

**STATE OF NORTH CAROLINA  
NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**The North Carolina Medical Care Commission  
701 Barbour Drive  
Raleigh, North Carolina**

**MINUTES**

**CALLED MEETING OF THE EXECUTIVE COMMITTEE OF THE COMMISSION  
CONFERENCE TELEPHONE MEETING ORIGINATING  
FROM THE OFFICES OF THE COMMISSION  
NOVEMBER 20, 2008  
2:30 p.m.**

**Members of the Executive Committee Present:**

Joseph D. Crocker, Vice-Chairman  
Dr. George Binder  
George H. V. Cecil  
Mary L. Piepenbring

**Members of the Executive Committee Absent:**

Lucy Hancock Bode, Chairman  
Dr. Robert E. Schaaf  
Dr. Henry Unger

**Members of Staff Present:**

Jeff Horton, DHSR Acting Director, MCC Acting Secretary  
Christopher B. Taylor, CPA, Assistant Secretary  
Alice S. Creech, Bond Program Assistant

**Others Present:**

David Kasdin, Citigroup  
Paul Billow, Womble Carlyle Sandridge & Rice, PLLC  
Tommy Brewer, BB&T Capital Markets

1. **Purpose of Meeting**

To consider a resolution authorizing the issuance and sale of bonds, the proceeds of which will be loaned to University Health Systems of Eastern Carolina, Inc. and Pitt County Memorial Hospital, Incorporated (aggregate principal amount of the 2008 bonds is \$508,610,000).

2. **Series Resolution Authorizing the Issuance of (a) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008A-1 (the “Series 2008A-1 Bonds”), (b) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008A-2 (the “Series 2008A-2 Bonds” and, together with the Series 2008A-1 Bonds, the “Series 2008A Bonds”), (c) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008B-1 (the “Series 2008B-1 Bonds”), (d) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008B-2 (the “Series 2008B-2 Bonds” and, together with the Series 2008B-1 Bonds, the “Series 2008B Bonds”), (e) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008C (the “Series 2008C Bonds”), (f) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008D (the “Series 2008D Bonds”), (g) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008E-1 (the “Series 2008E-1 Bonds”) and (h) North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (University Health Systems of Eastern Carolina), Series 2008E-2 (the “Series 2008E-2 Bonds” and, together with the Series 2008E-1 Bonds, the “Series 2008E Bonds”). The Series 2008A Bonds, the Series 2008B Bonds, the Series 2008C Bonds, the Series 2008D Bonds and the Series 2008E Bonds are hereinafter collectively referred to as the “Bonds.”** – Remarks were made by David Kasdin and Paul Billow.

**Executive Committee Action:** Motion was made by Dr. George Binder, seconded by Ms. Mary L. Piepenbring, and unanimously approved.

WHEREAS, the North Carolina Medical Care Commission (the “Commission”) is a commission of the Department of Health and Human Services of the State of North Carolina and is authorized under Chapter 131A of the General Statutes of North Carolina, as amended (the “Act”), to borrow money and to issue in evidence thereof bonds and notes for the purpose of providing funds to pay all or any part of the cost of financing or refinancing health care facilities; and

WHEREAS, University Health Systems of Eastern Carolina, Inc. (the “Parent Corporation”) and Pitt County Memorial Hospital, Incorporated (the “Corporation”) are each a North Carolina nonprofit corporation and a “non-profit agency” within the meaning and intent of the Act, which operate, by themselves and through controlled affiliates, various health care facilities; and

WHEREAS, the Parent Corporation and the Corporation have made application to the Commission for loans to be made to the Parent Corporation and the Corporation for the purpose of providing funds, together with other available funds, to (a) refund all of the outstanding Series 2006A Bonds, Series 2006B Bonds, Series 2006C Bonds and Series 2006D Bonds (each as defined in the Trust Agreements (hereinafter defined)) and (b) pay certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, the Commission has, by resolutions duly adopted on August 28, 2008 and October 9, 2008, approved the issuance of the Bonds, subject to compliance with the conditions set forth in such resolutions, and the Parent Corporation and the Corporation have complied with such conditions to the satisfaction of the Commission; and

WHEREAS, there have been presented at this meeting draft forms of the documents described in Exhibit A attached hereto relating to the issuance of the Bonds; and

WHEREAS, the Commission has determined that the Parent Corporation and the Corporation are financially responsible and capable of fulfilling their obligations under each of the documents described in Exhibit A to which the Parent Corporation and/or the Corporation are a party; and

WHEREAS, the Commission has determined that the public interest will be served by the proposed refinancing and that adequate provision has been made for the payment of the principal of, redemption premium, if any, and interest on the Bonds;

NOW THEREFORE, BE IT RESOLVED by the Executive Committee of the North Carolina Medical Care Commission as follows:

Section 1. Capitalized terms used in this Series Resolution and not otherwise defined shall have the meanings given such terms in Exhibit A and in the documents described in Exhibit A, as applicable.

Section 2. Pursuant to the authority granted to it by the Act, the Commission hereby authorizes the issuance of the (a) Series 2008A-1 Bonds in the aggregate principal amount of \$56,345,000, (b) Series 2008A-2 Bonds in the aggregate principal amount of \$56,345,000, (c) Series 2008B-1 Bonds in the aggregate principal amount of \$61,920,000, (d) Series 2008B-2 Bonds in the aggregate principal amount of \$61,930,000, (e) Series 2008C Bonds in the aggregate principal amount of \$74,455,000, (f) Series 2008D Bonds in the aggregate principal amount of \$119,715,000, (g) Series 2008E-1 Bonds in the aggregate principal amount of \$22,475,000 and (h) Series 2008E-2 Bonds in the aggregate principal amount of \$55,425,000.

The Series 2008A Bonds and the Series 2008B Bonds shall mature, subject to prior redemption, on December 1, 2028 and on December 1, 2036, respectively, and shall initially bear interest at weekly variable rates in accordance with the formula set forth in the 2008A Trust Agreement and the 2008B Trust Agreement (collectively, the "2008A/B Trust Agreements"), as applicable, with a maximum rate not to exceed 12% per annum. The Series 2008A Bonds and the Series 2008B Bonds shall be initially issued as fully registered bonds in denominations of \$100,000 or any multiple of \$5,000 in excess of \$100,000 and shall be initially issued in book-entry only form as described in the 2008A/B Trust Agreements. While the Series 2008A Bonds and the Series 2008B Bonds bear interest at weekly interest rates, interest on the Bonds shall be

payable on the first Wednesday of each month, beginning January 7, 2009, until the Series 2008A Bonds and the Series 2008B Bonds are fully paid. Payments of principal of and interest on the Series 2008A Bonds and the Series 2008B Bonds shall be forwarded by the respective Bond Trustee to the registered owners of the Series 2008A Bonds and the Series 2008B Bonds in such manner set forth in the 2008A/B Trust Agreements.

The Series 2008C Bonds and the Series 2008D Bonds shall be dated as of the date of delivery thereof and shall mature in such amounts and at such times and shall bear interest at such rates as are set forth in Exhibit B attached hereto and made a part hereof. The Series 2008C Bonds and the Series 2008D Bonds shall be issued as fully registered bonds in denominations of \$5,000 or any whole multiple thereof. The Series 2008C Bonds and the Series 2008D Bonds shall be initially issued in book-entry only form as described in the 2008C Trust Agreement and the 2008D Trust Agreement (collectively, the 2008C/D Trust Agreements”), as applicable. Interest on the Series 2008C Bonds and the Series 2008D Bonds shall be payable semiannually on each June 1 and December 1, beginning June 1, 2009, until the Series 2008C Bonds and the Series 2008D Bonds are fully paid. Payments of principal of and interest on the Series 2008C Bonds and the Series 2008D Bonds shall be forwarded by the respective Bond Trustee to the registered owners of the Series 2008C Bonds and the Series 2008D Bonds in such manner as is set forth in the 2008C/D Trust Agreements.

The Series 2008E Bonds shall be dated as of the date of delivery thereof and shall mature in such amounts and at such times and shall bear interest at such rates during such initial interest rate periods as are set forth in Exhibit B attached hereto and made a part hereof. The Series 2008E Bonds shall be issued as fully registered bonds in denominations of \$5,000 or any whole multiple thereof. The Series 2008E Bonds shall be initially issued in book-entry only form as described in the 2008E Trust Agreement. During a Long-Term Interest Rate Period (as defined in the 2008E Trust Agreement), interest on the Series 2008E Bonds shall be paid on each June 1 and December 1, beginning June 1, 2009, and computed on the basis of a 360-day year based on twelve 30-day months. Payments of principal of and interest on the Series 2008E Bonds shall be forwarded by the Bond Trustee to the registered owners of the Series 2008E Bonds in such manner set forth in the 2008E Trust Agreement.

Section 3. The Bonds shall be subject to redemption and, in the case of the Series 2008A Bonds, the Series 2008B Bonds and the Series 2008E Bonds, shall be subject to optional and mandatory tender for purchase and shall be subject to conversion to different interest rate modes, at the times, upon the terms and conditions and, with respect to redemptions and tenders, at the prices set forth in the applicable Trust Agreements.

Section 4. The proceeds of the Series 2008A Bonds shall be applied as provided in Section 208 of the 2008A Trust Agreement. The proceeds of the Series 2008B Bonds shall be applied as provided in Section 208 of the 2008B Trust Agreement. The proceeds of the Series 2008C Bonds shall be applied as provided in Section 2.09 of the 2008C Trust Agreement. The proceeds of the Series 2008D Bonds shall be applied as provided in Section 2.09 of the 2008D Trust Agreement. The proceeds of the Series 2008E Bonds shall be applied as provided in Section 208 of the 2008E Trust Agreement.

Section 5. The forms, terms and provisions of the 2008A Loan Agreement, the 2008B Loan Agreement, the 2008C Loan Agreement, the 2008D Loan Agreement, the 2008E Loan Agreement, the 2008A/B Trust Agreements, the 2008C/D Trust Agreements, the 2008E Trust

Agreement, the 2008A-1 Remarketing Agreement, the 2008A-2 Remarketing Agreement, the 2008B-1 Remarketing Agreement and the 2008B-2 Remarketing Agreement are hereby approved in all respects, and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman for such purpose and the Acting Secretary or any Assistant Secretary of the Commission are hereby authorized and directed to execute and deliver the 2008A Loan Agreement, the 2008B Loan Agreement, the 2008C Loan Agreement, the 2008D Loan Agreement, the 2008E Loan Agreement, the 2008A/B Trust Agreements, the 2008C/D Trust Agreements, the 2008E Trust Agreement, the 2008A-1 Remarketing Agreement, the 2008A-2 Remarketing Agreement, the 2008B-1 Remarketing Agreement and the 2008B-2 Remarketing Agreement in substantially the forms presented at this meeting, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary or appropriate, including but not limited to changes, modifications and deletions necessary to incorporate the final terms of the Bonds as shall be set forth in the 2008A Contract of Purchase, the 2008B Contract of Purchase, the 2008C Contract of Purchase, the 2008D Contract of Purchase and the 2008E Contract of Purchase (collectively, the "Contracts of Purchase") and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 6. The form, terms and provisions of the Contracts of Purchase are hereby approved in all respects and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman for such purpose is hereby authorized and directed to execute and deliver the Contracts of Purchase in substantially the forms presented at this meeting, together with such changes, modifications, insertions and deletions as such Chairman, the Vice Chairman or such member of the Commission, with the advice of counsel, may deem necessary or appropriate, including but not limited to changes, modifications and deletions necessary to incorporate the final terms of the Bonds; and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 7. The form of the Series 2008A Bonds as set forth in the 2008A Trust Agreement, the form of the Series 2008B Bonds as set forth in the 2008B Trust Agreement, the form of the 2008C Bonds as set forth in the 2008C Trust Agreement, the form of the 2008D Bonds as set forth in the 2008D Trust Agreement and the form of the 2008E Bonds as set forth in the 2008E Trust Agreement are hereby approved in all respects and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman for such purpose and the Acting Secretary or any Assistant Secretary of the Commission are hereby authorized and directed to execute, by manual or facsimile signature as provided in such forms of the respective Bonds, and to deliver to the respective Bond Trustees for authentication on behalf of the Commission, the respective Bonds in definitive form, which shall be in substantially the forms presented at this meeting, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary or appropriate and consistent with the respective Trust Agreements; and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 8. The forms, terms and provisions of the 2008A Master Obligation, the 2008B Master Obligation, the 2008C Master Obligation, the 2008D Master Obligation, the 2008E Master Obligation, the 2008A Credit Facility Master Obligation, the 2008B Credit Facility Master Obligation, Supplemental Indenture No. 12, Supplemental Indenture No. 13, Supplemental Indenture No. 14, Supplemental Indenture No. 15, Supplemental Indenture No. 16,

Supplemental Indenture No. 17, Supplemental Indenture No. 18, the 2008A Credit Facility, the 2008B Credit Facility, the 2008A Reimbursement Agreement, the 2008B Reimbursement Agreement, the 2008A-1 Tender Agreement, the 2008A-2 Tender Agreement, the 2008B-1 Tender Agreement and the 2008B-2 Tender Agreement are hereby approved in substantially the forms presented at this meeting, together with such changes, modifications and deletions as the Chairman or Vice Chairman, with the advice of counsel, may deem necessary and appropriate; and the execution and delivery of the respective Trust Agreements by the Commission shall be conclusive evidence of the approval of such documents by the Commission.

Section 9. The Commission hereby approves the action of the LGC in awarding the Series 2008A Bonds to the 2008A Underwriters at the price of \$112,309,776.65 (which price represents the aggregate principal amount of the Series 2008A Bonds less an underwriters' discount of \$380,223.35).

The Commission hereby approves the action of the LGC in awarding the Series 2008B Bonds to the 2008B Underwriters at the price of \$122,862,727.82 (which price represents the aggregate principal amount of the Series 2008B Bonds less an underwriters' discount of \$417,272.18).

The Commission hereby approves the action of the LGC in awarding the Series 2008C Bonds to the 2008C Underwriters at the price of \$72,621,917.90 (which price represents the aggregate principal amount of the Series 2008C Bonds less an underwriters' discount of \$1,833,082.10).

The Commission hereby approves the action of the LGC in awarding the Series 2008D Bonds to the 2008D Underwriters at the price of \$111,025,083.13 (which price represents the aggregate principal amount of the Series 2008D Bonds less an underwriters' discount of \$1,199,926.92 and less a net original issue discount of \$7,489,989.95).

The Commission hereby approves the action of the LGC in awarding the Series 2008E Bonds to the 2008E Underwriters at the price of \$77,332,631.39 (which price represents the aggregate principal amount of the Series 2008E Bonds less an underwriters' discount of \$567,368.61).

Section 10. Upon execution of the Bonds in the form and manner set forth in the respective Trust Agreements, the Bonds shall be deposited with the respective Bond Trustee for authentication, and the respective Bond Trustee is hereby authorized and directed to authenticate the respective Bonds and, upon compliance with the provisions of respective Trust Agreements, the respective Bond Trustee shall deliver the Bonds to the respective Underwriters against payment therefor.

Section 11. The Commission hereby ratifies the use and distribution of the Preliminary Official Statements in connection with the offering and sale of the Series 2008C Bonds, the Series 2008D Bonds and the Series 2008E Bonds. The preparation and distribution of final Official Statements (the "Fixed Rate Official Statements" and, together with the Variable Rate Official Statements, the "Official Statements"), in substantially the form of the Preliminary Official Statements, with such changes as are necessary to reflect the final terms of the Series 2008C Bonds, the Series 2008D Bonds and the Series 2008E Bonds, is hereby approved. The Commission hereby approves and authorizes the use and distribution of the Variable Rate

Official Statements in connection with the offering and sale of the Series 2008A Bonds and the Series 2008B Bonds. The Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman for such purpose is hereby authorized to execute and deliver, on behalf of the Commission, the Official Statements in substantially the forms presented at this meeting, together with such changes, modifications and deletions as the Chairman, the Vice Chairman or such member of the Commission, with the advice of counsel, may deem necessary or appropriate; and such execution and delivery shall be conclusive evidence of the approval thereof by the Commission. The Commission hereby approves and authorizes the distribution and use of copies of each of the documents mentioned in Exhibit A in connection with the offering and sale of the Bonds.

Section 12. First-Citizens Bank & Trust Company is hereby appointed as the initial 2008A Bond Trustee, 2008B Bond Trustee, 2008C Bond Trustee, 2008D Bond Trustee, 2008E Bond Trustee and Tender Agent for the Series 2008A Bonds and the Series 2008B Bonds. Citigroup Global Markets Inc. is hereby appointed as the initial Remarketing Agent for the Series 2008A-1 Bonds and the Series 2008B-1 Bonds. Banc of America Securities LLC is hereby appointed as the initial Remarketing Agent for the Series 2008A-2 Bonds. BB&T Capital Markets, a division of Scott & Stringfellow, Inc., is hereby appointed as the initial Remarketing Agent for the Series 2008B-2 Bonds.

Section 13. The Depository Trust Company (“DTC”), New York, New York, is hereby appointed as the initial Securities Depository for the Bonds, with Cede & Co., as nominee of DTC, being the initial Securities Depository Nominee and initial registered owner of the Bonds. The Commission has heretofore executed and delivered to DTC a Blanket Letter of Representations.

Section 14. William J. Horton, Acting Secretary of the Commission, Christopher B. Taylor, C.P.A., Assistant Secretary of the Commission, and William L. Warren, Chief of the Construction Section of the Division of Health Service Regulation, are each hereby appointed a Commission Representative (as that term is defined in the 2008A Loan Agreement, the 2008B Loan Agreement, the 2008C Loan Agreement, the 2008D Loan Agreement and the 2008E Loan Agreement) with full power to carry out the duties set forth therein and in the 2008A/B Trust Agreements, the 2008C/D Trust Agreements and the 2008E Trust Agreement.

Section 15. The Chairman, the Vice Chairman, any member of the Commission designated in writing by the Chairman, the Secretary or Acting Secretary and the Assistant Secretary of the Commission are authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver any such documents, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by the 2008A Loan Agreement, the 2008B Loan Agreement, the 2008C Loan Agreement, the 2008D Loan Agreement, the 2008E Loan Agreement, the 2008A/B Trust Agreements, the 2008C/D Trust Agreements, the 2008E Trust Agreement, the Contracts of Purchase, the 2008A-1 Remarketing Agreement, the 2008A-2 Remarketing Agreement, the 2008B-1 Remarketing Agreement, the 2008B-2 Remarketing Agreement and the Official Statements.

Section 16. The redemption of the Series 2006A Bonds, the Series 2006B Bonds, the Series 2006C Bonds and the Series 2006D-1 Bonds on December 10, 2008 and the redemption of the Series 2006D-2 Bonds on December 12, 2008, in accordance with the provisions of the

Series 2006A Bonds, the Series 2006B Bonds, the Series 2006C Bonds and the Series 2006D Bonds and the respective trust agreements relating to the Series 2006A Bonds, the Series 2006B Bonds, the Series 2006C Bonds and the Series 2006D Bonds, is hereby authorized, ratified and approved, and all prior actions taken by the Commission and its officers in connection with such redemption are hereby ratified and approved.

Section 17. This Series Resolution shall take effect immediately upon its passage, except that the redemption of the Series 2006A Bonds, the Series 2006B Bonds, the Series 2006C Bonds and the Series 2006D Bonds shall be contingent on the prior issuance of the Bonds.

**3. Adjournment**

There being no further business, the meeting was adjourned at 2:50 p.m.

Respectfully submitted,

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Christopher B. Taylor, CPA  
Assistant Secretary

Date: November 20, 2008



LEGAL DOCUMENTS

1. Master Trust Indenture (Amended and Restated), dated as of February 1, 2006, between University Health Systems of Eastern Carolina (the “Parent Corporation”), Pitt County Memorial Hospital, Incorporated (the “Corporation”) and First-Citizens Bank & Trust Company, as master trustee (the “Master Trustee”);
2. Trust Agreement, to be dated as of December 1, 2008 (the “2008A Trust Agreement”), between the North Carolina Medical Care Commission (the “Commission”) and First-Citizens Bank & Trust Company, as bond trustee (the “2008A Bond Trustee”);
3. Trust Agreement, to be dated as of December 1, 2008 (the “2008B Trust Agreement”), between the Commission and First-Citizens Bank & Trust Company, as bond trustee (the “2008B Bond Trustee”);
4. Trust Agreement, to be dated as of December 1, 2008 (the “2008C Trust Agreement”), between the Commission and First-Citizens Bank & Trust Company, as bond trustee (the “2008C Bond Trustee”);
5. Trust Agreement, to be dated as of December 1, 2008 (the “2008D Trust Agreement”), between the Commission and First-Citizens Bank & Trust Company, as bond trustee (the “2008D Bond Trustee”)
6. Trust Agreement, to be dated as of December 1, 2008 (the “2008E Trust Agreement” and, together with the 2008A Trust Agreement, the 2008B Trust Agreement, the 2008C Trust Agreement and the 2008D Trust Agreement, the “Trust Agreements”), between the Commission and First-Citizens Bank & Trust Company, as bond trustee (the “2008E Bond Trustee”)
7. Contract of Purchase, to be dated the date of delivery thereof (the “2008A Contract of Purchase”), between Citigroup Global Markets Inc. and Banc of America Securities LLC, as the underwriters (the “2008A Underwriters”), and the Local Government Commission of North Carolina (the “LGC”) as approved by the Commission and the Parent Corporation;
8. Contract of Purchase, to be dated the date of delivery thereof (the “2008B Contract of Purchase”), between Citigroup Global Markets Inc. and BB&T Capital Markets, a division of Scott & Stringfellow, Inc., as the underwriters (the “2008B Underwriters”), and the LGC as approved by the Commission and the Parent Corporation;
9. Contract of Purchase, to be dated the date of delivery thereof (the “2008C Contract of Purchase”), between Edward D. Jones & Co., L.P. and Merrill Lynch & Co., as the underwriters (the “2008C Underwriters”), and the LGC as approved by the Commission and the Parent Corporation;

10. Contract of Purchase, to be dated the date of delivery thereof (the “2008D Contract of Purchase”), between Citigroup Global Markets Inc., Banc of America Securities LLC and BB&T Capital Markets, a division of Scott & Stringfellow, Inc., as the underwriters (the “2008D Underwriters”), and the LGC as approved by the Commission and the Parent Corporation;
11. Contract of Purchase, to be dated the date of delivery thereof (the “2008E Contract of Purchase” and, together with the 2008A Contract of Purchase, the 2008B Contract of Purchase, the 2008C Contract of Purchase and the 2008D Contract of Purchase, the “Contracts of Purchase”), between Citigroup Global Markets Inc., Banc of America Securities LLC and BB&T Capital Markets, a division of Scott & Stringfellow, Inc., as the underwriters (the “2008E Underwriters” and, together with the 2008A Underwriters, the 2008B Underwriters, the 2008C Underwriters and the 2008D Underwriters, the “Underwriters”), and the LGC as approved by the Commission and the Parent Corporation;
12. Supplemental Master Trust Indenture No. 12, to be dated as of December 1, 2008 (“Supplemental Indenture No. 12”), between the Parent Corporation, the Corporation and the Master Trustee, including the form of Master Obligation, Series 2008A, to be dated December 10, 2008 (the “2008A Master Obligation”), executed and delivered by the Parent Corporation to the Commission;
13. Supplemental Master Trust Indenture No. 13, to be dated as of December 1, 2008 (“Supplemental Indenture No. 13”), between the Parent Corporation, the Corporation and the Master Trustee, including the form of Master Obligation, Series 2008A Bank of America, N.A. Letter of Credit, to be dated December 10, 2008 (the “2008A Credit Facility Master Obligation”), executed and delivered by the Corporation to Bank of America, N.A. (the “2008A Credit Facility Provider”), as provider of an irrevocable direct-pay letter of credit securing payment of the Series 2008A Bonds (the “2008A Credit Facility”);
14. Supplemental Master Trust Indenture No. 14, to be dated as of December 1, 2008 (“Supplemental Indenture No. 14”), between the Parent Corporation, the Corporation and the Master Trustee, including the form of Master Obligation, Series 2008B, to be dated December 10, 2008 (the “2008B Master Obligation”), executed and delivered by the Parent Corporation to the Commission;
15. Supplemental Master Trust Indenture No. 15, to be dated as of December 1, 2008 (“Supplemental Indenture No. 15”), between the Parent Corporation, the Corporation and the Master Trustee, including the form of Master Obligation, Series 2008B Branch Banking and Trust Company Letter of Credit, to be dated December 10, 2008 (the “2008B Credit Facility Master Obligation”), executed and delivered by the Parent Corporation to Branch Banking and Trust Company (the “2008B Credit Facility Provider”), as provider of an irrevocable direct-pay letter of credit securing payment of the Series 2008B Bonds (the “2008B Credit Facility”);

16. Supplemental Master Trust Indenture No. 16, to be dated as of December 1, 2008 (“Supplemental Indenture No. 16”), between the Parent Corporation, the Corporation and the Master Trustee, including the form of Master Obligation, Series 2008C, to be dated December 10, 2008 (the “2008C Master Obligation”), executed and delivered by the Parent Corporation to the Commission;
17. Supplemental Master Trust Indenture No. 17, to be dated as of December 1, 2008 (“Supplemental Indenture No. 17”), between the Parent Corporation, the Corporation and the Master Trustee, including the form of Master Obligation, Series 2008D, to be dated December 10, 2008 (the “2008D Master Obligation”), executed and delivered by the Parent Corporation to the Commission;
18. Supplemental Master Trust Indenture No. 18, to be dated as of December 1, 2008 (“Supplemental Indenture No. 18”), between the Parent Corporation, the Corporation and the Master Trustee, including the form of Master Obligation, Series 2008E, to be dated December 10, 2008 (the “2008E Master Obligation”), executed and delivered by the Parent Corporation to the Commission;
19. Loan Agreement, to be dated as of December 1, 2008 (the “2008A Loan Agreement”), between the Parent Corporation, the Corporation and the Commission relating to the Series 2008A Bonds;
20. Loan Agreement, dated as of December 1, 2008 (the “2008B Loan Agreement”), between the Parent Corporation, the Corporation and the Commission relating to the Series 2008B Bonds;
21. Loan Agreement, dated as of December 1, 2008 (the “2008C Loan Agreement”), between the Parent Corporation, the Corporation and the Commission relating to the Series 2008C Bonds;
22. Loan Agreement, dated as of December 1, 2008 (the “2008D Loan Agreement”), between the Parent Corporation, the Corporation and the Commission relating to the Series 2008D Bonds;
23. Loan Agreement, dated as of December 1, 2008 (the “2008E Loan Agreement”), between the Parent Corporation, the Corporation and the Commission relating to the Series 2008E Bonds;
24. Letter of Credit and Reimbursement Agreement, to be dated as of December 1, 2008 (the “2008A Reimbursement Agreement”), among the Parent Corporation, the Corporation and the 2008A Credit Facility Provider, including the form of the Series 2008A Credit Facility;
25. Letter of Credit and Reimbursement Agreement, to be dated as of December 1, 2008 (the “2008B Reimbursement Agreement”), among the Parent Corporation, the Corporation and the 2008B Credit Facility Provider, including the form of the 2008B Credit Facility;

26. Remarketing Agreement, to be dated as of December 1, 2008 (the “2008A-1 Remarketing Agreement”), among the Commission, the Parent Corporation and Citigroup Global Markets Inc., as remarketing agent (the “2008A-1 Remarketing Agent”), relating to the Series 2008A-1 Bonds;
27. Remarketing Agreement, to be dated as of December 1, 2008 (the “2008A-2 Remarketing Agreement”), among the Commission, the Parent Corporation and Banc of America Securities LLC, as remarketing agent (the “2008A-2 Remarketing Agent”), relating to the Series 2008A-2 Bonds;
28. Remarketing Agreement, to be dated as of December 1, 2008 (the “2008B-1 Remarketing Agreement”), among the Commission, the Parent Corporation and Citigroup Global Markets Inc., as remarketing agent (the “2008B-1 Remarketing Agent”), relating to the Series 2008B-1 Bonds;
29. Remarketing Agreement, to be dated as of December 1, 2008 (the “2008B-2 Remarketing Agreement”), among the Commission, the Parent Corporation and BB&T Capital Markets, a division of Scott & Stringfellow, Inc., as remarketing agent (the “2008B-2 Remarketing Agent”), relating to the Series 2008B-2 Bonds;
30. Official Statement, to be dated as of the date of delivery thereof (the “2008A Official Statement”), relating to the Series 2008A Bonds;
31. Official Statement, to be dated as of the date of delivery thereof (the “2008B Official Statement” and, together with the 2008A Official Statement, the “Variable Rate Official Statements”), relating to the Series 2008B Bonds;
32. Preliminary Official Statement, dated November 11, 2008, and the supplement thereto dated November 18, 2008 (collectively, the “2008C Preliminary Official Statement”), relating to the Series 2008C Bonds;
33. Preliminary Official Statement, dated November 11, 2008, and the supplement thereto dated November 18, 2008 (collectively, the “2008D Preliminary Official Statement”), relating to the Series 2008D Bonds;
34. Preliminary Official Statement, dated November 11, 2008, and the supplement thereto dated November 18, 2008 (collectively, the “2008E Preliminary Official Statement” and, together with the 2008C Preliminary Official Statement and the 2008D Preliminary Official Statement, the “Preliminary Official Statements”), relating to the Series 2008E Bonds;
35. Tender Agent Agreement, to be dated as of December 1, 2008 (the “2008A-1 Tender Agreement”), among the 2008A Bond Trustee, the Parent Corporation, First-Citizens Bank & Trust Company, as tender agent (the “Tender Agent”) and the 2008A-1 Remarketing Agent relating to the Series 2008A-1 Bonds;

37. Tender Agent Agreement, to be dated as of December 1, 2008 (the “2008A-2 Tender Agreement”), among the 2008A Bond Trustee, the Parent Corporation, the Tender Agent and the 2008A-2 Remarketing Agent relating to the Series 2008A-2 Bonds;
38. Tender Agent Agreement, to be dated as of December 1, 2008 (the “2008B-1 Tender Agreement”), among the 2008B Bond Trustee, the Parent Corporation, the Tender Agent and the 2008B-1 Remarketing Agent relating to the Series 2008B-1 Bonds; and
39. Tender Agent Agreement, to be dated as of December 1, 2008 (the “2008B-2 Tender Agreement”), among the 2008B Bond Trustee, the Parent Corporation, the Tender Agent and the 2008B-2 Remarketing Agent relating to the Series 2008B-2 Bonds.

EXHIBIT B

\$74,455,000  
Health Care Facilities Revenue Refunding Bonds  
(University Health Systems of Eastern Carolina)  
Series 2008C

| <u>Due December 1</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-----------------------|-------------------------|----------------------|
| 2009                  | \$ 305,000              | 3.50%                |
| 2010                  | 410,000                 | 4.00                 |
| 2011                  | 670,000                 | 4.25                 |
| 2012                  | 755,000                 | 4.60                 |
| 2013                  | 790,000                 | 4.85                 |
| 2014                  | 825,000                 | 5.05                 |
| 2015                  | 835,000                 | 5.25                 |
| 2016                  | 930,000                 | 5.45                 |
| 2017                  | 1,000,000               | 5.60                 |
| 2018                  | 1,060,000               | 5.75                 |

\$7,800,000 6.25% Term Bonds due December 1, 2023  
\$8,515,000 6.40% Term Bonds due December 1, 2026  
\$50,560,000 6.60% Term Bonds due December 1, 2036

\$119,715,000  
Health Care Facilities Revenue Refunding Bonds  
(University Health Systems of Eastern Carolina)  
Series 2008D

\$29,815,000 6.00% Term Bonds due December 1, 2029  
\$89,900,000 6.25% Term Bonds due December 1, 2033

\$77,900,000  
Health Care Facilities Revenue Refunding Bonds  
(University Health Systems of Eastern Carolina)  
Series 2008E

Series 2008E-1

| <u>Due December 1</u> | <u>Principal Amount</u> | <u>Initial Long-Term Interest Rate</u> | <u>Initial Long-Term Interest Rate Period</u> |
|-----------------------|-------------------------|--|---|
| 2036                  | \$22,475,000            | 5.75%                                  | December 10, 2008 to December 1, 2013         |

Series 2008E-2

| <u>Due December 1</u> | <u>Principal Amount</u> | <u>Initial Long-Term<br/>Interest Rate</u> | <u>Initial Long-Term<br/>Interest Rate Period</u> |
|-----------------------|-------------------------|--|---|
| 2036                  | \$55,425,000            | 6.00%                                      | December 10, 2008 to<br>December 1, 2014          |

## BOND SUMMARY STATISTICS

University Health Systems of Eastern Carolina, Inc  
Refund Series 2006A-D

\*\*\*FINAL NUMBERS\*\*\*

|                                 |                |
|---------------------------------|----------------|
| Dated Date                      | 12/10/2008     |
| Delivery Date                   | 12/10/2008     |
| Last Maturity                   | 12/01/2036     |
| True Interest Cost (TIC)        | 5.689643%      |
| Net Interest Cost (NIC)         | 5.434803%      |
| All-In TIC                      | 5.716343%      |
| Average Coupon                  | 5.306035%      |
| Average Life (years)            | 17.926         |
| Duration of Issue (years)       | 10.838         |
| Par Amount                      | 508,610,000.00 |
| Bond Proceeds                   | 501,120,010.05 |
| Total Interest                  | 483,761,884.78 |
| Net Interest                    | 495,501,916.64 |
| Total Debt Service              | 992,371,884.78 |
| Maximum Annual Debt Service     | 37,977,215.45  |
| Average Annual Debt Service     | 35,473,525.82  |
| Underwriter's Fees (per \$1000) |                |
| Average Takedown                | 7.745303       |
| Management Fee                  | 0.388539       |
| Other Fee                       | 0.222348       |
| Total Underwriter's Discount    | 8.356190       |
| Bid Price                       | 97.691742      |

| Bond Component    | Par Value      | Price   | Average Coupon | Average Life |
|-------------------|----------------|---------|----------------|--------------|
| Serial Bonds      | 7,580,000.00   | 100.000 | 5.293%         | 6.300        |
| Series 2008A-1    | 56,345,000.00  | 100.000 | 3.452%         | 12.156       |
| Series 2008A-2    | 56,345,000.00  | 100.000 | 3.452%         | 12.153       |
| Series 2008B-1    | 61,920,000.00  | 100.000 | 3.427%         | 12.892       |
| Series 2008B-2    | 61,930,000.00  | 100.000 | 3.427%         | 12.895       |
| Term Bond in 2023 | 7,800,000.00   | 100.000 | 6.250%         | 13.293       |
| Term Bond in 2026 | 8,515,000.00   | 100.000 | 6.400%         | 17.065       |
| Term Bond in 2029 | 29,815,000.00  | 92.967  | 6.000%         | 20.458       |
| Term Bond in 2033 | 89,900,000.00  | 94.001  | 6.250%         | 23.539       |
| Term Bond in 2036 | 128,460,000.00 | 100.000 | 6.222%         | 24.349       |
|                   | 508,610,000.00 |         |                | 17.926       |

|                            | TIC            | All-In TIC     |
|----------------------------|----------------|----------------|
| Par Value                  | 508,610,000.00 | 508,610,000.00 |
| + Accrued Interest         |                |                |
| + Premium (Discount)       | -7,489,989.95  | -7,489,989.95  |
| - Underwriter's Discount   | -4,250,041.91  | -4,250,041.91  |
| - Cost of Issuance Expense |                |                |
| - Other Amounts            | -553,604.60    | -553,604.60    |
| Target Value               | 496,316,363.54 | 494,897,610.54 |
| Target Date                | 12/10/2008     | 12/10/2008     |
| Yield                      | 5.689643%      | 5.716343%      |