RUSH UNIVERSITY MEDICAL CENTER REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

RUSH UNIVERSITY MEDICAL CENTER

This agreement was prepared by
and after recording return to:
Scott Fehlan and Adam Walker, Esqs.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

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Exhibit A-2	*Near West Redevelopment Area
Exhibit B-1	*Property within the Central West Redevelopment Area
Exhibit B-2	*Property outside of the Central West Redevelopment Area
Exhibit C	*TIF-Eligible Improvements
Exhibit D	Redevelopment Plan
Exhibit E	n/a
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Exhibit H-1	*Project Budget
Exhibit H-2	*MBE/WBE Budget
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Exhibit K	*Prior Obligations in Near West and Central West TIF Areas
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Exhibit N	*Public Benefits Program
Exhibit O	Form of Limited Subordination Agreement
Exhibit P	Form of Payment Bond

* indicates which exhibits are to be recorded

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This agreement was prepared by and
after recording return to:
Scott Fehlan and Adam Walker, Esqs.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

RUSH UNIVERSITY MEDICAL CENTER REDEVELOPMENT AGREEMENT

This Rush University Medical Center Redevelopment Agreement (this AAgreement”) is made as of this ______ day of ________, _________, by and between the City of Chicago, an Illinois municipal corporation (the ACity”), through its Department of Planning and Development ("DPD”) and Rush University Medical Center, an Illinois not-for-profit corporation (the ADeveloper”).

RECITALS

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the AState”), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the AAct”), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the ACity Council") originally adopted various ordinances on February 16, 2000 creating the Central West Tax Increment Redevelopment Project Area (the "Original Central West Redevelopment Project Area") and adopting tax increment allocation financing for said Area. The Original Central West Redevelopment Project Area was amended and expanded by the following ordinances, adopted March 12, 2008: (1) AAn Ordinance of the City of Chicago, Illinois Approving Amendment # 1 to the Redevelopment Plan for the Central West Redevelopment Project Area;" (2) AAn Ordinance of the City of Chicago, Illinois Designating the Expanded Central West Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act;" and (3) AAn Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for Amendment #1 to the Redevelopment Plan for the Central West Redevelopment Project Area" (the ACentral West TIF Adoption Ordinance") (all of the above collectively referred to herein as the ACentral West TIF Ordinances"). The redevelopment project area referred to above, as expanded (the ACentral West Redevelopment Area") is legally described in Exhibit A-1 hereto.

To induce redevelopment pursuant to the Act, the City Council originally adopted various ordinances on March 23, 1989 creating the Madison/Racine Tax Increment Redevelopment Project Area (the "Original Madison/Racine Redevelopment Project Area") and adopting tax increment allocation financing for said Area. The Original Madison/Racine Redevelopment Project Area was amended twice, and renamed, by ordinances adopted by the City Council on June 10, 1996 and June 6, 2001, (1) to approve a revised Tax Increment Redevelopment Plan for the renamed Near West Redevelopment Project Area, (2) to designate the Near West Redevelopment Project Area as a tax increment financing district, and (3) to adopt tax increment allocation financing for the Near West Redevelopment Project Area (the "Near West TIF Adoption Ordinance") (all of the above collectively referred to herein as the "Near West TIF Ordinances"). The redevelopment project area referred to above, as renamed (the "Near West Redevelopment Area") is legally described in Exhibit A-2 hereto.

D. The Project: The Developer owns certain property located within the Central West Redevelopment Area at 1725 West Harrison Street and other street addresses, legally described on Exhibit B-1 hereto, and owns other property located outside the Central West Redevelopment Area, generally described as the Orthopedic Ambulatory Building ("OAB"), legally described on Exhibit B-2 hereto, all in Chicago, Illinois 60612 (collectively, the AProperty").

Within the time frames set forth in Section 3.01 hereof, Developer shall complete construction and rehabilitation of (i) a new Orthopedic Ambulatory Building, (ii) a new Hospital Wing/East Tower, (iii) the renovation of three older hospital buildings and three medical professional office buildings, and (iv) the demolition of a super-block of other obsolescent hospital and teaching buildings (collectively, the AFacility") thereon. The Facility and related improvements (including but not limited to those TIF-Eligible Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the AProject." The Project enables the Developer to replace existing buildings with modern facilities to continue the Developer's historical purpose of providing medical care, research and education on the West Side of Chicago.

The portion of the Project to be completed on property located within the Redevelopment Area is referred to herein as the "TIF Project." The completion of the TIF Project would not reasonably be anticipated without the financing contemplated in this Agreement.

It is anticipated that the Project will be developed in four components that will overlap in

commencement and completion schedules, and some of which are under way as of the date of this Agreement:

OAB Component will consist of the construction of a 213,000 square foot Orthopedic Ambulatory Building, below grade loading dock, central utility plant and parking facility for employees;

New Hospital Component will consist of the construction of a new hospital and patient care tower, which will include a central sterilization department, the McCormick Center for Advanced Emergency Response, state of the art diagnostic imaging equipment for inpatient and outpatient care, 28 new operating rooms, 9 new intervention radiology suites, 6 EP suites, 123 related prep and recovery rooms, 72 neonatal suites, 10 labor and delivery suites and five floors of patient care rooms;

Renovation Component will consist of the renovation of the Atrium Building, the Jelke Building, the Kellogg Building and the Professional Office Building; and

Demolition Component will consist of the demolition of the Jones Building, the Senn Building, the Pavilion Building, the Murdoch Building, the Rawson Building, the Marshall Field IV Building, and the Human Resource Building.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Central West Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the ARedevelopment Plan") attached hereto as Exhibit D.

F. City Incremental Taxes: Pursuant to Section 5/11-74.4-8(b) of the Act and the respective TIF Adoption Ordinances, incremental ad valorem taxes which, pursuant to the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the respective TIF Funds established to pay Redevelopment Project Costs and obligations incurred in the payment thereof, may be used to pay all or a portion of the TIF-Eligible Improvements of the TIF Project. Such taxes collected from the Central West Redevelopment Area shall be known as the "Central West Incremental Taxes" and those collected from the Near West Redevelopment Area shall be known as the "Near West Incremental Taxes" (collectively, the Central West Incremental Taxes and Near West Incremental Taxes shall be known as "Incremental Taxes").

G. Transfer Rights: Pursuant to 65 ILCS 5/11-74.4-4(q) of the Act, the City can use Incremental Taxes from one redevelopment project area for eligible redevelopment project costs in another redevelopment project area that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area from which those Incremental Taxes are received (the "Transfer Rights"). The City, as more particularly hereinafter provided, shall exercise its Transfer Rights pursuant to the Act and, consistent with the Near West Redevelopment Plan, shall transfer Near West Incremental Taxes from the Near West Redevelopment Area into the Central West Redevelopment Project Area TIF Fund (as defined herein) in order to pay for a portion of the TIF-Eligible Improvements related to the TIF Project, to the extent and in the manner hereinafter provided.

H. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) the proceeds of the City Notes (defined below) and/or (ii) Available Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of TIF-Eligible Improvements pursuant to the terms and conditions of this Agreement and the City Notes.

The City understands that this Agreement will assist the Developer in overcoming the general difficulty that many not-for-profit healthcare enterprises have in accessing the capital markets at reasonable and affordable rates in order to sustain their physical plants.

In addition, the City may, in its discretion, issue tax increment allocation bonds (ATIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the ATIF Bond Ordinance") at a later date as described in Section 4.03(d) hereof, the proceeds of which (the ATIF Bond Proceeds") may be used to pay for the costs of the TIF-Eligible Improvements not previously paid for from Available Incremental Taxes (including any such payment made pursuant to any City Note provided to the Developer pursuant to this Agreement), to make payments of principal and interest on the City Notes, or in order to reimburse the City for the costs of TIF-Eligible Improvements.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS

The foregoing recitals are hereby incorporated into this agreement by reference.

SECTION 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

AAct" shall have the meaning set forth in the Recitals hereof.

AActual Residents of the City" shall mean persons domiciled within the City.

AAffiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

AAvailable Incremental Taxes" shall mean: (a) for each year beginning February 1, 2009 and continuing through December 31, 2013, 90% of the Near West Incremental Taxes collected in the previous calendar year, minus outstanding and committed obligations enumerated in Exhibit K hereto; and (b) for each year beginning February 1, 2009 and continuing through December 31, 2024, 55% of the Central West Incremental Taxes collected in the previous calendar year, minus outstanding and committed obligations enumerated in Exhibit K hereto.

"Bonds" shall have the meaning set forth for such term in Section 8.05 hereof.

"Bond Ordinance" shall mean the City ordinance authorizing the issuance of Bond.

"Certificate" shall mean, depending on the context, Certificate of Completion 1, Certificate of Completion 2, Certificate of Completion 3 or the Final Certificate of Completion.

"Certificate of Completion" shall have the meaning set forth in Section 7.01.

ACertificate of Expenditure” shall mean any Certificate of Expenditure referenced in the City Note pursuant to which the principal amount of the City Note will be established.

AChange Order” shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.03, Section 3.04 and Section 3.05, respectively.

ACity” shall have the meaning set forth in the Recitals hereof.

ACity Council” shall have the meaning set forth in the Recitals hereof.

ACity Funds” shall mean the funds described in Section 4.03(b).

ACity Note” shall mean, depending on the context, any one of or combination of Taxable City Notes or Tax-Exempt City Notes.

“City Note Interest Rate” shall mean, for each City Note at the time of its issuance, an annual rate equal to the median value of the 20 year AAA General Obligation Bond rate as published by Thomson Municipal Market Data for the 15 consecutive business days before the applicable City Note is issued plus a margin of 200 basis points, but in no event exceeding eight percent (8.0%) per annum based on a 360 day year of twelve 30 day months.

AClosing Date” shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

“Commissioner” shall mean the Commissioner of DPD.

“Component(s)” shall mean, depending on the context, any one or combination of the OAB Component, the New Hospital Component, the Renovation Component or the Demolition Component.

ACorporation Counsel” shall mean the City's Office of Corporation Counsel.

“Days Cash on Hand” shall mean, for the period tested, the aggregate amount of unrestricted and unencumbered (i) cash, (ii) cash equivalents, (iii) marketable debt and equity securities included in current assets and investments, divided by the quotient of (x) operating expenses less depreciation and amortization divided by (y) the number of calendar days in the period. Notwithstanding any of the foregoing to the contrary, Days Cash on Hand shall not include (A) self-insurance trust assets, (B) proceeds of any short-term borrowings including, without limitation, internal affiliate loans and draws on lines of credit regardless of the maturity date of the line of credit, (C) proceeds of accounts receivable financing or factoring, (D) proceeds of put debt not supported by a liquidity facility with term-out features, (E) investments limited as to use for donor purposes, (F) interest in collateral pools, (G) investments donor-restricted for capital purposes, or (H) any collateral required under an Interest Rate Agreement that has been posted. The Group Representative agrees to disclose that portion of unrestricted cash which consists of the Specific Purpose Fund Balance in its Covenant Compliance Certificates. Days Cash on Hand shall be calculated separately for only the Obligated Group and for the Obligated Group and all entities included on the consolidated financial statements of the Obligated Group, regardless of whether such entities are Members of the Obligated Group. Unless otherwise defined in this Agreement, capitalized terms used in the

foregoing definition of Days Cash on Hand shall have the meanings given such terms in the Master Indenture.

ADebt Financing” shall mean funds borrowed by the Developer and available to be drawn upon by the Developer as needed to pay for Costs of the Project, in the amount set forth in Exhibit H-1 hereof.

“Demolition Component” shall have the meaning set forth in the Recitals hereof.

AEmployer(s)” shall have the meaning set forth in Section 10 hereof.

AEnvironmental Laws” shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called ASuperfund” or ASuperlien” law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago.

AEquity” shall mean funds of the Developer (other than funds derived from Debt Financing) available for the Project, in the amount set forth in Exhibit H-1 hereof, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b).

AEvent of Default” shall have the meaning set forth in Section 15 hereof.

AFacility” shall have the meaning set forth in the Recitals hereof.

“Final Certificate of Completion” shall have the meaning set forth in Section 7.01.

AFinancial Statements” shall mean complete audited financial statements of the Developer prepared by a certified public accountant in accordance with accounting principles generally accepted in the United States and consistently applied throughout the appropriate periods.

“Full-Time Equivalent Employee” or “FTE” shall mean an employee of the Developer (or, with respect to job shares or similar work arrangements, including employees employed part time (employed at least 20 hours per week) or full-time, such employees taken collectively) who is employed at least 40 hours per week at the Project and is employed by the Developer in a non-temporary position during the applicable month, excluding persons engaged as or employed by independent contractors, third party service providers or consultants.

AGeneral Contractor” shall mean the Developer.

AHazardous Materials” shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include,

but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

AHuman Rights Ordinance” shall have the meaning set forth in Section 10 hereof.

AIncremental Taxes” shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

AIndemnitees” shall have the meaning set forth in Section 13.01 hereof.

“Jobs Covenant” shall have the meaning given such term in Section 8.06.

“LEED Certification” shall mean the applicable Certification, under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System maintained by the U.S. Green Building Council, for each of the OAB Component, the New Hospital Component and the Renovation Component.

ALetter of Credit” shall mean the initial irrevocable, standby transferable Letter of Credit naming the City as the sole beneficiary in the amount specified in Section 8.20 and delivered to the City pursuant to Section 8.20 hereof, and, unless the context or use indicates another or different meaning or intent, any substitute Letter of Credit delivered to the City, in form and substance satisfactory to the City in its sole and absolute discretion, and any extensions thereof.

“Master Indenture” shall mean that certain Amended and Restated Master Trust Indenture dated as of August 1, 2006, as amended and supplemented, among the Developer, Rush North Shore Medical Center, Rush-Copley Medical Center, Inc., Copley Memorial Hospital, Inc., Rush-Copley Foundation, Copley Ventures, Inc., Rush-Copley Medical Group NFP and Wells Fargo Bank, National Association, as Master Trustee.

AMBE(s)” shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

AMBE/WBE Budget” shall mean the budget attached hereto as Exhibit H-2, as described in Section 10.03.

AMunicipal Code” shall mean the Municipal Code of the City of Chicago.

“New Hospital Component” shall have the meaning set forth in the Recitals hereof.

ANon-Governmental Charges” shall mean all non-governmental charges, liens, claims, or encumbrances relating to the Developer, the Property or the Project.

“OAB Component” shall have the meaning set forth in the Recitals hereof.

APermitted Liens” shall mean those liens and running covenants against the Property and/or the Project set forth on Exhibit G hereto.

APlans and Specifications" shall mean construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

APrior Expenditure(s)" shall have the meaning set forth in Section 4.05(a) hereof.

AProject" shall have the meaning set forth in the Recitals hereof.

AProject Budget" shall mean the budget attached hereto as Exhibit H-1, showing the total cost of the Project by line item, furnished by the Developer to DPD, in accordance with Section 3.03 hereof.

AProperty" shall have the meaning set forth in the Recitals hereof.

ARedevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Central West Redevelopment Plan or otherwise referenced in the Central West Redevelopment Plan.

ARequisition Form" shall mean the document, in the form attached hereto as Exhibit L, to be delivered by the Developer to DPD pursuant to Section 4.04 of this Agreement.

AScope Drawings" shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

ASurvey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Debt Financing).

"Taxable City Note" shall mean any or all of the taxable City of Chicago Tax Increment Allocation Revenue Notes, Central West Redevelopment Project Area (Rush University Medical Center Project), Taxable Series ____, to be in the form attached hereto as Exhibit M-1 in the aggregate face amount, and evidencing up to a maximum principal amount, as set forth in Section 4.03(c) hereof. Each Taxable City Note shall bear interest at the City Note Interest Rate and shall have other features as set forth in Section 4.03(c) hereof and in the note itself.

"Tax-Exempt City Note" shall mean any or all of the tax-exempt City of Chicago Tax Increment Allocation Revenue Notes, Central West Redevelopment Project Area (Rush University Medical Center Project), Tax-Exempt Series _____, to be in the form attached hereto as Exhibit M-2 in the aggregate face amount, and evidencing up to a maximum principal amount, as set forth in Section 4.03(e) hereof. Each Tax-Exempt City Note shall bear interest at the City Note Interest Rate and shall have other features as set forth in Section 4.03(e) hereof and in the note itself.

ATerm of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the date on which the Central West Redevelopment Area is no longer in effect (through and including December 31, 2024).

ATIF Bonds" shall have the meaning set forth in the Recitals hereof.

ATIF Bond Ordinance" shall have the meaning set forth in the Recitals hereof.

ATIF-Eligible Improvements" shall mean those improvements of the TIF Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Central West Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Eligible Improvements for the TIF Project.

"TIF Project" shall have the meaning set forth in the Recitals hereof.

ATitle Company" shall mean Chicago Title Insurance Company.

ATitle Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement against the Property, and, if required by this Agreement in the reasonable discretion of DPD, a limited subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Debt Financing, if any, issued by the Title Company.

AWARN Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

AWBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) to the extent construction has not already commenced as of the date of this Agreement, commence construction no later than 180 days after City Council has approved this Agreement; and (ii) complete construction and conduct business operations therein no later than December 31, 2016.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to DPD and DPD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications that propose a material change to the Project shall be submitted to DPD as a Change Order pursuant to Section 3.04 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 Project Budget. The Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than $900,701,000 and total costs for the TIF Project in an amount not less than $731,449,000. The Developer hereby certifies to

the City that (a) the City Funds, together with Debt Financing and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project. The Developer hereby certifies to the City that:

(a) as of the Closing Date, it has Debt Financing and Equity in an amount sufficient to pay for $360,281,000 of Project costs, which equals 40% of all Project costs;

(b) it currently anticipates having Debt Financing and Equity in an amount sufficient to pay for the remaining $540,420,000 of Project costs, which equals 60% of all Project costs by December 31, 2010, and on such date shall provide DPD a letter certifying to the City the sufficiency of the amounts of Debt Financing and Equity it then has on hand for the remainder of that percentage of all Project costs; and

(c) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. All Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to a material change to the Project must be submitted by the Developer to DPD for DPD's prior written approval. As used in the preceding sentence and in Section 3.02 hereof, a "material change to the Project" means (a) a reduction in the gross or net square footage of the Facility or any Component by more than 5%; (b) a change in the use of the Property to a use other than as described in Recital D to this Agreement; (c) a delay in the completion of the Project by more than six months (e.g., past June 30, 2017); (d) changes to the environmental features of the Facility including the green roof required under the Planned Development and Section 8.23; (e) a reconfiguration of the Project causing the usable square footages of any Component or of the Project to vary by more than 5 percent from the program as described in Recital D to this Agreement; (f) Change Orders that, in the aggregate, increase by more than 5% the Project Budget or the Project Budget for any Component; (g) proposed changes to the Scope Drawings or Plans and Specifications pursuant to Section 3.02 or (h) any changes to the exterior finish materials used in the Project. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval (to the extent required in this section). Each contract between the General Contractor and any subcontractor shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

3.05 DPD Approval. Any approval granted by DPD of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by DPD pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

3.06 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. For any portion of the Project on which construction has commenced as of the date of this Agreement, the Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the contractor's and each subcontractor's bonding as

required hereunder for such component. For any portion of the Project on which construction has not commenced as of the date of this Agreement, the Developer shall not commence construction of such component of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the contractor's and each subcontractor's bonding as required hereunder for such component.

3.07 Progress Reports and Survey Updates. The Developer shall provide DPD with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date of the Project by more than six months being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). The Developer must deliver to the City within 120 days after the end of each Fiscal Year and within 60 days after the end of the first six months of each Fiscal Year, a certificate demonstrating that Days Cash on Hand as of the last day of such six-month period or Fiscal Year, as the case may be, was sufficient to meet the requirements of Section 8.02 hereof. The Developer shall provide three (3) copies of an updated Survey to DPD upon the request of DPD or any lender providing Debt Financing, reflecting improvements made to the Property.

3.08 Inspecting Agent or Architect. Developer's architect, Perkins & Will, or, in the sole discretion of the City, an independent agent or architect (other than the Developer's architect) approved by DPD, shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project hereunder.

3.09 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. DPD retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided the Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.12 Permit Fees. In connection with the Project, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The estimated total cost of the Project, set

forth in Exhibit H-1, shall be equal to or greater than $900,701,000 and shall be applied in the manner set forth in the Project Budget. Such costs shall be funded solely from Equity and/or Debt Financing.

4.02 Developer Funds. Equity and/or Debt Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project Costs and costs of TIF-Eligible Improvements.

4.03 City Funds.

(a) Uses of City Funds. City Funds (as defined below) may only be used to reimburse the Developer for costs of TIF-Eligible Improvements, expended in connection with the Renovation and Demolition Components only, that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Eligible Improvements for the Renovation and Demolition Components of the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall not be paid to the Developer hereunder prior to the issuance of a Certificate, and then only as set forth in Section 7 of this Agreement for the relevant Certificate.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to (i) pay City Funds directly to the Developer at the time of issuance of each Taxable City Note, and (ii) issue not to exceed four Taxable City Notes to the Developer, each of which, once issued, may be redeemed, retired and reissued if the Developer makes timely requests therefor, for a corresponding Tax-Exempt City Note. Each direct payment of City Funds, and each Taxable City Note, shall be issued simultaneous with the issuance by the City of its corresponding Certificate pursuant to Section 7 hereof.

Subject to the terms and conditions of this Agreement, the City shall provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay principal of and interest on the issued Taxable City Notes to reimburse the Developer:

Source of City Funds	Maximum Amount
Available Incremental Taxes	the lesser of: (i) $75,000,000 if the total cost of the Project equals or exceeds $900,701,000, plus interest that accrues on the City Notes, or (ii) 100% of TIF-Eligible Improvements, plus interest that accrues on the City Notes

(c) Amount of Principal of Each Taxable City Note; Interest Thereon. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City shall set the principal balance of each Taxable City Note at its issuance as indicated on the following schedule:

City Note:	Maximum Amount:
Note 1	the lesser of (i) $30,000,000 or (ii) all TIF-Eligible Improvements acknowledged in Certificate of Completion 1 to have been completed and paid for,

	less the amount of any direct payment of City Funds being made at the same time
Note 2	the lesser of (i) $22,500,000 or (ii) all of the new (not accounted for in Certificate 1) TIF-Eligible Improvements acknowledged in Certificate of Completion 2 to have been completed and paid for, less the amount of any direct payment of City Funds being made at the same time
Note 3	the lesser of (i) $15,000,000 or (ii) all of the new (not accounted for in Certificates 1 or 2) TIF-Eligible Improvements acknowledged in Certificate of Completion 3 to have been completed and paid for, less the amount of any direct payment of City Funds being made at the same time
Note 4	the lesser of (i) all of the new (not accounted for in Certificates 1, 2 or 3) TIF-Eligible Improvements acknowledged in the Final Certificate of Completion to have been completed and paid for, less the amount of any direct payment of City Funds being made at the same time, or (ii) that portion of the Maximum Amount that remains after subtracting out the issuance values of Notes 1, 2 and 3

provided, however, that the principal amount of any one or more of the Taxable City Notes (and, therefore, the Maximum Amount of City Funds) shall be **permanently reduced** by an aggregate amount not to exceed $5,000,000 in the sole discretion of DPD if the Developer fails to achieve LEED Certification as set forth in Section 7.01(a) herein; and provided further, however, that adjustments shall be made, in the discretion of the Commissioner of DPD, to the amounts evidenced by the various Taxable City Notes, but in no event shall the aggregate amount of the Taxable City Notes exceed the total Maximum Amount for all Taxable City Notes referred to above, if the City determines that material changes have occurred from the assumptions agreed upon regarding such things as the size and scope of each Component of the Project.

Prior to the issuance of a Final Certificate of Completion, or upon the City determining that it is not obligated to issue any additional Taxable City Note(s) because of the Developer's failed performance or uncured default under this Agreement, the City shall review with the Developer its determination as to the reductions, if any, that are to be made to the Taxable City Notes.

The interest rate for each Taxable City Note shall be set at the time of its issuance. The annual interest rate for each Taxable City Note shall be equivalent to the median value of the AAA 20-year G.O. Bond rate as published by Thomson Municipal Market Data for the 15 consecutive business days before the Note is issued, plus a margin of 200 basis points, but shall not exceed 8.0% per annum based on a 360 day year. Once the payment obligation commences pursuant to Section 4.03(f) hereof with respect to a Taxable City Note, any interest that has accrued thereunder and remains unpaid following a scheduled payment date shall accrue interest per annum at the scheduled interest rate, but such interest on interest shall not be deemed to increase the principal of any Taxable City Note.

If the City mistakenly or otherwise issues a Taxable City Note that exceeds the City's maximum issuance obligation under this Section 4.03(c), the City shall have the right to take such actions as may be necessary to correct such mistake or to adjust the obligation, including, without limitation, recomputing, reducing and recovering any interest accruals or payments previously made under the erroneous or unadjusted Taxable City Note, and issuing a corrected or adjusted Taxable City Note and canceling or withdrawing the erroneous or previously unadjusted Taxable City Note.

(d) Direct Payments in Connection with Issuance of Certificates of Completion. Within 30 days after the date that each Certificate of Completion is issued by the City, the City shall directly pay Developer (the "Certificate Issuance Direct Payment") all Available Incremental Taxes (but only for TIF-Eligible Improvements), subject to the following priority on the Available Incremental Taxes at that time:

> First, to pay the amount then due to be paid (pursuant to Section 4.03(g) hereof) on any Tax-Exempt City Note then outstanding and payable, if any, in the order of issuance of said Tax-Exempt City Note(s);
>
> Second, to pay the amount then due to be paid (pursuant to Section 4.03(f) hereof) on any Taxable City Note then outstanding and payable, if any, in the order of issuance of said Taxable City Note(s);
>
> Third, the remainder, if any, to make a Day 540 Direct Payment (pursuant to Section 4.03(e) hereof) to Developer in connection with any Taxable City Note then outstanding, if any;
>
> Fourth, the remainder, if any, to make the Certificate Issuance Direct Payment then due.

(e) Direct Payments in Connection with Day 540. Within 30 days after the date that is 540 days after the date of issuance of each Certificate of Completion ("Day 540"), the City shall directly pay Developer (the "Day 540 Direct Payment") all Available Incremental Taxes (but only for TIF-Eligible Improvements), subject to the same priority on the Available Incremental Taxes at that time as is set forth in Section 4.03(d) hereof.

(f) Payments on Taxable City Notes. For the first 540 days following its issuance, there shall be no payment obligation on a Taxable City Note. Interest shall accrue on each such Taxable City Note during its non-payment period, but shall not accrue interest on interest during such period.

For each Taxable City Note, if the Developer has not requested the City to refund it and issue a Tax-Exempt City Note in its stead as set forth in Section 4.03(g) hereof, then on or about Day 540 for that Note the City shall set up an amortizing debt service schedule for said Note that takes into account the Day 540 Direct Payment amount then paid or set to be paid, with a first payment due not earlier than 12 months after Day 540. Payments by the City of City Funds on each Taxable City Note (made pursuant to a Requisition Form) shall be made once annually, pursuant to the Note's debt service schedule, subject at each payment date to the same priority on the Available Incremental Taxes at that time as is set forth in Section 4.03(d) hereof, until such Note is fully paid, subject to the terms, conditions and limitations with respect thereto contained in the Taxable City Note and in this Agreement.

(g) Refunding of Taxable City Notes; Issuance of Tax-Exempt City Notes. For each Taxable City Note issued, the Developer may make a written request, **not less than 60 days before Day 540 for said Note**, that the City refund such Note and issue in its stead a Tax-Exempt City Note. The principal amount at issuance of each such Tax-Exempt City Note shall be the lesser of: (A) one-third (1/3) of the maximum TIF-Eligible Improvements amount allowed under Section 7.01 (e.g., 1/3 of $30,000,000 for Note 1, etc.), or (B) the total amount of principal and interest accrued as of Day 540 on the Taxable City Note that shall be retired, less the amount of Day 540 Direct Payment paid or set to be paid. If the principal amount of a given Tax-Exempt City Note at issuance does not equal the amount set forth in (B) of this sub-section, above, then any balance remaining shall continue to be carried on the Taxable City Note and a debt service schedule shall be established for said balance.

The annual interest rate for each Tax-Exempt City Note shall be equivalent to the median value of the AAA 20-year G.O. Bond rate as published by Thomson Municipal Market Data for the 15 consecutive business days before the Note is issued, plus a margin of 200 basis points, but shall not exceed 8.0% per annum based on a 360 day year of twelve 30 day months. The Chief Financial Officer of the City, or his or her designee, shall determine the debt service schedule, payment date, payment frequency, redemption, credit enhancement, refunding and other relevant terms for each Tax-Exempt City Note. Payments by the City of City Funds on each issued and outstanding Tax-Exempt City Note shall be made once annually, pursuant to the Note's debt service schedule, subject at each payment date to the same priority on the Available Incremental Taxes at that time as is set forth in Section 4.03(d) hereof, until such Note is fully paid, subject to the terms, conditions and limitations with respect thereto contained in the Tax-Exempt City Note and in this Agreement.

(h) Unavailability of City Funds. The City is not obligated to pay principal of or interest on the Taxable City Notes or the Tax-Exempt City Notes in any year in which there are no City Funds. If, at the end of the Term of the Agreement, any outstanding unpaid principal amount of and/or interest on the City Notes exists (the "Outstanding Amount"), the Outstanding Amount shall be forgiven in full by the Developer, and the City shall have no obligation to pay the Outstanding Amount after the end of the Term of the Agreement.

4.04 Requisition Form. After the Closing Date hereof and throughout the earlier of (i) the Term of the Agreement or (ii) the date that the City Notes have been paid in full under this Agreement, the Developer shall provide DPD with Requisition Forms, along with the documentation described therein, in order to request payments under each City Note. Such Requisition Form(s) shall contain as part thereof certifications as to continuing operations and compliance generally with this Agreement. Requisition Forms shall not be submitted more than once per calendar year (or as otherwise permitted by DPD) per Note. The Developer shall meet with DPD at the request of DPD to discuss any Requisition Form(s) delivered to DPD.

4.05 Treatment of Prior Expenditures .

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Debt Financing hereunder (the "Prior Expenditures"). Exhibit I hereto sets forth the prior expenditures approved by DPD as of the Closing Date as Prior Expenditures. Prior Expenditures made for items other than TIF-Eligible Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Debt Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) Allocation Among Line Items. The Developer may allocate or transfer its disbursements for expenditures related to TIF-Eligible Improvements among other TIF-Eligible Improvements.

4.06 Cost Overruns . If the aggregate cost of the TIF-Eligible Improvements exceeds City Funds available pursuant to Section 4.03 hereof, or if the cost of completing the Project exceeds the Project Budget, the Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Eligible Improvements in excess of City Funds and of completing the Project.

4.07 Conditional Grant . The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in Section 4.03 hereof.

4.08 Cost of Issuance. The Developer shall be responsible for paying all costs relating to the issuance of the Taxable City Notes and the Tax-Exempt City Notes, including costs relating to the opinion described in Section 5.09(b) hereof.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

5.01 Project Budget. The Developer has submitted to DPD, and DPD has approved, a Project Budget in accordance with the provisions of Section 3.03 hereof.

5.02 Scope Drawings and Plans and Specifications. The Developer has submitted to DPD, and DPD has approved, the Scope Drawings and Plans and Specifications accordance with the provisions of Section 3.02 hereof.

5.03 Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to DPD.

5.04 Financing. The Developer has furnished a long term financial plan reasonably acceptable to the City that the Developer has the financial resources in the amounts set forth in Exhibit H-1 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Debt Financing, the Developer has furnished proof as of the Closing Date or will furnish proof at the subsequent closing of the Debt Financing, as applicable, that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity and other sources set forth in Exhibit H-1) to complete the construction work contemplated in order to obtain the next Certificate. If required by this Agreement in the reasonable discretion of DPD, any liens against the Property in existence at the Closing Date have been subordinated to certain running covenants of the City set forth herein pursuant to a Limited Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. The Developer has provided to DPD, on or prior to the Closing Date, certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the Developer's name (and the following trade names of the Developer: Rush Presbyterian St. Luke's Medical Center and Rush Children's Services) as follows:

Secretary of State	UCC search
Secretary of State	Federal tax search
Cook County Recorder	UCC search
Cook County Recorder	Fixtures search
Cook County Recorder	Federal tax search
Cook County Recorder	State tax search
Cook County Recorder	Memoranda of judgments search
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook	Pending suits and judgments

showing no liens against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.07 Surveys. The Developer has furnished the City with three (3) copies of the Survey.

5.08 Insurance. The Developer, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to DPD.

5.09 Opinion of the Developer's Counsel. (a) On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by the Developer from its general corporate counsel.

(b) On the Closing Date, the City has received from Foley and Lardner, bond counsel, an opinion regarding the tax-exempt status and enforceability of the City Note, in form and substance acceptable to Corporation Counsel.

5.10 Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements. The Developer has provided the most recently audited Financial Statements to DPD for its most recent audited fiscal year, and unaudited financial statements as may be available for such period subsequent to such audit.

5.12 Documentation. The Developer has provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters.

5.13 Environmental. The Developer has provided DPD with copies of that certain phase I environmental audit completed with respect to the Property and any phase II environmental audit with respect to the Property required by the City. The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. The Developer has provided a copy of its Articles or Certificate of Incorporation containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws of the corporation; and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 Litigation. The Developer has provided to Corporation Counsel and DPD, a description of all pending or threatened litigation or administrative proceedings involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for Contractors and Subcontractors. (a) The parties agree that the Developer is its own General Contractor. Except as set forth in Section 6.01(b) below, prior to entering into an agreement with a contractor or any subcontractor for construction of the Project, the Developer shall solicit bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval. (i) For the TIF-Eligible Improvements, the Developer shall select the contractor (or shall cause the contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If the Developer selects a contractor (or the contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Eligible Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Eligible Improvements, if the Developer selects a contractor (or the contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. Photocopies of all contracts and subcontracts entered or to be entered into in connection with the TIF-Eligible Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that each contractor shall not (and shall cause the contractor to ensure that the subcontractors shall not) begin work on the Project until all requisite permits necessary to date have been obtained. In the event Developer selects a qualified MBE/WBE vendor, such selection shall be deemed to represent the lowest responsible bid irrespective of other bids.

(b) If the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 10% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

6.02 Construction Contracts. Prior to the execution thereof, the Developer shall deliver to DPD a copy of each proposed contract with each contractor selected to handle the Project in accordance with Section 6.01 above. Within ten (10) business days after execution of such contract by the Developer and any other parties thereto, the Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 Performance and Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer either (a) shall require that the applicable contractors be bonded for payment by sureties having an AA rating or better using bonds in the form attached as Exhibit P hereto and naming the City as obligee or co-obligee on any such bonds or (b) shall deliver to the City one or more letters of credit that comply with the Chicago Department of Transportation Regulations for Openings, Construction and Repair in the Public Way or similar regulations or requirements as in effect at the time the work is performed.

6.04 Employment Opportunity. The Developer shall contractually obligate and cause each contractor and each subcontractor to agree to the provisions of Section 10 hereof.

6.05 Other Provisions. In addition to the requirements of this Section 6, each contract with any contractor or subcontractor shall contain provisions required pursuant to Section 3.04 (Change

Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement) Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Eligible Improvements shall be provided to DPD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificates. Upon completion of the construction of sufficient portions of the Project and the payment of sufficient portions of the costs of TIF-Eligible Improvements in accordance with the terms of this Agreement, and upon the Developer's written request, DPD shall issue to the Developer the applicable Certificate set forth below, each in recordable form (a "Certificate of Completion"). No Certificate shall be issued unless DPD is satisfied that the Developer has fulfilled all of the following obligations that pertain to the Certificate being requested:

(a) General Conditions applicable to each Certificate

(i) The City's Monitoring and Compliance Unit has verified that, at the time the Certificate is issued, the Developer is in full compliance as determined on a Project-wide basis, with City requirements set forth in **Section 10.01**, **Section 10.03** (M/WBE) and **Section 8.09** (Prevailing Wage) with respect to construction of the Project, and that 100% of the Developer's MBE/WBE Commitment in **Section 10.03** has been fulfilled.

(ii) The Developer has registered the Project for, and is in the process of, receiving a LEED Certification with respect to each Component that is at or near completion; provided, however, that if the City determines prior to issuing the Certificate that the Component is unlikely to achieve a LEED Certification, then the total amount of City Funds shall be reduced by no more than $5,000,000 after giving effect to any reductions in connection with the issuance of previous Certificates, as described in **Section 4.03(b)**;

(iii) The Developer has shown that it will be in compliance with the City's environmental requirements with respect to items such as the provision of green roofs as provided in **Section 8.23** and the Planned Development at the time of issuance of the Certificate.

(iv) The Developer has submitted to DPD adequate documentation of Project Costs it has expended with respect to that Certificate.

(v) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

(vi) The inspecting agent of the Developer has certified that all construction work claimed for that Certificate has been completed in accordance with the Plans and Specifications and the Planned Development.

(vii) If a Component is ready to be placed into service, the Developer has received any facility-specific approvals or permits required by the Center for Medicare and Medicaid Services, the Joint Commission, or Illinois Health Facilities Planning Board necessary thereto.

(viii) With respect to any Component that has not been completed, the Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Debt Financing in the amounts set forth in Exhibit H-1 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Debt Financing, the Developer has furnished proof or will furnish proof at the subsequent closing of the Debt Financing, as applicable, that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity and other sources set forth in Exhibit H-1) to complete the construction work contemplated in order to obtain the next Certificate.

(b) Conditions applicable to Certificate of Completion 1

(i) The Developer has incurred and paid for at least $360,281,000 in Project expenses;

(ii) The Developer has incurred and paid for at least $30,000,000 in TIF-Eligible Improvements (for work associated with the Renovation and/or Demolition Components); and

(iii) The Developer has completed all of the OAB Component, including the Orthopedic Ambulatory Building, Below-Grade Loading Dock, Central Utility Plant and parking facility for employees.

(c) Conditions applicable to Certificate of Completion 2

(i) The Developer has incurred and paid for a total of at least $630,492,000 in Project expenses;

(ii) The Developer has incurred and paid for a total of at least $52,500,000 in TIF-Eligible Improvements (for work associated with the Renovation and/or Demolition Components);

(iii) The Developer has substantially completed the New Hospital Component, with substantial completion defined as the exterior of all buildings of the Component is complete and substantial progress is being made on the completion of the interior rooms and the installation of medical equipment;

(iv) The City's Monitoring and Compliance Unit has verified that, at the time the Certificate is issued, the Developer has fulfilled the City Residency requirement described in **Section 10.02** for the construction work reflected in **Section 7.01(c)(i)** above; provided, however, that compliance shall be measured as if, for purposes of this **Section 7.01 (c)(iv)** only, the phrase "50 percent of the total worker hours" in **Section 10.02** is replaced by the phrase "40 percent of the total worker hours"; and

(v) The Developer has received Certificate of Completion 1.

(d) Conditions applicable to Certificate of Completion 3

(i) The Developer has incurred and paid for a total of at least $810,632,000 in Project expenses;

(ii) The Developer has incurred and paid for a total of at least $67,500,000 in TIF-Eligible Improvements (for work associated with the Renovation and/or Demolition Components);

(iii) The Developer has substantially completed the Renovation Component; and

(iv) The Developer has received Certificates of Completion 1 and 2.

(e) Conditions applicable to Final Certificate of Completion.

(i) The Developer has completed the Project;

(ii) The Developer has incurred and paid for a total of at least $900,701,000 in Project expenses;

(iii) The Developer has incurred and paid for a total of at least $75,000,000 in TIF-Eligible Improvements;

(iv) The Developer has satisfied the City's other environmental requirements with respect to items such as the provision of green roofs and LEED Certification, as required under the Planned Development and Section 8.23;

(v) The City's Monitoring and Compliance Unit has verified that, at the time the Certificate is issued, the Developer has fulfilled the City Residency requirement described in **Section 10.02** for the Project; provided, however, that any liquidated damages paid under **Section 7.01(c)(iv)** hereof shall be taken into account when calculating liquidated damages under this **Section 7.01(e)(v)**; and

(vi) The Developer has received Certificates of Completion 1, 2 and 3.

7.02 Effect of Issuance of Certificate; Continuing Obligations. Each Certificate relates only to the rehabilitation, demolition and TIF-Eligible Improvement expenditures of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.02, 8.03, 8.06, 8.19 and 8.23 are covenants that run with the land and, subject to Section 16(d), are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the

issuance of a Certificate; provided, that upon the issuance of the Final Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

(a) the right to terminate this Agreement, cease all disbursement of cash assistance not yet disbursed pursuant hereto, cease all disbursement of City Funds not yet disbursed under the taxable City Notes, decline to issue any further City Notes and draw down the entire amount of the Letter of Credit;

(b) the right (but not the obligation) to complete those TIF-Eligible Improvements that are public improvements and to pay for the costs of TIF-Eligible Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the TIF-Eligible Improvements exceeds the amount of City Funds available pursuant to Section 4.01, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Eligible Improvements in excess of the available City Funds;

(c) the right to seek reimbursement of the City Funds from the Developer, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax-exempt status of the tax-exempt City Notes; and

(d) provided, however, that the City's right to seek reimbursement or recovery of City Funds for a failure to complete the Project in accordance with the terms of this Agreement shall be limited to an amount equal to the amount of City Funds advanced to the date of such default or payments made on City Notes to such date times the ratio of (i) the total Project Budget minus the amount thereof expended to such date by Developer, divided by (ii) the total Project Budget.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, DPD shall provide the Developer, at the Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired.

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.

8.01 General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

(a) the Developer is an Illinois not-for-profit corporation duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) the Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate action, and does not and will not violate its Articles of Incorporation or by-laws as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Debt Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof);

(e) the Developer is now and for the Term of the Agreement shall remain solvent and able to pay its debts as they mature;

(f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Developer which would impair its ability to perform under this Agreement;

(g) the Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

(h) the Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound;

(i) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of the Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the Developer since the date of the Developer's most recent Financial Statements;

(j) Except as may be permitted under the Master Indenture, during the Term of the Agreement, the Developer shall not do any of the following without the prior written consent of DPD: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, convert to a non-hospital use or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto); (3) lease any portion of the Property for which the Developer has received City Funds except that Developer may lease space in the Professional Office Building included in the Renovation Component to physicians who are faculty members of Rush and who are members of the medical staff of Developer; provided that any costs related to building out space leased to such physician tenants shall not constitute a TIF-Eligible Improvement; (4) except for a transaction permitted under the Master Indenture, enter into any transaction outside the ordinary course of the Developer's business which would impair Developer’s ability to perform under this Agreement; (5) except for a transaction permitted under the Master Indenture, assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity which would impair Developer’s ability to perform under this Agreement; or (6) except for a transaction permitted under the Master Indenture,

enter into any transaction that would cause a material and detrimental change to the Developer's financial condition;

(k) Except as may be permitted under the Master Indenture, the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Debt Financing disclosed in the Project Budget; and

(l) has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency (ACity Contract") as an inducement for the City to enter into the Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City; and

(m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term Aaffiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Bond Ordinance, the TIF Bond Ordinance, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and, subject to Section 16(d), shall be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of the Final Certificate with respect thereto.

8.03 Redevelopment Plan. The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan. The covenants set forth in this Section shall run with the land and, subject to Section 16(d), shall be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of the Final Certificate with respect thereto.

8.04 Use of City Funds. City Funds disbursed to the Developer shall be used by the Developer solely to pay for (or to reimburse the Developer for its payment for) the TIF-Eligible Improvements as provided in this Agreement.

8.05 Other Bonds. The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Eligible Improvements (the ABonds"); provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

8.06 Job Creation and Retention; Operating Covenants. The covenants set forth in this Section shall run with the land and, subject to Section 16(d), shall be binding upon any transferee.

(a) Jobs Covenant. The Developer shall adhere to the following job creation and retention standards throughout the Term of the Agreement (collectively the "**Jobs Covenant**"):

(i) increase campus-wide employment from 7,600 FTE positions to 7,900 FTE positions through the hiring of non-temporary employees who are City residents at the Project, with such increase to be measured upon the completion of the New Hospital Component and continuing throughout the Term of the Agreement;

(ii) provide a total of 300 FTE construction jobs over the Project's construction period;

(iii) hold annual job fairs in partnership with the Mayor's Office of Workforce Development ("MOWD"), Malcolm X College ("MXC"), Trinal, Inc., or a comparable workforce diversity consultant selected by the Developer in consultation with the City; and

(iv) hire an annual minimum of 80 new or replacement FTE positions filled by City residents identified through the job fairs or other arrangements described in Section 8.06(a)(iii) above, with credit carried forward for hires in excess of 80 FTE positions in any given year.

Beginning June 30, 2008 and each six months thereafter throughout the Term of the Agreement, the Developer shall submit semi-annual certified employment reports disclosing compliance with the Jobs Covenant to DPD. The Developer agrees that it shall act in good faith and, among other things, shall not hire temporary workers or relocate workers for short periods of time for the primary purpose of avoiding a breach of the Jobs Covenant. The employment report shall include the names and titles of FTEs employed at the Project as of the end of the six-month period. For each FTE position that is vacant as of the end of a compliance year (July 1 through June 30), the Developer shall list the name of the person that previously held the position and the date the position became vacant, and provide evidence satisfactory to the City that the Developer is actively seeking to fill the vacant position. If the position was vacant during the first six (6) months of a compliance year, the position will not count towards the Jobs Covenant.

(b) Remedy. In the event of a default for any of the covenants in this Section 8.06, the City shall have the right to exercise any remedies described or referred to in this Agreement. By way of example and not of limitation, in the event of any default under Section 8.06(a)(i) or 8.06(a)(iv), then the Commissioner may require the Developer to pay the City within one month after submission of the semi-annual employment report described in Section 8.06(a) an amount equal to (i) $50,000 times (ii) the difference between the number of FTE positions required in Section 8.06(a)(i) or

8.06(a)(iv) and the actual number of FTE positions reported by the Developer (after giving credit for excess hires, if any, carried forward from previous years under Section 8.06); provided, however, that the number of FTE positions required in Section 8.06(a)(i) shall not be measured until the completion of the New Hospital Component and thereafter shall be measured throughout the Term of the Agreement.

(c) Workforce Covenants. The Developer shall adhere to the following covenants throughout the Term of the Agreement:

(i) evidence of an executed contract with a workforce diversity consultant to assist in the implementation of a community apprenticeship workforce hiring initiative with various community partners and stakeholders;

(ii) hold an annual vendors fair starting in September 2008 and in each year through the Term of the Agreement;

(iii) evidence that a one-time grant of $25,000 has been provided to Dawson Technical Institute to fund an apprenticeship program to assist community residents and other unemployed city residents to be trained in a trade stakeholders;

(iv) enter into a Memorandum of Understanding with Malcolm X College, or other community partners, to assist in the development of a continuing education path in the healthcare field;

(v) donate surplus equipment or retired equipment (hospital beds, bedside equipment) to MXC, or other suitable community partner(s), to assist in the training and educating of students who are enrolled in healthcare studies, such as a 2-year nursing program, the hemo-dialysis program, or the surgery technician program; provided, however, that any such donation will be made only to governmental or 501(c)(3) organizations; and provided, further, that if such equipment was originally financed with the proceeds of bonds the interest on which is exempt from federal income taxation, then such donation will be made subject to the terms, conditions and restrictions which the Developer's nationally recognized tax bond counsel advised the Developer to impose on such donation; and

(vi) provide funding and space for a job coordinator as part of the collaborative effort to establish a workforce partnership that includes the City of Chicago Job Council, Chicago Workforce Board, Partnerships for New Communities, and the Chicago Housing Authority stakeholders.

(d) Operating Covenants. The Developer shall adhere to the following covenants throughout the Term of the Agreement:

(i) preserve its corporate legal existence, preserve all rights and licenses to the extent necessary or desirable in the operation of its business and affairs and be qualified to do business and conduct its affairs in each jurisdiction where its ownership of property or the conduct of its business or affairs requires such qualification;

(ii) operate a full service, acute care hospital, a medical school, a nursing college and conduct research to advance the scientific understanding of disease and cures for disease on the Property;

(iii) maintain not-for-profit status under Section 501(c)(3) of the Internal Revenue Code as in effect from time to time;

(iv) maintain ownership and occupancy of all facilities property for which it has received City Funds for reimbursement for construction or renovations;

(v) Except as may be otherwise permitted under the Master Indenture, use its facilities in furtherance of its lawful corporate purposes and cause its business to be carried on and conducted and its property to be maintained, preserved and kept in good repair and in as safe condition as its operations will permit;

(vi) complete the Project according to the approved scope and the timeline described in Section 3.01;

(vii) rectify all building code violations in any buildings which have been renovated as part of the Project by the completion of construction;

(viii) procure and maintain all necessary licenses and permits and use its best efforts to maintain the status of its health care facilities as providers of health care services eligible for payment under those third-party payment programs which its Governing Body determines are appropriate, including maintenance of accreditation through the Joint Commission, or other agency approved by the U.S. Department of Health and Human Services' Centers for Medicare & Medicaid Services ("CMS");

(ix) procure and maintain all licenses and permits granted by the Illinois Health Facilities Planning Board which are necessary to complete the Project;

(x) meet current requirements for designation as a Center of Excellence in Bioterrorism Preparedness and work collaboratively with the Chicago Department of Public Health to maintain this designation;

(xi) maintain CMS minimum quarterly composite core measures scores of seventy-five percent (75%) using the scoring criteria in effect as of the date of this Agreement;

(xii) operate its Facilities so as not to illegally discriminate;

(xiii) maintain charity care/financial assistance policies that meet or exceed Public Act 094-0885, the Fair Patient Billing Act, effective on January 1, 2007;

(xiv) operate a full-service Emergency Room that follows all laws and regulations related to the Emergency Medical Treatment and Active Labor Act, (42 USC 1395dd);

(xv) continue to provide services to Medicare and Medicaid patients;

(xvi) continue to provide its full mission in patient care and education and research in support of community benefit; and

(xvii) maintain or cause to be maintained, as its sole cost and expense, the insurance described in Section 12.

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, the manner in which the Developer shall correct any shortfall.

8.08 Employment Profile. The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DPD, from time to time, statements of its employment profile upon DPD's request.

8.09 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the ADepartment"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

8.10 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Eligible Improvement. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon DPD's request, prior to any such disbursement.

8.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Area.

8.12 Disclosure of Interest. The Developer's counsel has no direct or indirect financial ownership interest in the Developer, the Property or any other aspect of the Project.

8.13 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended 2007 and each year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

8.14 Insurance. The Developer, at its own expense, shall comply with all provisions of Section 12 hereof.

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

(b) Right to Contest. The Developer has the right, before any delinquency occurs:

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

(ii) at DPD's sole option, to furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

8.16 Developer's Liabilities. The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify DPD of any and all events or actions which may materially affect the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

8.17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. If this Agreement is not recorded prior to any mortgage made in connection with Debt Financing, then, if required by this Agreement in the reasonable discretion of

DPD, a Limited Subordination Agreement shall be executed and recorded. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer or all or any portion of the Property or the Project. ÅGovernmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to DPD of the Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(i) the Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

(ii) the Developer shall furnish a good and sufficient bond or other security satisfactory to DPD in such form and amounts as DPD shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

(b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise DPD thereof in writing, at which time DPD may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in DPD's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which DPD deems advisable. All sums so paid by DPD, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be

promptly disbursed to DPD by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

8.20 Maintenance of Days Cash on Hand. The Developer will maintain 75 Days Cash on Hand. For the duration of time that the Developer's level of Days Cash on Hand fall below 75 days, the Developer will provide the City with a standby letter of credit in an account subject to the City's control, in an amount equivalent to (A) the number of days of Cash on Hand below 75 multiplied times (B) the value of one day of Cash on Hand. This letter of credit requirement is dissolved whenever the Developer's Days Cash on Hand equals or exceeds 75.

8.21 Public Benefits Program. The Developer shall undertake a public benefits program as described on Exhibit N. On a semi-annual basis, the Developer shall provide the City with a status report describing in sufficient detail the Developer's compliance with the public benefits program.

8.22 Job Readiness Program. The developer shall undertake a job readiness program, as described in Section 8.06 hereof, and shall work with the City, through the Mayor's Office of Workforce Development, to participate in job training programs to provide job applicants for the jobs created by the Project and the operation of the Developer's business on the Property.

8.23 Green Roof/LEED Certification. The Developer shall comply with the following requirements with respect to the Project:

(a) Within two years after the Certificate of Completion for the applicable Component is issued, the Developer shall provide evidence acceptable to the City that LEED Certification has been obtained for (i) the New Hospital Component and (ii) the Renovation Component of the Atrium and Kellogg buildings.

(b) the OAB Component shall include a green roof on 50 percent of all flat roof surfaces and an Energy Star-rated surface on the remainder. The square footage of flat roof surfaces on the OAB Component is approximately 18,923 square feet.

(c) the New Hospital Component shall include a green roof on 25 percent of all flat roof surfaces and an Energy Star-rated surface on the remainder. The square footage of flat roof surfaces on the New Hospital Component is approximately 43,066 square feet.

(d) DPD also strongly encourages the use of stormwater “best management practices” such as natural landscaping, permeable paving, drainage swales, and naturalized retention basins, which limit the amount of stormwater entering our combined sewer system. A guide to stormwater best management practices can be obtained from DPD in Room 1101 City Hall or can be downloaded from the Chicago Center for Green Technology website.

The covenants set forth in this Section shall run with the land and shall, subject to Section 16(d), be binding upon any transferee throughout the Term of the Agreement.

8.24 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7 hereof upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

9.01 General Covenants. The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.

9.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the AEmployers” and individually an AEmployer”) to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the AHuman Rights Ordinance”). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status,

parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

(c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof.

10.02 City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

AActual residents of the City” shall mean persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

The Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Monthly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of DPD, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. The Developer, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of DPD, affidavits and other supporting documentation will be required of the Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

Nothing herein provided shall be construed to be a limitation upon the ANotice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246 " and AStandard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

The Developer shall cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project.

10.03. MBE/WBE Commitment. The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that during the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the AProcurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the AConstruction Program," and collectively with the Procurement Program, the AMBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit H-2 hereto) shall be expended for contract participation by MBEs and by WBEs:

(1) At least 24 percent by MBEs.
(2) At least four percent by WBEs.

(b) For purposes of this Section 10.03 only, the Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a Acontractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a Acontract" or a Aconstruction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the

Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five Business Days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, the Bond Ordinance and the Redevelopment Plan.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

The Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained during the term of this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than $100,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, subcontractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than $ 500,000 each accident, illness or disease.

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than $2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than $2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide cause to be provided with respect to the operations that Contractors perform, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than $2,000,000 per occurrence and $6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk /Builders Risk

When Developer undertakes any construction, including improvements, betterments, and/or repairs, the Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than $ 1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the

policy retroactive date must coincide with, or precede, start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than $1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property Insurance at replacement value of the property to protect against loss of, damage to, or destruction of the building/facility. The City is to be named as an additional insured and loss payee/mortgagee if applicable.

(d) Other Requirements:

The Developer must furnish the City of Chicago, Department of Planning Services, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Developer must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

The Developer hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Developer in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Developer under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Developer must require Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement.

If Developer, any Contractor or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an AIndemnitee," and collectively the AIndemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating or arising out of:

(i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Eligible Improvements or any other Project improvement; or

(iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or

(iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto;

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

14.02 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, shall constitute an ÄEvent of Default" by the Developer hereunder:

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement;

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or

entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

(c) the making or furnishing by the Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

(g) the entry of any judgment or order against the Developer which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

(h) the occurrence of an event of default under the Debt Financing, which default is not cured within any applicable cure period;

(i) the dissolution of the Developer;

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor);

(k) the Developer has not delivered evidence satisfactory to the City of LEED Certification within the time period specified in Section 8.23; or

(l) during the period that the Developer is required to maintain the Letter of Credit, the Letter of Credit will expire within thirty (30) calendar days and the Developer has not delivered a substitute Letter of Credit, in form and substance satisfactory to the City in its sole and absolute discretion, within twenty (20) calendar days before the expiration date of the Letter of Credit.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any agreement with respect to the Property or the Project to which the City and the Developer are or shall be parties, suspend disbursement of cash assistance, draw down the entire balance of the Letter of Credit, suspend payments due on any or all taxable City Notes, terminate any or all taxable City Notes and receive reimbursement of any payments made on any or all taxable City Notes. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein. In addition, upon the occurrence of an Event of Default, the Developer shall be obligated to repay to the City all previously disbursed cash assistance and any payments under taxable City Notes.

Upon the occurrence of an Event of Default because of failure to comply with Section 8.23, Green Roof/LEED Certification, the City's sole remedy shall be the right to seek reimbursement of $5,000,000 of City Funds, unless the City Funds paid upon any Certificate of Completion issuance were reduced by up to $5,000,000 due to anticipated failure to achieve LEED Certification as described in Section 4.03(b). If the City reduces the City Funds paid as described in the preceding sentence, the City shall have no other remedy for the Developer's failure to achieve LEED Certification.

Upon the occurrence of an Event of Default because of failure to complete the Project in accordance with the terms of this Agreement, then the City's right to seek reimbursement or recovery of City Funds for such failure shall be limited to an amount equal to the amount of City Funds advanced to the date of such default or payments made on City Notes to such date times the ratio of (i) the total Project Budget minus the amount thereof expended to such date by Developer, divided by (ii) the total Project Budget.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default (a) with respect to a default as a result of a failure to maintain a CMS minimum quarterly composite measure score of at least 75%, within ninety (90) days of its receipt of a written notice from the City specifying the nature of the default; and (b) with respect to all other defaults, within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit G hereto (including but not limited to mortgages securing the Master Indenture), and, together with any amendments or supplements thereto now or hereafter existing, are referred to herein as the AExisting Mortgages." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a ANew Mortgage." Any New Mortgage that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to herein as a APermitted Mortgage." It is hereby agreed by and between the City and the Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but, subject to Section 16(d), such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of Athe Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in which case the Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and, subject to Section 16(d), such party shall be bound only by those provisions of this Agreement that are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD.

(d) Notwithstanding anything to the contrary contained in this Agreement, a mortgagee or any other person who shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage, a New Mortgage or Permitted Mortgage whether in connection with foreclosure, deed in lieu of foreclosure or the exercise of any other remedy permitted under any Existing Mortgage, New Mortgage or Permitted Mortgage, shall have no obligation to comply with any covenant running with the land set forth in this Agreement (other than Section 8.19) except to the extent such mortgagee or person affirmatively elects in

writing to be so bound. To the extent such mortgagee or person does not elect to be bound by any such covenant running with the land contained herein, then such covenants running with the land that are not assumed by the mortgagee or such person shall cease and terminate and be of no further force and effect. The City agrees to cooperate with the Developer to record any appropriate document to reflect the termination of any covenant running with the land not so assumed.

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the City:

City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, IL 60602
Attention: Commissioner
Fax No.: (312) 744-0759

With Copies To:

City of Chicago
Department of Law
Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602
Fax No.: (312) 744-8538

If to the Developer:

Avery Miller
Senior Vice President
Rush University Medical Center
1725 West Harrison Street
Chicago, Illinois 60612-3824
Facsimile: 312-942-2055

With Copies to:

Max D. Brown
Vice President and General Counsel
Rush University Medical Center
1725 West Harrison Street
Chicago, Illinois 60612-3824
Facsimile: 312-942-4233

And

Daniel J. Kubasiak
Kubasiak, Fylstra, Thorpe & Rotunno, P.C.
20 South Clark Street
Chicago, IL 60603
Facsimile: 312-630-7939

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit D hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term Amaterial" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

18.02 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. The Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

18.06 Remedies Cumulative. The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

18.07 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

18.08 Headings. The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

18.09 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

18.10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the the Bond Ordinance, if any, such ordinance(s) shall prevail and control.

18.12 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

18.13 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, DPD or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act

for the City or DPD in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. The Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (Real Estate Provisions) and 8.24 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18.16 Binding Effect. This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

18.17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

18.18 Exhibits. All of the exhibits attached hereto are incorporated herein by reference.

18.19 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer is required to provide notice under the WARN Act, the Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

18.20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

18.21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This

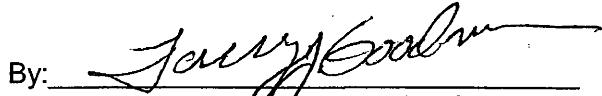
includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a ABusiness Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a ABusiness Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

RUSH UNIVERSITY MEDICAL CENTER



By:______________________________

Its: CEO / President

CITY OF CHICAGO

By:______________________________
Arnold L. Randall,
Commissioner, Department of Planning and Development

12/15/08: This is a copy of the original signature page. Original signature pages are held in escrow by Chicago Title and Trust Company ("Escrowee") under an escrow agreement between Rush, the City and Escrowee

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

RUSH UNIVERSITY MEDICAL CENTER

By:________________________________

Its:________________________________

CITY OF CHICAGO

By:________________________________
Arnold L. Randall,
Commissioner, Department of Planning
and Development

12/15/08: This is a copy of the original signature page. Original signature pages are held in escrow by Chicago Title and Trust Company ("Escrowee") under an escrow agreement between Rush, the City and Escrowee

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Maritza Ramses, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Larry J. Goodman, M.D., personally known to me to be the President & CEO of Rush University Medical Center, an Illinois not-for-profit corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Board of Directors of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 12th day of December, 2008.

Maritza Ramses
Notary Public

My Commission Expires 5/13/2010

(SEAL) "OFFICIAL SEAL"
MARITZA RAMSES
Notary Public, State of Illinois
My Commission Expires May 13, 2010

12/15/08: This is a copy of the original signature page. Original signature pages are held in escrow by Chicago Title and Trust Company ("Escrowee") under an escrow agreement between Rush, the City and Escrowee

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Shelia Grayer, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Arnold L. Randall, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 12th day of December, 2008.

Shelia Grayer
Notary Public

My Commission Expires 6-25-2011

OFFICIAL SEAL
SHELIA GRAYER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 6-25-2011

12/15/08: This is a copy of the original signature page. Original signature pages are held in escrow by Chicago Title and Trust Company ("Escrowee") under an escrow agreement between Rush, the City and Escrowee