CLOSING AGREEMENT ON FINAL DETERMINATION
COVERING SPECIFIC MATTERS

Under section 7121 of the Internal Revenue Code of 1986, as amended (the “Code”), City of Anywhere, USA EIN 99-9999999 (the "Issuer"), Debtor Medical Center, EIN 88-8888888, (the “Borrower”), and the Commissioner of Internal Revenue (the “IRS”) make this closing agreement (the "Agreement").

WHEREAS, this Agreement is based on the following facts and representations:

A. This Agreement is in resolution of issues raised in a request for a voluntary closing agreement pertaining to the $10,000,000 City of Anywhere, USA ( Debtor Medical Center Project) Revenue Bonds, Series 20XX (the "Bonds"), issued on November 1, 20XX.

B. The Issuer and Borrower make the following representations:

1. The Bonds were issued and sold under the representation to bondholders that the Bonds comply with all provisions of the Code such that interest on the Bonds is not included in the bondholders’ gross income.

2. The Bonds were issued and the proceeds were loaned to the Borrower, a 501(c)(3) organization, to purchase Medical Facility A for $5,000,000 and Medical Facility B for $5,000,000, both to be owned and used by the Borrower.

3. On DATE (the “Deliberate Action Date”), the Borrower sold Medical Facility B to an entity that was neither a governmental entity nor an organization exempt under section 501(c)(3).

4. As a result of the sale of Medical Facility B, the requirement of section 145(a)(1) of the Code that “all property which is to be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit” has not been met, and the amount of nonqualifying use of the Bond-financed property is 50%.

C. Based on the representations in paragraph B, the IRS has a basis to conclude that the interest on the Bonds is includable in bondholders’ gross income pursuant to section 103(b)(1) of the Code because the sale of the bond financed Medical Facility B to an entity that is neither a governmental nor a 501(c)(3) entity
caused the Bonds to fail to meet the ownership requirement of section 145(a)(1) of the Code.

D. The IRS has not formally asserted any claims against the Issuer or Borrower, or sought to tax interest on the Bonds.

E. The Issuer, the Borrower and the IRS desire to resolve the violation described in paragraph C.

F. The terms of this Agreement were arrived at pursuant to negotiation among the Issuer, the Borrower and the IRS and may differ from the resolution terms of other closing agreements.

G. The Issuer and the Borrower make the following additional representations:

1) Payment of the Resolution Amount defined below shall be made from sources other than proceeds of bonds described in sections 103, 54A or 54AA of the Code.

2) On DATE, the Issuer redeemed and retired 50% of the Bonds outstanding as of the Deliberate Action Date, as described in the attached Exhibit A, with funds from sources other than proceeds of bonds described in sections 103, 54A or 54AA of the Code.

NOW, IT IS HEREBY DETERMINED AND AGREED PURSUANT TO THIS AGREEMENT EXECUTED BY THE PARTIES HERETO UNDER SECTION 7121 OF THE CODE THAT FOR FEDERAL INCOME TAX PURPOSES:

1. Contemporaneously with the Issuer’s execution of this Agreement, the Issuer shall pay or cause to be electronically paid the sum of $180,000 (ONE HUNDRED EIGHTY THOUSAND DOLLARS AND NO CENTS) (the “Resolution Amount”) to the U.S. Treasury via the Electronic Federal Tax Payment System and in accordance with the directions contained in Exhibit B of this Agreement.

2. The Resolution Amount is not refundable or subject to credit or offset under any circumstance.

3. The Resolution Amount or any portion thereof paid by or on behalf of the Issuer shall not be deductible or amortizable for federal income tax purposes by any person.

4. The Resolution Amount shall not be treated as income to any person benefiting from this Agreement.

5. The bondholders shall not be required to include interest paid on the Bonds in gross income because of the specific violation(s) identified in paragraph C.

6. The IRS may take any appropriate action, including requiring bondholders to include interest paid on the Bonds in gross income, for any violation not specifically listed in paragraph C that has occurred or will occur with respect to the Bonds.
7. For purposes of any refunding of the Bonds redeemed as provided in Exhibit A, gross proceeds of the Bonds are unspent proceeds (i.e., not allocated to any expenditure under subsection 1.148-6(d) of the Treasury Regulations).

8. This Agreement is not based upon an examination of the Bonds by the IRS and does not preclude or impede an examination of the Bonds, the Issuer, the Borrower, or any Bondholder.

9. This Agreement may not be cited or relied upon by any person or entity whatsoever as precedent in the disposition of any other case.

10. This Agreement is final and conclusive, except that:

   a. The matter it relates to may be reopened in the event of fraud, malfeasance, or misrepresentation of a material fact;

   b. It is subject to sections of the Code that expressly provide that effect be given to their provisions notwithstanding any other law or rule of law; and

   c. If it relates to a tax period ending after the effective date of this agreement, it is subject to any law enacted after the Agreement date that applies to that tax period.

This space intentionally left blank.
By signing, the above parties certify that they have read and agreed to the terms of this Agreement.

**ISSUER:** City of Anywhere, USA  **EIN:** 99-9999999

By signing, I certify that I have the authority to execute this Agreement on behalf of Issuer

**BY:**

________________________________________________
SIGNATURE

________________________________________________
NAME (PLEASE PRINT)

________________________________________________
TITLE

________________________________________________
DATE

**BORROWER:** Debtor Medical Center  **EIN:** 88-8888888

By signing, I certify that I have the authority to execute this Agreement on behalf of Borrower

**BY:**

________________________________________________
SIGNATURE

________________________________________________
NAME (PLEASE PRINT)

________________________________________________
TITLE

________________________________________________
DATE

**COMMISSIONER OF INTERNAL REVENUE:**

**BY:**

________________________________________________
SIGNATURE

________________________________________________
NAME AND TITLE

________________________________________________
DATE
DATE

John Doe, Chairman
City of Anywhere, USA
1000 Oak Street
Anywhere, USA 22222

RE: $10,000,000 City of Anywhere, USA (Debtor Medical Center Project) Revenue Bonds, Series 20XX

Dear Sir or Madam:

This letter confirms that on DATE we called $5,000,000 of the principal amount of the Bonds outstanding pursuant to the notice of partial redemption dated September 1, 20YY. The Bonds as listed below were redeemed pro rata in accordance with section 1.141-12(j) of the Treasury Regulations.

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Principal Amount</th>
<th>CUSIP</th>
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<tbody>
<tr>
<td>November 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20YY</td>
<td>400,000</td>
<td>555555BBB</td>
</tr>
<tr>
<td>20ZZ</td>
<td>400,000</td>
<td>555555CCC</td>
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<tr>
<td>20AA</td>
<td>400,000</td>
<td>555555DDD</td>
</tr>
<tr>
<td>20BB</td>
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<tr>
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</tbody>
</table>

Please contact me at 444-333-2222 if you have any questions.

Sincerely,

Jane Doe
Trustee National Bank
Exhibit B

Taxpayer Information Worksheet for Electronic Federal Tax Payment System Deposit

This Agreement requires the electronic deposit of an amount to the U.S. Treasury through the Electronic Federal Tax Payment System (EFTPS) as a term for resolution of certain identified matters related to the tax-advantaged treatment of interest paid on a municipal obligation. This payment must be deposited in accordance with the directions contained herein.

Please carefully review the taxpayer information listed below and immediately report any errors to the IRS Tax Exempt Bonds employee assigned to your case. If, to the best of your knowledge, the information is correct, then please deposit all required payments through the EFTPS (either EFTPS – Direct or EFTPS – Through a Financial Institution) accurately and in accordance with this information and the terms of this Agreement.

1. Total Amount of Tax Deposit: $180,000
2. Taxpayer’s Employee Identification Number (EIN): 99-9999999
3. Taxpayer Name Control (4 characters): City
4. Taxpayer Name (up to 35 characters): City of Anywhere, USA
5. Tax Type (5 characters): 80384
6. Tax Year (2 digits): XX
7. Tax Month (2 digits): 11

Your financial institution may call the EFTPS Financial Institution Helpline for questions or assistance at 1-800-605-9876 (Monday – Friday, 8:00 a.m. – 8:00 p.m., Eastern Standard Time).

NOTE: If you are not enrolled in EFTPS – Direct or EFTPS – Through a Financial Institution, or otherwise wish to use the Same Day Payment option, then please provide your financial institution with the information listed above and direct them to accurately deposit your payments utilizing the following routing and account numbers: Note that the Receiving ABA/Routing Number, Receiving FI Name, Tax Type (under Beneficiary) and Beneficiary FI indicated below do not change.

Receiving ABA/Routing Number: 091036164 FRB MPLS ETA
Receiving FI Name: US TREAS SINGLE TX
Beneficiary FI: 20092900IRS

If the financial institution has difficulty transmitting the EFTPS same-day payment, please call 1-800-382-0045 (Monday – Friday, 7:45 a.m. – 4:30 p.m. Central Standard Time) to receive assistance from a Customer Service Representative at the Minneapolis Federal Reserve Bank.
CONSENT TO DISCLOSE TAX INFORMATION

I hereby consent, pursuant to section 6103(c) of the Internal Revenue Code of 1986 (as amended), to the disclosure of return information (as defined in section 6103(b)(2)) relating to the Closing Agreement (Agreement) between CITY OF ANYWHERE, USA EIN (99-9999999) (the “Taxpayer”), DEBTOR MEDICAL CENTER EIN (88-8888888) (the "Borrower"), and the Commissioner of Internal Revenue pertaining to the $10,000,000 City of Anywhere, USA (Debtor Medical Center Project) Revenue Bonds, Series 20XX, executed by the Taxpayer on ____________________, as follows:

The Internal Revenue Service may disclose the existence and subject matter of the Agreement to the extent that the Internal Revenue Service deems necessary to correct any material misstatement with respect to the Agreement in response to a public statement by Taxpayer or Borrower, or an agent of Taxpayer or Borrower.

Such disclosure may be made to Members of Congress, the press, and the general public, and may be made by any means, including press releases and notices in Internal Revenue Service publications.

I am aware that in the absence of this authorization, the returns and return information of CITY OF ANYWHERE, USA are confidential and may not be disclosed except as authorized by the Internal Revenue Code.

I certify that I have the authority to execute this consent on behalf of Taxpayer.

Taxpayer Name: _____________________________________________
Taxpayer TIN: _____________________________________________
Taxpayer Address: _____________________________________________
By: _____________________________________________
Title: _____________________________________________
Signature: _____________________________________________
Date: _____________________________________________