

Recording Information

Land Court System	Regular System
After recordation return to: McCorriston Miller Mukai MacKinnon, P. O. Box 2800, Honolulu HI 96803-2800. Phone No.: 529-7300. Attn: BTH	By Mail () Pick Up (X). RS. Total No. of Pages: [blank]

Tax Map Key: (2) 3-8-046-013

Tax Map Key: (2) 3-8-046-024

Absolute Assignment of Rentals and Lessor's Related Financial Interest in Lease

This Assignment and Agreement ("this Assignment") made and entered this 30th day of June, 2017 to be effective July 1, 2017 (the "Effective Date"), by and between the **HAWAII HEALTH SYSTEMS CORPORATION**, a public body corporate and politic and an instrumentality and agency of the State of Hawaii, whose address is 3674 Kilauea Avenue, Honolulu, Hawaii 96816 (hereinafter called the "Assignor"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (formerly known as The Bank of New York Trust Company, N.A.), a national banking association organized and existing under the laws of the United States, as Master Trustee under the Master Trust Indenture dated as of April 1, 2008, whose address is 400 South Hope Street, Suite #500, Los Angeles, California 90071 (hereinafter called the "Assignee").

Witnesseth That:

To assure the repayment of all amounts due and owing to the Assignee, as Master Trustee under that certain Master Trust Indenture dated as of April 1, 2008 as amended or supplemented from time to time (the "Trust Indenture"), including, without limitation, (i) that certain Master Indenture Revenue Bond No. 1, in the original principal amount of \$11,000,000; and (ii) that certain Master Indenture Revenue Bond No. 3, in the original amount of \$10,137,894, issued by the Maui Regional Health Care System and Hawaii Health Systems Corporation (hereinafter individually and collectively called the "Bond");

AND ALSO to assure the observance and performance by the Assignor of all covenants, agreements, obligations and conditions required to be observed and performed by the Assignor under this Assignment, including, but not limited to, the payment by the Assignor to the Assignee of all sums expended or advanced by the Assignee pursuant to the provisions of this Assignment;

THE ASSIGNOR DOES HEREBY assign, transfer, deliver and set over unto the Assignee and its successors and assigns, absolutely:

FIRST: All of the right, title and interest of the Assignor under Sections 2.1 (Annual and Monthly Minimum Base Rents), 4.1 (Payment of Rent), and Attachment 1-A (MMMC Facility Rental Payments) (collectively, the "MMMC Facility Rental Payments Provisions") of that certain State of Hawaii Hospital

Facilities Lease (the "Lease") dated as of April 22, 2016, made by and between the Assignor, as the lessor, and Maui Health System, A Kaiser Foundation Hospitals, LLC, a Hawaii limited liability company, as lessee, ***[a short form memorandum of which was recorded in the Bureau of Conveyances of the State of Hawaii as Document No. (blank)]***, demising the real property associated with Maui Memorial Medical Center (the "MMMC Real Property") described in Section 1.1(a) and Exhibits "A-1" and "B-1" of the Lease, and all extensions, renewals, supplements and modifications of the Lease, but only to the extent that such provisions relate to the "MMMC Facility Rental Payments," and not the "Lanai Facility Rental Payments" or the "Kula Facility Rental Payments," as such terms are defined in the Lease;

SECOND: All MMMC Facility Rental Payments payable by the lessee under Sections 2.1, 4.1, and Attachment 1-A of the Lease and all extensions, renewals, supplements and modifications thereof;

THIRD: All rights, powers, security, privileges, options, remedies and other benefits of the Assignor, as lessor under the Lease, to demand, collect and receive all MMMC Facility Rental Payments and all sums due and which may become due or payable to the lessor thereunder relating to the MMMC Facility Rental Payments, whether as rentals, interest under Section 2.5 (Interest) of the Lease, the proceeds of insurance under Section 4.17(c) (Lessee and Sublessee Insurance) of the Lease, or otherwise under the MMMC Facility Rental Payments Provisions (all articles of property described in Items FIRST, SECOND and THIRD being hereinafter sometimes called the "Assigned Property");

TO HAVE AND TO HOLD the same unto the Assignee and its successors and assigns, absolutely. For purposes of clarification, the Assigned Property shall not include (a) the Kula Facility Rental Payments or the Lanai Facility Rental Payments described in Section 2.1 of the Lease or (b) the Capital Lease Payments or Contract Payments described in Section 2.3 of the Lease.

A. Assignor's Warranties

The Assignor warrants and represents that the Assignor is the lawful and absolute owner of all of the MMMC Real Property leased or to be leased under the Lease and has good right to assign the lessor's interest in the MMMC Facility Rental Payments and other sums payable under the MMMC Facility Rental Payments Provisions; that the Lease is the only lease of all or any part of the MMMC Real Property which the Assignor has executed; that the Lease, as of the Effective Date, will be valid, legally binding upon the parties thereto, enforceable in accordance with its provisions; that the Lease, as of the Effective Date, will be in full force and effect, not in default, and will not have been amended or modified except as disclosed in writing to Assignee; that, except for this Assignment, the Assignor has not sold, assigned, transferred, mortgaged, pledged or otherwise encumbered the Lease or the rentals, income and profits due or to become due thereunder; that there has been no prepayment or anticipation of rentals provided for in the Lease for a period in excess of one (1) month; and that there are no offsets,

counterclaims or defenses to the Assignor's rights to the rentals now due or to become due under the Lease.

B. Assignor's Covenants

The Assignor hereby covenants and agrees with and for the benefit of the Assignee as follows:

1. Absolute Assignment

This assignment is not an assignment for security purposes, nor a pledge of rents for additional security, but an outright, immediate and absolute assignment of the Assignor's interest in the MMMC Facility Rental Payments and the associated rights of Assignor under the MMMC Facility Rental Payments Provisions.

2. Preservation and Enforcement of Lease

The Assignor shall fully and faithfully abide by, observe and perform each and every covenant, condition and obligation to be observed and performed by the lessor under the Lease and, at the sole cost and expense of the Assignor, shall enforce or secure the observance and performance of each and every covenant, condition and obligation to be observed and performed by the lessee under the Lease that impacts, directly or indirectly, the MMMC Facility Rental Payments. Without the prior written consent of the Assignee, which consent shall be given only if the Assignee is so directed in writing by the holders of a majority in aggregate principal amount of the Bond, the Assignor shall not (a) modify, alter, waive, cancel, or terminate any of the MMMC Facility Rental Payments Provisions; (b) consent to any assignment by lessee of the Lease; or (c) anticipate for more than one (1) month the MMMC Facility Rental Payments under the Lease, or waive, excuse, condone or in any manner release or discharge the lessee from any obligation under the MMMC Facility Rental Payments Provisions, including, but not limited to, the obligation to pay the MMMC Facility Rental Payments in the manner and at the place and time specified in the Lease. If requested by the Assignee (which the Assignee has no obligation or duty to request), the Assignor shall deliver to the Assignee an estoppel certificate, duly executed by the lessee under the Lease.

3. Legal Proceedings

The Assignor shall, at the Assignor's sole cost and expense, appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the Lease or the obligations, duties or liabilities of the lessor and lessee thereunder relating to or grounded in the MMMC Facility Rental Payments Provisions; PROVIDED, that if, based on any failure by the Assignor to appear in or defend any such action or proceeding or on any action taken or omitted by the Assignor in such an action or proceeding, the holders of a majority in aggregate principal amount of the Bond determine that the Assignee's participation in the action or proceeding in question is reasonably necessary to protect its interest in the Assigned Property, the Assignee may, if so directed by such holders, appear in and defend any such action or proceeding at Assignor's expense as provided in Section 5 below.

4. Right of Assignee to Prevent or Remedy Default

If the Assignor fails to make any payment under the Bond or to observe and perform any of the covenants, conditions or obligations under the Trust Indenture, then the Assignee may, but without obligation so to do and without notice to or demand on the Assignor and without releasing the Assignor from any obligation hereunder, take any action deemed necessary or appropriate to prevent or remedy such default or otherwise to protect its interest in the Assigned Property in accordance with the Trust Indenture, subject to all of the Assignee's rights, protections and immunities, and all indemnities by the holders of the Bond, if applicable, all as provided in the Trust Indenture.

5. Assignee's Expenses

All reasonable advances, costs, expenses and attorneys' fees which the Assignee may make, pay or incur under any provision of this Assignment for the protection of any of the rights of the Assignee hereunder, or in any dispute or litigation in which the Assignee may become involved by reason of or arising out of this Assignment, shall be paid by the Assignor to the Assignee as provided for in section 39-61(b) and section 103-10, Hawaii Revised Statutes, it being understood and agreed that the Assignee remains entitled to indemnity by the holders of the Bond, if applicable, and to reimbursement for expenses, all as provided in the Trust Indenture.

6. Grant of License to Assignor for Collection of Rentals

The Assignee hereby grants to the Assignor a revocable license to collect, but not more than one (1) month prior to accrual, all MMC Facility Rental Payments payable under the Lease, and to hold the same as a trust fund to be applied, **first**, to the payment of any advances, costs, expenses and attorneys' fees and expenses charged, made, paid or incurred by the Assignee for the protection of its rights and security under the Trust Indenture and, if and to the extent related to the Bond or the Trust Indenture, to the payment of all other sums now or hereafter loaned or advanced by the Assignee to the Assignor, expended by the Assignee for the account of the Assignor, or otherwise owing by the Assignor to the Assignee on any and every account whatsoever; **second**, to the payment of charges, interest and principal becoming due under the Bond; **third**, to the satisfaction of any obligations owing by the lessor to the lessee under the Lease; and the remainder, if any, may be used for the Assignor's own purposes. The Assignee may revoke this license at any time by written notice to the Assignor.

7. Collection of Rentals by the Assignee

Upon the revocation of the license granted by the Assignee to the Assignor pursuant to paragraph 6 of this Agreement, or upon the occurrence of a default under the Bond or the Trust Indenture, the lessee under the Lease shall be required to pay all of the MMC Facility Rental Payments directly to the Assignee and such rentals shall be applied by the Assignee, **first**, to the payment of any fees, advances, costs, expenses and attorneys' fees and expenses charged, made, paid or incurred by the Assignee for the protection of its rights and security under the Trust Indenture and, if and to the extent related to the Bond or the Trust Indenture, to the payment of all other sums now or hereafter loaned or advanced by the Assignee to the Assignor, expended by the

Assignee for the account of the Assignor, or otherwise owing by the Assignor to the Assignee on any and every account whatsoever; **second**, to the payment of the unpaid charges, interest and principal on the Bond; and the remainder, if any, shall be paid to the Assignor.

8. Assignee not Obligated to Perform Under Lease

The Assignee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under the Lease, or under or by reason of this Assignment except as otherwise expressly provided in Sections 11 and 15 hereof.

9. Future Leases

Until every covenant, condition and obligation of the Assignor under the Trust Indenture shall have been fully paid, observed and performed, in the event the Lease expires or terminates, the Assignor shall, and does hereby, assign and transfer to the Assignee absolutely any and all rents and related financial interest from any and all future leases demising part or all of the MMMC Real Property upon the same or substantially the same terms and conditions as are herein contained, and will make, execute, acknowledge and deliver to the Assignee, upon demand, any and all instruments that may be requested by the Assignee therefor (which the Assignee has no obligation or duty to request).

10. Liens

The Assignor will maintain the valid security interest of the Assignee in the Assigned Property and the sums due thereunder, free and clear of all liens, claims and encumbrances that may be made prior to or on a parity with the security interest of the Assignee therein.

11. Reassignment

Upon the payment, observance and performance by the Assignor of all of the obligations under the Bond and the Trust Indenture, the Assignee shall, by executing a document or documents prepared by or on behalf of the Assignor, reassign the Assigned Property to the Assignor, without recourse, representation or warranty; PROVIDED, HOWEVER, that the Assignor shall pay for the costs of such reassignment (including legal fees and expenses) as provided for in section 39-61, Hawaii Revised Statutes.

12. Termination of Lease

If the Lease expires or, despite the provisions of Paragraph 2 above, the Lease is terminated in its entirety, either pursuant to its terms or due to a default by the lessee, the Assignor will promptly notify the Assignee in writing of such occurrence and will reinstitute operation of the "MMMC Facility" (as such term is defined in the Lease), and will observe and perform its obligations set forth in Section 3.06 of the Trust Indenture, as amended by Section 3(c) of that certain Supplemental Master Indenture (Hospital Facilities Lease and Related Modifications) dated as of June 30, 2017, executed by

Hawaii Health Systems Corporation, Maui Regional Health Care System and The Bank of New York Mellon Trust Company, N.A., as Master Trustee.

13. Paragraph Headings

The headings of paragraphs herein are inserted only for convenience and shall in no way define, describe or limit the scope or intent of any provisions of this Assignment.

14. Amendments

No change, amendment, modification, cancellation or discharge of any provision of this Assignment shall be valid unless consented to in writing by the Assignee, as it shall be directed by the holders of a majority in aggregate principal amount of the Bond.

15. Assignment of Assignee's Interest

In the event that a successor master trustee is appointed to succeed the Assignee under the terms of the Trust Indenture, the Assignee, by executing a document or documents prepared by or on behalf of the Assignee, shall assign its interest in this Assignment to such successor.

16. Parties in Interest

As and when used herein, the term "Assignor" and the term "Assignee" shall mean and include the Assignor and Assignee above-named and their respective successors, successors in trust and assigns.

17. Applicable Laws

This Assignment shall be governed by and shall be construed and interpreted under and pursuant to the laws of the State of Hawaii. If any provision of this Assignment is held to be invalid or unenforceable, such holding will not affect the validity or enforceability of the other provisions of this Assignment.

18. Notices

All notices, demands or documents which are required or permitted to be given or served hereunder shall be in writing and personally delivered, or sent by registered or certified mail addressed as follows:

To the ASSIGNOR at: Hawaii Health Systems Corporation, 3674 Kilauea Avenue, Honolulu, Hawaii 96816, Attention: Chief Executive Officer

To the ASSIGNEE at: The Bank of New York Mellon Trust Company, N.A., 400 South Hope Street, Suite #500, Los Angeles, California 90071

Either such address may be changed from time to time by the addressee by serving notice as above provided. Any notice or demand shall be conclusively deemed to have been given or served upon the earlier to occur of the actual date of delivery or three (3) days after the date of mailing if mailed in Hawaii.

19. The Assignee

The Assignee is executing this Assignment solely as Master Trustee under the Trust Indenture and shall be afforded all of the rights, protections, immunities and indemnities hereunder accorded to it as Master Trustee under the Trust Indenture. The Assignee shall not be required to exercise any discretion in connection with this Assignment and shall be entitled to request and receive written directions of the holders of a majority in aggregate principal amount of the Bond if requested to exercise any discretion or judgment hereunder.

Counterparts

THE PARTIES HERETO AGREE that this instrument may be executed in any number of counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same instrument, binding all of the parties hereto, notwithstanding that all of the parties are not signatory to the original or same counterparts. For all purposes, including, without limitation, recordation, filing and delivery of this instrument, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

[Remainder of this page intentionally left blank – Signature Page Follows]

Signatures

IN WITNESS WHEREOF, the Assignor and the Assignee have executed these presents as of the day and year first above written.

HAWAII HEALTH SYSTEMS CORPORATION,
a public body corporate and politic and an
instrumentality and agency of the State of Hawaii

By: 
Name: Linda Rosen
Title: Chief Executive Officer

“Assignor”

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,**
(formerly known as The Bank of New York Trust
Company, N.A.), a national banking association
organized and existing under the laws of the United
States, as Master Trustee as aforesaid

By: _____
Name: _____
Title: _____

“Assignee”

Note: The original was executed in two counterpart signature pages, one signed by each party below. Handwritten signatures are described in brackets.

IN WITNESS WHEREOF, the Assignor and the Assignee have executed these presents as of the day and year first above written.

HAWAII HEALTH SYSTEMS CORPORATION,
a public body corporate and politic and an
instrumentality and agency of the State of Hawaii

By: _____
Name: _____
Title: _____

“Assignor”

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,**
(formerly known as The Bank of New York Trust
Company, N.A.), a national banking association
organized and existing under the laws of the United
States, as Master Trustee as aforesaid

By: Valere Boyd
Name: Valere Boyd
Title: Vice President

“Assignee”

Assignor

HAWAII HEALTH SYSTEMS CORPORATION, a public body corporate and politic and
an instrumentality and agency of the State of Hawaii

By: *[Handwritten signature of Linda Rosen]*

Name: Linda Rosen

Title: Chief Executive Officer

“Assignor”

Assignee

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., (formerly known as
The Bank of New York Trust Company, N.A.), a national banking association organized
and existing under the laws of the United States, as Master Trustee as aforesaid

By: *[Handwritten signature of Valere Boyd]*

Name: Valere Boyd

Title: Vice President

“Assignee”

STATE OF HAWAII
CITY AND COUNTY OF HONOLULU
SS.

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On June 26, 2017, before me appeared Linda Rosen

to me personally known (or proved to me on the basis of satisfactory evidence), who being by me duly sworn or affirmed, did say that such person executed this 14 page *Absolute Assignment of Rentals and Lessor's Related Financial Interest in Lease*, dated June 26, 2017, in the First Circuit of the State of Hawaii, as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.



Kenneth A. Grant

(Signature of Notary)

Print Name of Notary: Daniel M. Hitaro

NOTARY PUBLIC, State of Hawaii

My commission expires: March 24, 2020

NOTARY PUBLIC, State of Hawaii

My commission expires: March 24, 2020 (handwritten)

[Notary seal: Debbie M. Hirano, Notary Public, No. 92-183, State of Hawaii]

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

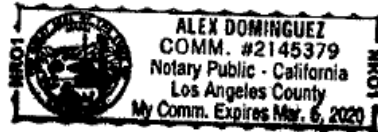
State of California
County of Los Angeles

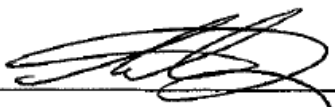
On June 21, 2017 before me, Alex Dominguez, Notary Public
(insert name and title of the officer)

personally appeared Valere Boyd
who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~
subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in
~~his~~/her/~~their~~ authorized capacity~~(ies)~~, and that by ~~his~~/her/~~their~~ signature~~(s)~~ on the instrument the
person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature  (Seal)