

NOTICE REGARDING MODIFICATION OF TERMS OF FINANCIAL OBLIGATIONS

Legacy Health

April 3, 2023

Legacy Health is filing this information as an event notice pursuant to its continuing disclosure undertakings on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. This filing is being completed pursuant to amended SEC Rule 15c2-12 in connection with the modification of terms of financial obligations or agreements which reflect financial difficulties.

Legacy Health and certain of its hospital subsidiaries have entered into a First Amendment to Amended and Restated Revolving Credit Agreement with JPMorgan Chase Bank, National Association (the "Credit Agreement Amendment"), which suspends the Debt Service Coverage Ratio covenant in the amended underlying credit agreement for the reporting periods ended March 31, 2023 and adds a Days Cash on Hand covenant. A copy of the Credit Agreement Amendment is attached hereto and reference is made to the Credit Agreement Amendment for a complete statement of its provisions.

FIRST AMENDMENT TO AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

This First Amendment to Amended and Restated Revolving Credit Agreement (this “*Amendment*”) is entered into as of March 27, 2023 (the “*Amendment Date*”), among LEGACY HEALTH (previously known as Legacy Health System), an Oregon nonprofit corporation (the “*Corporation*”), LEGACY EMANUEL HOSPITAL & HEALTH CENTER, an Oregon nonprofit corporation (“*Emanuel*”), LEGACY GOOD SAMARITAN HOSPITAL AND MEDICAL CENTER, an Oregon nonprofit corporation (“*Good Samaritan*”), LEGACY MERIDIAN PARK HOSPITAL, an Oregon nonprofit corporation (“*Meridian Park*”), LEGACY MOUNT HOOD MEDICAL CENTER, an Oregon nonprofit corporation (“*Mount Hood*”), LEGACY SALMON CREEK HOSPITAL, a Washington nonprofit corporation (“*Salmon Creek*”), SILVERTON HEALTH, an Oregon nonprofit corporation (“*Silverton Health*”) (the same being the current Obligated Group Members), and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national banking association (the “*Bank*”). All capitalized terms used herein without definition shall have the same meanings herein as such terms have in the hereinafter defined Agreement.

WITNESSETH

WHEREAS, the Obligated Group Members (other than Silverton Health) and the Bank have previously entered into that certain Amended and Restated Revolving Credit Agreement, dated May 27, 2022 (as amended, restated, supplemented or otherwise modified to date, the “*Agreement*”), pursuant to which the Bank provided a revolving credit facility to the Corporation for the general working capital needs of the Obligated Group;

WHEREAS, Silverton Health is now a Obligated Group Member and pursuant to the terms hereof shall become a party to the Agreement; and

WHEREAS, the Corporation has requested that the Bank amend certain terms of the Agreement, and the Bank has agreed to do so subject to the terms and conditions set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. AMENDMENT.

Upon satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. Section 6.35(a) of the Agreement shall be amended and restated in its entirety to read as follows:

Section 6.35. Debt Service Coverage Ratio. (a) Rates. Each Obligated Group Member shall establish, charge, and collect rates, fees, and charges for goods and services furnished by it, or for the use of the Property of such Obligated Group Member, such that the

Debt Service Coverage Ratio calculated at the end of each Fiscal Year, commencing with the first Fiscal Year following the execution of this Agreement, is not less than 1.10; provided that the Obligated Group Members shall not be required to maintain a Debt Service Coverage Ratio for the Fiscal Year ending March 31, 2023. For the avoidance of doubt, the Obligated Group shall still submit a Compliance Certificate setting forth the calculations of the Debt Service Coverage Ratio for the Fiscal Year ending March 31, 2023, as required by Section 6.05(c) of this Agreement.

1.02. Article VI of the Agreement shall be amended by the addition of a new Section 6.38 to read as follows:

Section 6.38. Days Cash On Hand. (a) The Obligated Group shall maintain not less than one hundred (100) Days Cash on Hand as of June 30, 2023, September 30, 2023 and December 31, 2023.

(b) For purposes of complying with the covenant set forth in this Section 6.38, the Obligated Group shall include a certification in the Compliance Certificate delivered pursuant to Section 6.05(c) hereof to the effect that as of the date on which the Days Cash on Hand is tested pursuant to Section 6.38 of the Agreement, the Obligated Group had no less than one hundred (100) Days Cash on Hand.

(c) The Obligated Group hereby agrees that it shall constitute an Event of Default hereunder (i) for any failure to provide the certification set forth in Section 6.38(b) hereof or (ii) if the certification provided pursuant to Section 6.28(b) hereof is incorrect or untrue in any material respect when made or deemed to have been made.

(d) For the purposes of this Section 6.38, the term “Days Cash on Hand” shall have the following meaning:

“*Days Cash on Hand*” means the quotient of (a) the sum of the fair market value of the unrestricted cash, cash equivalents and board designated funds of the Obligated Group as of the date of determination; divided by (b) the total expenses of the Obligated Group (minus depreciation, amortization, extraordinary items and other noncash expenses) accrued during the twelve-month period ending on the date of calculation, divided by the number of calendar days in the period.

SECTION 2. JOINDER.

The undersigned, Silverton Health, hereby represents and warrants that it is an Obligated Group Member and hereby elects to become a party to the Agreement for all purposes of the Agreement, effective from the date hereof. Silverton Health confirms that the representations and warranties set forth in Article 5 of the Agreement are true and correct as to Silverton Health as of the date hereof and Silverton Health shall comply with each of the covenants set forth in Article 6 of the Agreement. Without limiting the generality of the foregoing, Silverton Health hereby agrees to perform all the obligations of an Obligated Group Member under, and to be bound in all respects by the terms of, the Agreement to the same extent and with the same force and effect as if Silverton Health were a signatory party thereto.

SECTION 3. CONDITIONS PRECEDENT.

This Amendment shall become effective on the Amendment Date subject to the satisfaction of or waiver by the Bank of all of the following conditions precedent (such satisfaction to be evidenced by the Bank's execution and delivery of this Amendment):

3.01. Delivery to the Bank of a executed counterparts of this Amendment.

3.02. Receipt by the Bank of (i) evidence of the authority of the Obligated Group Members to enter into this Amendment and to undertake the matters contemplated hereby and (ii) a customary certificate executed by an authorized representative of the Corporation certifying the name and signature of the person authorized to execute and deliver, on behalf of the Obligated Group Members, this Amendment.

3.03. Payment directly to Chapman and Cutler LLP, special counsel to the Bank ("*Bank's Counsel*") within thirty (30) days of receipt of an invoice from Bank's Counsel, the reasonable legal fees and expenses of Bank's Counsel.

3.04. All other legal matters pertaining to the execution and delivery of this Amendment shall be reasonably satisfactory to the Bank and Bank's Counsel.

SECTION 4. REPRESENTATIONS AND WARRANTIES OF THE OBLIGATED GROUP.

4.01. The Obligated Group hereby represents and warrants that the following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the Obligated Group contained in Article 5 of the Agreement and in each of the other Related Documents are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date and except that the representations contained in Section 5.07 of the Agreement shall be deemed to refer to the most recent audited financial statements of the Obligated group delivered to the Bank pursuant to Section 6.05(a) of the Agreement); and

(b) no Default or Event of Default has occurred and is continuing or would result from the execution of this Amendment.

4.02. In addition to the representations contained in Article 5 of the Agreement, the Obligated Group hereby represents and warrants as follows:

(a) The execution, delivery and performance by the Obligated Group of this Amendment and the performance by the Obligated Group of the Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting any Member of the Obligated Group.

(b) No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Obligated Group of this Amendment or the performance by the Obligated Group of the Agreement, as amended hereby.

(c) This Amendment and the Agreement, as amended hereby, constitute legal, valid and binding obligations of the Obligated Group enforceable against the Obligated Group in accordance with their respective terms, except that (i) the enforcement thereof may be limited by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of the Members of the Obligated Group, and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

SECTION 5. MISCELLANEOUS.

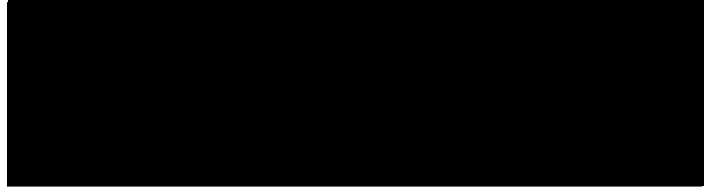
Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its original terms. Reference to this specific Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement, as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF OREGON WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Amendment may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

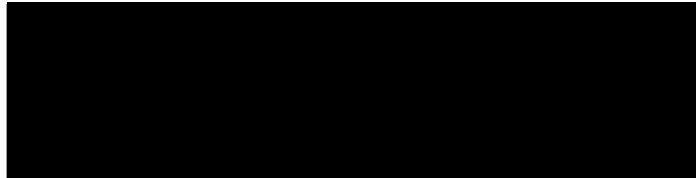
[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers hereunto duly authorized as of the Amendment Date.

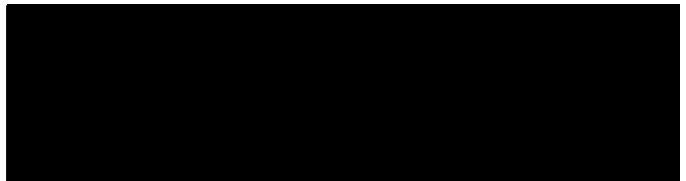
JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION



LEGACY HEALTH



LEGACY EMANUEL HOSPITAL & HEALTH
CENTER



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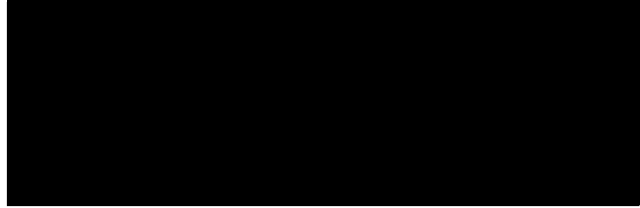
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By: _____

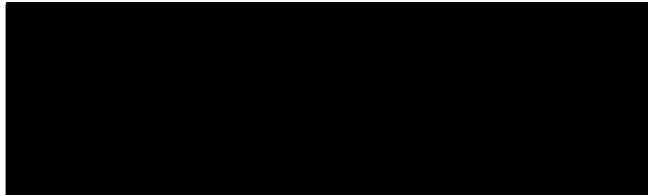
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LEGACY HEALTH



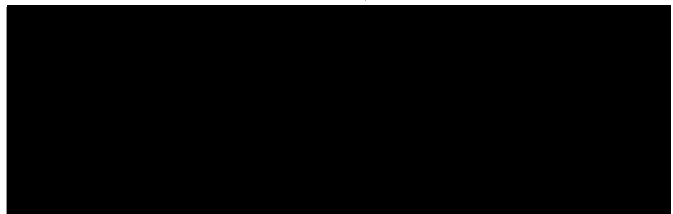
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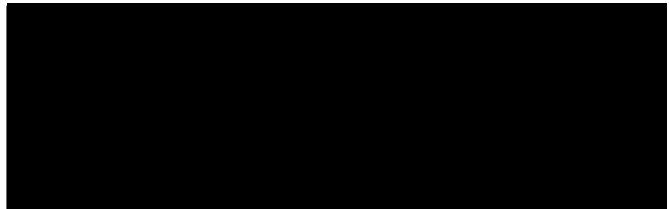
LEGACY GOOD SAMARITAN HOSPITAL AND
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