

## EXHIBIT B

PERMITTED ENCUMBRANCES

As used herein, the term "Permitted Encumbrances" shall mean: (a) liens for taxes and special assessments which are not then delinquent, or if then delinquent are being contested in accordance with the Agreement; (b) utility, access and other easements and rights of way, restrictions, restrictive covenants and exceptions that the Corporation certifies to the Trustee will not interfere with or impair the operation of the Facilities; (c) any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in accordance with the Agreement; (d) such minor defects, irregularities, encumbrances, easements, rights of way and clouds on title as normally exist with respect to properties similar in character to the Facilities and do not materially impair the property affected thereby for the purposes for which it was intended; (e) zoning laws; (f) liens arising in connection with workmen's compensation, unemployment insurance, taxes, assessments, statutory obligations or liens, social security legislation, undetermined liens and charges incidental to construction or other similar charges arising in the ordinary course of operation and not overdue or, if overdue, being contested in a permitted contest and such other liens and charges at the time required by law as a condition precedent to the transaction of the health care activities of the Corporation or the exercise of any privileges or licenses necessary to the Corporation; (g) the Indenture, the Agreement and the Mortgage and any supplements thereto; (h) liens securing Parity Indebtedness; (i) rights of lessees, sublessees or franchise holders under agreements with the Corporation to operate services within the Facilities as permitted by the Agreement; (j) so long as no Event of Default under the Agreement has occurred and is continuing, pledges of or security interests in the Gross Receipts to secure Short-Term Indebtedness, which pledges or security interests may have priority over the security interest in the Gross Receipts granted pursuant to the Mortgage; (k) statutory rights of the United States of America to recover against the Corporation by reason of federal funds made available under 42 U.S.C. Section 291, et