 DEGREES 56 MINUTES 45 SECONDS WEST ALONG SAID CENTER LINE, A DISTANCE OF 133.75 FEET TO A POINT IN THE SOUTH EXTENSION OF THE CENTER LINE OF SAID VACATED 16.50 FOOT WIDE ALLEY; THENCE NORTH 00 DEGREES 01 MINUTES 11 SECONDS WEST ALONG SAID CENTER LINE OF SAID VACATED ALLEY AND ITS SOUTHERLY EXTENSION, A DISTANCE OF 464.37 FEET TO A POINT 34.69 FEET NORTH OF THE SOUTH LINE OF SAID WEST HARRISON STREET, AS SAID SOUTH LINE OF WEST HARRISON STREET WAS ESTABLISHED BY DEDICATION RECORDED AS DOCUMENT 18871919; THENCE NORTH 47 DEGREES 26 MINUTES 09 SECONDS WEST, A DISTANCE OF 54.78 FEET TO THE NORTH LINE OF SAID WEST HARRISON STREET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG THE NORTH LINE OF WEST HARRISON STREET, A DISTANCE OF 173.80 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS (EXCEPTING THEREFROM THAT PART THEREOF LYING IN VACATED HARRISON STREET ACCRUING OF LOTS 5, 6 AND THE WEST 10.4 FEET OF LOT 7 IN THE SUBDIVISION OF LOT 5 OF BLOCK 12 IN ELLIOT'S RESUBDIVISION OF PART OF BLOCKS 12 AND 13 OF ASHLAND ADDITION TO CHICAGO), IN COOK COUNTY, ILLINOIS.

17-18-250-006	17-18-251-003
17-18-250-007	17-18-251-001
17-18-250-008	17-18-405-016
17-18-250-015	17-18-405-023
17-18-250-016	17-18-405-024
17-18-250-017	17-18-405-025
17-18-405-034	17-18-405-026
17-18-405-035	17-18-405-027
17-18-406-027	17-18-502-002
17-18-406-028	17-18-502-003
17-18-406-029	17-18-502-004
17-18-407-032	17-18-502-005
17-18-407-033	17-18-502-006

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EXHIBIT B

[This Obligation has not been registered under the Securities Act of 1933, as amended.]

RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER

DIRECT NOTE OBLIGATION, SERIES 1989A-1

No. R-1 $15,360,000

RUSH-PRESBYTERIAN-ST. LUKE'S MEDICAL CENTER, an Illinois not for profit corporation (the "Corporation"), for value received, hereby promises to pay to the ILLINOIS HEALTH FACILITIES AUTHORITY (the "Authority"), or registered assigns, the principal sum of FIFTEEN MILLION THREE HUNDRED SIXTY THOUSAND DOLLARS.

This Direct Note Obligation (the "Series 1989A-1 Obligation") shall bear interest from time to time in an amount equal to the Corporation Portion of the interest accruing on and payable with respect to the Revenue Bonds, Series 1989A (Rush-Presbyterian-St. Luke's Medical Center Obligated Group) (the "Series 1989A Bonds") of the Authority in the aggregate principal amount of $21,500,000 issued under and pursuant to the Bond Indenture referred to hereinafter, to which reference is hereby made for the definition of certain terms used herein. Said interest shall be payable:

(i) On or Prior to the Fixed Rate Conversion Date: On the Business Day next preceding each Interest Payment Date, or by 3:00 p.m., New York City time, on the Interest Payment Date with respect to any Optionally Tendered Bond purchased on an Optional Tender Date pursuant to the Bank Agreement (which payment shall be made to the Bond Trustee's Agent), an amount of moneys equal to the Corporation Portion of the amount of interest to become due on the Series 1989A Bonds on such Interest Payment Date; provided, however, that the Corporation may be entitled to certain credits on such payments as permitted under Section 6.3 of the Corporation Loan Agreement.

(ii) After the Fixed Rate Conversion Date: On the fifteenth day of each March, June, September and

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December commencing with the first of such months following the month in which the Fixed Rate Conversion Date occurs (or on the first Business Day thereafter if the first day of any such month is not a Business Day), an amount which, together with an equal amount to be deposited on the fifteenth day of each such month, if any, occurring before the next succeeding Interest Payment Date, will not be less than the Corporation Portion of the amount to become due on the Series 1989A Bonds on the next succeeding Interest Payment Date for such maturity; provided, however, that the Corporation may be entitled to certain credits on such payments as permitted under Section 6.3 of the Corporation Loan Agreement.

Payments of principal of this Series 1989A-1 Obligation shall be made:

(i) On or Prior to the Fixed Rate Conversion Date: On the Business Day next preceding each day on which principal is due on the Series 1989A Bonds, an amount equal to the Corporation Portion of the amount of principal to become due on the Series 1989A Bonds on such date; provided, however, that the Corporation may be entitled to certain credits on such payments as permitted under Section 6.3 of the Corporation Loan Agreement.

(ii) After the Fixed Rate Conversion Date: On the fifteenth day of each March, June, September and December commencing with the first of such months following the month in which the Fixed Rate Conversion Date occurs (or on the first Business Day thereafter if the fifteenth day of any such month is not a Business Day), an amount which, together with an equal amount to be paid on the fifteenth day of each such month, if any, occurring before the next October 1, will not be less than the Corporation Portion of the amount of principal to become due on the Series 1989A Bonds on the next succeeding October 1 by maturity or mandatory Bond Sinking Fund redemption; provided, however, that the Corporation may be entitled to certain credits on such payments as permitted under Section 6.3 of the Corporation Loan Agreement.

Such principal and interest are payable at the principal corporate trust office of The First National Bank of Chicago, Chicago, Illinois as Bond Trustee (the "Bond Trustee"), under the Bond Trust Indenture dated as of July 15, 1989 (the

"Bond Indenture") between the Authority and the Bond Trustee, or at the office of any successor trustee under the Bond Indenture.

This Series 1989A-1 Obligation is issued under and secured by and entitled to the security of a Master Trust Indenture dated as of December 1, 1985, as supplemented and amended by the Series 1985 Supplemental Master Trust Indenture, Mortgage and Security Agreement dated as of December 1, 1985, the First Series 1987 Supplemental Master Trust Indenture, Mortgage and Security Agreement dated as of July 1, 1987, the Rush North Shore Supplemental Master Trust Indenture dated as of July 15, 1989 and the Series 1989A Supplemental Master Trust Indenture, Mortgage and Security Agreement dated as of July 15, 1989 (as so supplemented and amended, the "Master Indenture"), duly executed and delivered by the Corporation to Continental Bank, National Association (formerly Continental Illinois National Bank and Trust Company of Chicago) Chicago, Illinois, as Master Trustee (the "Master Trustee"). The Corporation and Rush North Shore Medical Center ("Rush North Shore") are the only Members of an Obligated Group (as such terms are defined in the Master Indenture). Members of the Obligated Group jointly and severally agree under the Master Indenture to be liable on all Obligations issued under the Master Indenture. Reference is made to the Master Indenture for the provisions, among others, with respect to the nature and extent of the security for the Series 1989A-1 Obligation, the rights, duties and obligations of the Members of the Obligated Group and the Master Trustee and the rights of the holders of the Series 1989A-1 Obligation, and to all the provisions of which the holder hereof by the acceptance of this Series 1989A-1 Obligation assents. This Series 1989A-1 Obligation is being issued concurrently with the issuance to (i) The Dai-Ichi Kangyo Bank, Ltd. (Chicago Branch) by the Corporation of its Direct Obligation, Series 1989B, (ii) the Authority by Rush North Shore of its Direct Note Obligation, Series 1989A-2 and (iii) the Authority by Rush North Shore of its Direct Note Obligation, Series 1989C.

This Series 1989A-1 Obligation is transferable by the registered holder hereof in person or by duly authorized attorney at the principal office of the Master Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Master Indenture, and upon surrender and cancellation of this Series 1989A-1 Obligation. Upon such transfer a new registered Obligation or Obligations without coupons of the same series and of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Master Trustee may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and premium, if any, hereon and

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interest due hereon and for all other purposes and the Master Trustee shall not be affected by any notice to the contrary.

This Series 1989A-1 Obligation is issuable as a single fully registered Obligation without coupons in the amount of $15,360,000. This Series 1989A-1 Obligation may not be exchanged for coupon Obligations.

The principal of this Series 1989A-1 Obligation is subject to prepayment by the Obligated Group from time to time, in the manner, under the circumstances and at the prices appropriate to allow for prepayment or redemption of the Series 1989A Bonds.

Under the terms of the Master Indenture, provision for payment of all or a portion of the Series 1989A-1 Obligation or any Obligation may be made in the manner and with the effect provided therein.

The holder of this Series 1989A-1 Obligation shall have no right to enforce the provisions of the Master Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Master Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Master Indenture. In certain events (including without limitation the occurrence of an "event of default" as defined in the Master Indenture), on the conditions, in the manner and with the effect set forth in the Master Indenture, the outstanding principal of this Series 1989A-1 Obligation may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of the Master Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Master Indenture. This Series 1989A-1 Obligation is an Accelerable Instrument (as defined in the Master Indenture).

It is hereby certified that all conditions, acts and things required to exist, happen and be performed under the Master Indenture precedent to and in the issuance of this Series 1989A-1 Obligation, exist, have happened and have been performed, and that the issuance, authentication and delivery of this Series 1989A-1 Obligation have been duly authorized by resolution of the Member of the Obligated Group signing this Obligation.

No recourse shall be had for the payment of the principal of, premium or interest on this Series 1989A-1 Obligation or for any claim based hereon or upon any obligation, covenant or agreement in the Master Indenture contained against

any past, present or future officer, member, employee, director or agent of any Member of the Obligated Group or any incorporator, officer, director, member, employee or agent of any successor corporation or body politic, as such, either directly or through any Member of the Obligated Group or any such successor corporation under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, officers, directors, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Master Indenture and the issuance of this Series 1989A-1 Obligation.

The Obligated Group hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all defenses on the grounds of extension of time of payment for the payment hereof which may be given (other than in writing) by the Master Trustee to any Member of the Obligated Group.

This Series 1989A-1 Obligation shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Master Indenture until the certificate of authentication hereon shall have been duly executed by the Master Trustee.

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IN WITNESS WHEREOF, Rush - Presbyterian - St. Luke's Medical Center has caused this Obligation to be executed in its name and on its behalf by the manual or facsimile signature of its Vice President-Finance and has caused its seal to be manually affixed hereto, and attested by the manual signature of its Assistant Secretary, all as of the 10th day of August, 1989.

RUSH-PRESBYTERIAN-ST. LUKE'S
MEDICAL CENTER

By ______________________
Vice President-Finance

(SEAL)

Attest:

____
Assistant Secretary

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Certificate of Authentication

This Obligation is one of the Obligations described in the within-mentioned Master Indenture.

CONTINENTAL BANK, NATIONAL ASSOCIATION, as Master Trustee

By ______________________________
Authorized Officer or Signer

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EXHIBIT C

CREDIT AGREEMENT
DATED AS OF JULY 15, 1989

CREDIT AGREEMENT, dated as of July 15, 1989, by and among Rush-Presbyterian-St. Luke's Medical Center, an Illinois not for profit corporation (the "Corporation"), The Dai-Ichi Kangyo Bank, Ltd. (Chicago Branch) (the "Bank"), The First National Bank of Chicago ("First Chicago"), The Northern Trust Company ("Northern Trust") and Harris Trust and Savings Bank ("Harris") (First Chicago, Northern Trust and Harris are each referred to herein as a "Participant"), and authenticated by Continental Bank, National Association (formerly Continental Illinois National Bank and Trust Company of Chicago), as Master Trustee under the within-mentioned Master Indenture.

ARTICLE 1. DEFINITIONS.

The terms used in this Agreement and not otherwise defined, unless the context requires otherwise, shall have the same meanings set forth in the Bond Trust Indenture, dated as of July 15, 1989 (the "Bond Indenture") between the Illinois Health Facilities Authority, a public instrumentality duly created and existing under the laws of the State of Illinois (the "Authority") and The First National Bank of Chicago, as Bond Trustee, and the Master Indenture referred to in such Bond Indenture. In addition, the following terms shall have the following meanings:

"Agreement" means this Credit Agreement dated as of July 15, 1989, as amended from time to time.

"Available DKB Commitment" means at any time the excess of the DKB Commitment over the Utilized DKB Commitment.

"Authorized Officer" means any of the President, Treasurer or Vice President-Finance of the Corporation, acting singly.

"Bonds" means the Authority's Revenue Bonds, Series 1989A (Rush-Presbyterian--St. Luke's Medical Center Obligated Group).

"Bond Documents" means the Bond Indenture, the Bonds, the Corporation Loan Agreement, the Master Indenture and the Series 1989A Mortgage.

"Bond Trustee's Agent" means the commercial bank or trust company then acting as the Bond Trustee's Agent under the Bond Indenture.

"Borrowing Date" means each date on which a Loan is made hereunder.

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"Business Day" means any day on which banks located in both Chicago, Illinois, and New York, New York, are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

"Closing Date" means August 10, 1989 or any other Business Day occurring on or before August 31, 1989, of which the Bank and the Participants have actually received three Business Days' prior written notice from the Corporation specifying such date and on or prior to which all of the conditions set forth in Section 8.1 have been satisfied.

"Corporate Base Rate" means the corporate base rate of interest announced by First Chicago from time to time, changing when and as said corporate base rate changes.

"Credit Agreement Obligations" means all indebtedness and other obligations of the Corporation to the Bank and the Participants arising under this Agreement.

"Credit Agreement Suspension" shall have the meaning given thereto in Section 7.2.1.

"DKB Commitment" means the commitment of the Bank to make Revolving Loans in an amount not exceeding $21,500,000 or such other lesser amount as provided in Section 2.4 hereof.

"Default" means an event described in Section 7.1.

"Dollar Day" means a day during which the outstanding principal amount of Revolving Loans is equal to $21,500,000. In the event that on any day less than $21,500,000 in principal amount of Revolving Loans is outstanding, a portion of a Dollar Day shall elapse equal to the outstanding principal amount of Revolving Loans divided by $21,500,000. When the sum of said portions equals 1, one Dollar Day shall have elapsed.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Expiration Date" means the date the DKB Commitment expires which shall be the earliest of (i) November 30, 1991 or such subsequent date to which the Expiration Date has been extended pursuant to Section 2.1 hereof, (ii) the occurrence of a Default under Section 7.1.8 or Section 7.1.9, (iii) the date on which the Corporation cancels the DKB Commitment, (iv) the close of the Bank's business on the Fixed Rate Conversion Date or (v) 50 days after the Trustee has received notice in writing from the Bank of a Default hereunder (other than as described in (ii) above) and the termination of the DKB Commitment as a result thereof.

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"Indebtedness" means (a) obligations for borrowed money, (b) obligations representing the deferred purchase price of property payable other than accounts payable arising in connection with the purchase of goods and services in the ordinary course of business on terms customary in the trade, (c) obligations secured by Liens on property now or hereafter owned or acquired, (d) obligations due with respect to capitalized leases and (e) Guaranties.

"Loan" means any borrowing of the Revolving Loans or the Term Loans hereunder.

"Majority Participants" means Participants holding at least 66 2/3% of the aggregate of all Participant Commitments prior to the Term Loan Closing Date and after the Term Loan Closing Date, Participants holding at least 66 2/3% of the aggregate outstanding principal amount of Term Loans.

"Official Statement" means the official statement relating to the Bonds from time to time, including any appendices, supplements or amendments thereto or any restatement thereof.

"Participant Commitment" means at any time $11,500,000 for First Chicago, $6,600,000 for Northern Trust and $3,400,000 for Harris, or, in each case, such other lesser amount as provided in Section 3.1.2. hereof.

"Percentage" for each Participant means at any time the proportion of its Participant Commitment to the DKB Commitment.

"Plan" means a defined benefit pension plan under ERISA for the Unfunded Liabilities of which, upon termination of such plan, the Corporation could be held liable by the Pension Benefit Guaranty Corporation.

"Potential Default" means an event which but for the lapse of any grace period provided or the giving of notice or both, would constitute a Default.

"Revolving Loans" means any borrowing from the Bank made pursuant to Section 2.1 hereof.

"Section" means a numbered section of this Agreement, unless another document is specifically referenced.

"Term Loans" means a pro rata borrowing from the Participants of Loans made pursuant to Section 3.2.1 hereof on the Term Loan Closing Date.

"Term Loan Closing Date" means the date set forth in "(1)" contained in the definition of Expiration Date.

"Termination Loan" means the Revolving Loan made after the Bank gives a notice pursuant to Section 7.2.2 hereof.

"Transaction Loan Rate" means the transaction loan rate offered by First Chicago from time to time, changing when and as said transaction loan rate changes, but not exceeding the Corporate Base Rate.

"Trustee" means the trustee at the time serving as such under the Bond Indenture.

"Unfunded Liabilities" means with regard to any Plan, the excess of the current value of such Plan's benefits guaranteed under ERISA over the current value of such Plan's assets allocable to such benefits.

"Unutilized Participant Commitment" for each Participant means at any time its Percentage of the Available DKB Commitment.

"Utilized DKB Commitment" means at any time the aggregate outstanding principal amount of Revolving Loans.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in effect from time to time.

ARTICLE 2. BANK LOAN TERMS.

2.1. Bank Revolving Loans.

(a) Through and including the Expiration Date, the Bank agrees, on the terms and conditions set forth in this Agreement, to make Revolving Loans to the Corporation on each Borrowing Date for the purpose of purchasing Bonds for which remarketing proceeds are not delivered to the Bond Trustee's Agent as contemplated by the Bond Indenture or which are being redeemed, in amounts not to exceed the Available DKB Commitment. Revolving Loans may only be used to pay the principal portion of the purchase price or redemption price of such Bonds and not to pay accrued interest. Subject to the terms of this Agreement, the Corporation may borrow, repay and reborrow Revolving Loans at any time prior to the Expiration Date. All Revolving Loans outstanding on the Expiration Date, unless due on the Expiration Date in accordance with the terms set forth herein, shall be payable with the proceeds of the Term Loans made pursuant to Section 3.2 hereof.

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(b) Unless the DKB Commitment shall have previously expired in accordance with the terms of this Agreement, the Bank and the Participants may, by written notice to the Corporation, extend the Expiration Date to any date subsequent to the date set forth in "(1)" contained in the definition of Expiration Date and any such subsequent Expiration Date may be similarly extended by written notice to the Corporation from the Bank and the Participants. At least six months prior to the then effective Expiration Date, the Bank and the Participants will notify the Corporation of their intent to extend the Expiration Date, any such extension to be made in the sole discretion of the Bank and the Participants.

2.2. Interest on Revolving Loans. The Revolving Loans shall bear interest prior to maturity at the Transaction Loan Rate for 180 Dollar Days cumulative for all Revolving Loans throughout the term of this Agreement, and the Corporate Base Rate thereafter, the interest rate to change when and as the Transaction Loan Rate or the Corporate Base Rate changes. Each Revolving Loan shall bear interest after Default at the Corporate Base Rate plus 2%.

2.3. Payments. The Corporation may from time to time pay all or any part of outstanding Revolving Loans, including interest thereon upon one Business Day's notice to the Bank. The Corporation shall repay any outstanding Revolving Loans, including interest thereon, to the extent that the amount of outstanding Revolving Loans exceeds the DKB Commitment. Upon the payment of any Revolving Loan the Bank shall take such action as the Corporation shall reasonably request as may be necessary to allow the Bonds purchased by the Corporation with the proceeds of such Revolving Loan to be remarketed.

2.4. Commitment Fee and Reduction of Commitment. The Corporation agrees to pay to the Bank a commitment fee of 0.11% per annum on the daily Available DKB Commitment from the Closing Date to and including the Expiration Date, payable monthly in arrears on the last day of each month hereafter and on the Expiration Date. The Corporation may permanently reduce the DKB Commitment in whole, or in part in integral multiples of $5,000, upon at least three Business Days' written notice to the Bank, which shall specify the amount of any such reduction; provided, however, that the amount of the DKB Commitment may not be reduced below the outstanding principal amount of the Revolving Loans and the outstanding principal amount of Bonds not held by or on behalf of the Corporation. All accrued commitment fees shall be payable on the effective date of such reduction.

2.5. Method of Borrowing. Revolving Loans for the purpose of purchasing Bonds which have not been remarketed shall be available (except as set forth in the next succeeding sentence) only if the Bond Trustee's Agent or the Corporation gives telephonic notice to the Bank prior to 4:30 p.m. New York time on the Business Day immediately

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preceding the date of such Revolving Loan. In the case of Bonds with respect to which a deficiency in funds from remarketing exists or in the case of Bonds which bear interest at a Flexible Rate or to which a Daily Rate Period is applicable, Revolving Loans shall be available only if the Bond Trustee's Agent or the Corporation gives telephonic notice to the Bank requesting such Revolving Loan and the principal amount thereof prior to 1:30 p.m. New York time on the Borrowing Date. Any notice from the Bond Trustee's Agent in accordance with Sections 1203(e)(i)(A) and (B) and 1204(d)(i) of the Bond Indenture shall be deemed a request for a Revolving Loan. The Bank shall make funds available to the Bond Trustee's Agent not later than 3:00 p.m. New York time on each Borrowing Date. The Corporation hereby irrevocably appoints the Bond Trustee's Agent as the agent of the Corporation to request Revolving Loans hereunder. The Bank shall on the Closing Date and from time to time supply the Corporation, the Trustee and the Bond Trustee's Agent a list of Bank employees authorized to receive requests for Revolving Loans hereunder.

2.6. Minimum Amount of Each Revolving Loan. Each Revolving Loan shall be in the minimum amount of $5,000 (and in multiples of $5,000 if in excess thereof), provided, however, that any Revolving Loan may be in the aggregate amount of the Available DKB Commitment.

2.7. Method of Payment. All payments of principal and interest on the Revolving Loans and payments of fees described in Section 2.4 shall be made in immediately available funds to the Bank and all payments of principal and interest on the Term Loans and payments of fees described in Section 3.1.3 shall be made in immediately available funds to each Participant at its address set forth in Section 11 hereof. The Bank and each Participant are hereby authorized to charge any bank account of the Corporation maintained with the Bank or such Participant for each payment of principal, interest and fees as it becomes due the Bank or such Participant hereunder.

2.8. Loan Account; Telephonic Notices. The indebtedness of the Corporation to the Bank for Revolving Loans made hereunder shall be evidenced by a loan account ("Loan Account") maintained by the Bank on its books and records in accordance with its usual practices. The Bank is hereby authorized to debit the principal amount of each of its Revolving Loans and to credit each repayment thereof to the Loan Account; provided, however, that the failure to so record such obligations shall not affect the obligation of the Corporation to repay such amounts hereunder. The Corporation hereby authorizes the Bank to make Revolving Loans based on telephonic notices made by any person or persons the Bank in good faith believes to be acting on behalf of the Corporation, including, without limitation, the Bond Trustee's Agent. The Corporation agrees to deliver promptly to the Bank a written confirmation of each telephonic notice signed by an Authorized Officer. If the written confirmation differs in any material respect from the action taken by the Bank, the records of the Bank shall govern absent manifest error.

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2.9. Interest Payment Dates; Basis. Interest accrued on each Revolving Loan shall be payable on the last day of each month and on any date on which the Revolving Loan is prepaid, whether due to acceleration or otherwise. Interest and commitment fees shall be calculated for actual days elapsed on the basis of a 360-day year. Interest shall be payable for the day a Revolving Loan is made but not for the day of any payment on the amount paid if payment is received prior to noon (Chicago time) at the place of payment. If any payment of principal of or interest on a Revolving Loan shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest in connection with such payment. First Chicago shall promptly inform the Corporation, the Bank and each other Participant of the Transaction Loan Rate.

ARTICLE 3. PARTICIPANT PARTICIPATIONS AND LOANS.

3.1. Participations.

3.1.1. Obligation to Purchase Participations. (a) Subject to the terms and conditions of this Agreement, including satisfaction of the conditions set forth in Section 8.4 hereof, each Participant, severally and not jointly, agrees to purchase a participation from the Bank in its Revolving Loans made on each Borrowing Date in an amount equal to such Participant's Percentage of the principal amount of the Revolving Loan made by the Bank on such Borrowing Date pursuant to Section 2.1 hereof.

(b) The aggregate principal amount of Revolving Loans required to be purchased from the Bank by a Participant hereunder on any Borrowing Date shall not exceed the Unutilized Participant Commitment of such Participant on such Borrowing Date.

(c) Each request from the Bank to a Participant to purchase its Participant Percentage shall specify the principal amount to be purchased and the Borrowing Date and shall be delivered by the Bank to such Participant in the manner, at the time and with the notifications, certifications and showings required in Section 8.4 hereof.

(d) The obligation of the Participants to purchase Participations in Revolving Loans from the Bank under this Section 3.1.1 shall terminate on the Expiration Date.

3.1.2. Reduction of Participant Commitments. The Participant Commitment of each Participant shall be permanently reduced at each time that the DKB Commitment is permanently reduced pursuant to Section 2.4 hereof, by such Participant's Percentage of

the amount of such reduction in the DKB Commitment, and the Bank shall give prompt notice of each such reduction to all of the Participants, which notice shall specify the amount of each such reduction of each Participant Commitment.

3.1.3. Participant Commitment Fee. The Corporation shall pay to each Participant a commitment fee of 0.235% per annum (computed for actual days elapsed on the basis of a 360-day year) on the daily Unutilized Participant Commitment of such Participant from the Closing Date to and including the Expiration Date, payable in arrears on the last day of each calendar month and on the Expiration Date.

3.2. Obligation to Make Term Loans.

3.2.1. Participant Term Loans. Subject to the terms and conditions of this Agreement, including satisfaction of the conditions set forth in Section 8.5 hereof, each Participant, severally and not jointly, agrees to make a Term Loan to the Corporation on the Term Loan Closing Date in an amount requested by the Corporation which shall not exceed the amount of each Participant's Percentage of the DKB Commitment in effect on the Term Loan Closing Date. Term Loans may be used only to pay the principal amount of Revolving Loans outstanding on the Expiration Date and to redeem all Bonds (other than Bank Bonds) outstanding on the Expiration Date.

3.2.2. Repayment of Principal and Interest on Term Loans. Each Participant's Term Loan shall be repayable in twenty-eight equal quarterly installments, due and payable on the last day of each March, June, September and December of each year, the first such installment due on the first such date occurring after the Term Loan Closing Date. The Term Loans shall bear interest prior to maturity at the Corporate Base Rate, changing when and as the Corporate Base Rate changes and interest shall be payable in arrears at the time each quarterly installment is due. Each Term Loan shall bear interest after Default at the Corporate Base Rate plus 2%. Interest shall be calculated for actual days elapsed on the basis of a 360-day year. The Corporation may from time to time prepay all or any part of outstanding Term Loans, pro rata among the Participants, including interest thereon, upon one Business Day's notice to First Chicago, who will promptly inform the other Participants thereof. Such prepayments shall be applied to installments due on the Term Loans in the inverse order thereof. Any amounts paid or prepaid pursuant to this Section 3.2.2 are not available for reborrowing. If any payment of principal of or interest on a Term Loan shall become due on a day which is not a Business Day, such payment shall be due on the next succeeding Business Day and such extension of time shall be included in computing interest in connection with such payment.