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CHICAGO TITLE INSURANCE COMPANY  
INDIANA DIVISION

TRUST INDENTURE  
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 AND  
 LASALLE NATIONAL BANK  
 As Trustee  
 AND  
 MERCANTILE NATIONAL BANK OF INDIANA  
 As Co-Trustee

**STOP**

ECONOMIC DEVELOPMENT  
 REVENUE BONDS, SERIES 1991 A  
 (THE MILLER PARTNERSHIP L.P. PROJECT)  
 and  
 TAXABLE ECONOMIC DEVELOPMENT  
 REVENUE BONDS, SERIES 1991 B  
 (THE MILLER PARTNERSHIP L.P. PROJECT)

Dated as of April 1, 1991

STATE OF INDIANA / S.S. NO.  
LAKE COUNTY  
FILED  
MAY 20 10 48 AM '91  
ROBERT J. REBELAND  
RECORDER

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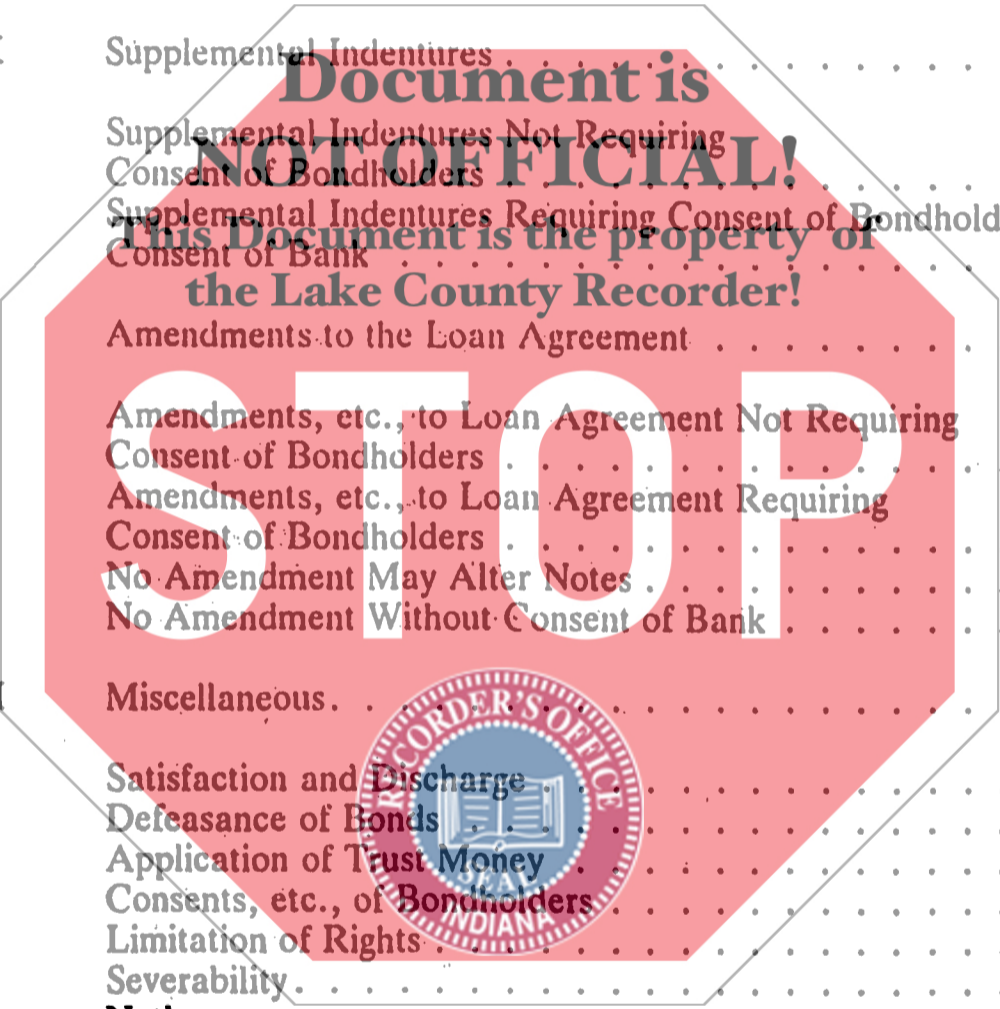
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## TRUST INDENTURE

THIS TRUST INDENTURE dated as of the first day of April, 1991, by and between the City of Gary, Indiana (the "Issuer"), a municipal corporation duly organized and validly existing under the laws of the State of Indiana, and LaSalle National Bank, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America, with its principal office in Chicago, Illinois, as Trustee (the "Trustee"), and Mercantile National Bank of Indiana, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America, with its principal office in Hammond, Indiana, as Co-Trustee (the "Co-Trustee");

### WITNESSETH:

WHEREAS, the Indiana Code, Title 36, Article 7, Chapters 11.9 and 12 (collectively, the "Act"), has been enacted by the General Assembly of Indiana; and

WHEREAS, the Act declares that the financing of economic development facilities constitutes a public purpose; and

WHEREAS, the Act provides that an issuer may pursuant to the Act issue revenue bonds and lend the proceeds thereof to a partnership for the purpose of financing costs of acquisition or construction of facilities, including real and personal property, for diversification of economic development and promotion of job opportunities in or near such issuer; and

WHEREAS, the Act provides that such bonds may be secured by a trust indenture between the Issuer and a corporate trustee; and

WHEREAS, the Issuer intends to issue its Economic Development Revenue Bonds, Series 1991 A (The Miller Partnership L.P. Project) in the aggregate principal amount of \$14,500,000 (the "Series 1991 A Bonds") and its Taxable Economic Development Revenue Bonds, Series 1991 B (The Miller Partnership L.P. Project) in the aggregate principal amount of \$1,000,000 (the "Series 1991 B Bonds") (the Series 1991 A Bonds and Series 1991 B Bonds are collectively referred to herein as the "Series 1991 Bonds") pursuant to this Trust Indenture in order to obtain funds to lend to The Miller Partnership L.P., an Illinois limited partnership (the "Borrower"), pursuant to the Loan Agreement, Mortgage, Security Agreement, Assignment of Rents and Leases and Financing Statement, dated as of April 1, 1991 (the "Loan Agreement" or the "Mortgage"), among the Issuer, the Borrower and the Bank for the purpose of financing the cost of acquiring, constructing, and equipping certain economic development facilities (the "Project") and certain costs of issuance of the Series 1991 Bonds; and

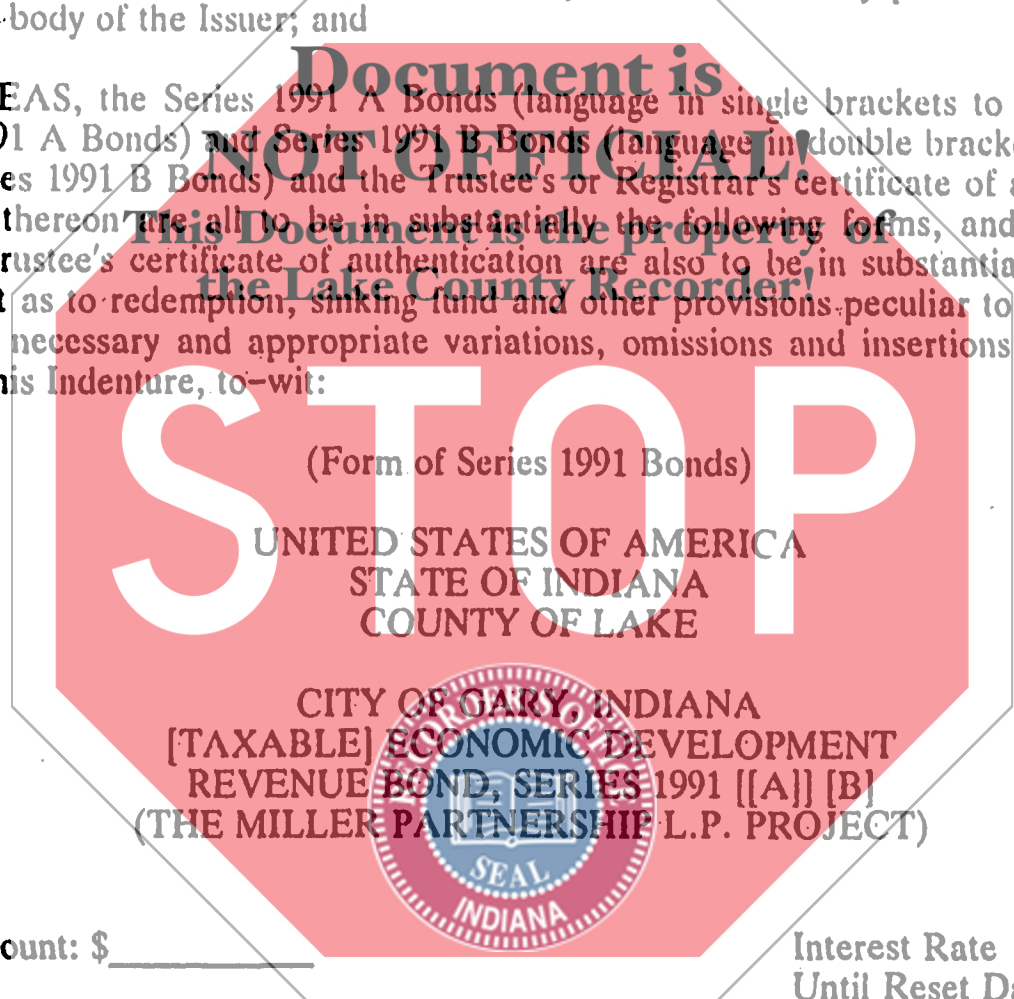
WHEREAS, the Loan Agreement provides for the repayment by the Borrower of the loans of the proceeds of the Series 1991 A Bonds and Series 1991 B Bonds and further provides (i) for the Borrower's repayment obligations on the Series 1991 A Bonds to be evidenced by the Borrower's Mortgage Note, Series 1991 A (the "Series 1991 A Note") in substantially the form attached thereto as "Exhibit B," and (ii) for the Borrower's repayment obligations on the Series 1991 B Bonds to be evidenced by the Borrower's Mortgage Note, Series 1991 B (the "Series 1991 B Note") in substantially the form attached thereto as "Exhibit

B" (the Series 1991 A Note and the Series 1991 B Note are collectively referred to herein as the "Series 1991 Notes"), (iii) for such loans and the Series 1991 Notes and the payment and performance obligations of the Borrower under the Reimbursement Agreement (as hereinafter defined) to be secured by the lien and security interest therein provided; and

WHEREAS, pursuant to this Indenture, the Issuer will endorse the Series 1991 Notes without recourse and assign certain of its rights under the Loan Agreement as security for the Series 1991 Bonds which are payable solely and only out of the payments to be made by the Borrower with respect to the Series 1991 Notes, and any other Notes issued under the Loan Agreement except to the extent paid out of Bond proceeds, proceeds of condemnation and insurance and proceeds of the Letter of Credit; and

WHEREAS, the execution and delivery of this Trust Indenture (hereinafter sometimes referred to as the "Indenture"), and the issuance of the Series 1991 Bonds hereunder have been in all respects duly and validly authorized by an ordinance duly passed and approved by the governing body of the Issuer; and

WHEREAS, the Series 1991 A Bonds (language in single brackets to be deleted from the Series 1991 A Bonds) and Series 1991 B Bonds (language in double brackets to be deleted from the Series 1991 B Bonds) and the Trustee's or Registrar's certificate of authentication to be endorsed thereon are all to be in substantially the following forms, and any Additional Bonds and Trustee's certificate of authentication are also to be in substantially the following forms (except as to redemption, sinking fund and other provisions peculiar to such Additional Bonds), with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture, to-wit:



Principal Amount: \$ \_\_\_\_\_

Interest Rate  
Until Reset Date: \_\_\_\_\_ %

Original Issue Date: \_\_\_\_\_, 1991

Maturity Date: April 1, 2031

Registered Owner: \_\_\_\_\_

Authentication Date: \_\_\_\_\_

Reset Date: \_\_\_\_\_

The City of Gary, Indiana (the "Issuer"), a municipal corporation organized under the laws of the State of Indiana, for value received, hereby promises to pay in lawful money of the United States of America to the Registered Owner listed above, but solely from the payments on the Notes hereinafter referred to pledged and assigned for the payment hereof, the

Principal Amount set forth above on the Maturity Date specified above, unless this Series 1991 [[A]] [B] Bond shall have previously been called for redemption and payment of the redemption price made or provided for, and to pay interest on the unpaid principal amount hereof in like money, but solely from said payments, at the Interest Rate specified above per annum and thereafter at the Reset Rate (as hereinafter described), payable on each January 1, April 1, July 1 and October 1 (the "Interest Payment Dates"), commencing on July 1, 1991. Interest on this Bond shall be payable from the Interest Payment Date next preceding the date of authentication thereof (the "Interest Date"), except that: (i) if this Series 1991 [[A]] [B] Bond is authenticated on or before June 15, 1991, the Interest Date shall be the Original Issue Date specified above; (ii) if this Series 1991 [[A]] [B] Bond is authenticated after the fifteenth day of the month immediately prior to such Interest Payment Date (the "Record Date"), or on such Interest Payment Date, the Interest Date shall be such Interest Payment Date; and (iii) if interest on this Series 1991 [[A]] [B] Bond is in default, the Interest Date shall be the day after the date to which interest hereon has been paid in full. Interest will be calculated on the basis of a 360-day year consisting of twelve thirty-day months.

Reset Date means April 1, 2001, for the first Reset Period. Thereafter, the Reset Date shall be specified in the Borrower's notice described below, provided that upon establishing each Reset Date, the Borrower shall have provided the Trustee with an opinion of nationally recognized Bond Counsel to the effect that the establishment of such Reset Date will not adversely affect the exclusion of interest on the Series 1991 A (as hereinafter defined) Bonds from gross income for federal income tax purposes.

Reset Period means each period beginning on a Reset Date and ending on the day immediately preceding the next subsequent Reset Date. The initial Reset Period commences on the Original Issue Date and ends on March 31, 2001.

Reset Rates, with respect to Series 1991 Bonds during any particular Reset Period means the rates of interest on the Series 1991 Bonds determined by the Remarketing Agent in the manner specified below to be those rates of interest necessary (but not greater than the interest rate necessary) to effect a sale of each separate sub-series of the Series 1991 Bonds at par on the commencement date of such Reset Period. The Remarketing Agent shall establish separate Reset Rates for the Series 1991 A Bonds and the Series 1991 B Bonds.

The rates of interest payable on the Series 1991 A Bonds and on the Series 1991 B Bonds (as hereinafter defined) shall be reset from the initial fixed interest rates or Reset Rates, as applicable, to the subsequent Reset Rates which will become effective on each Reset Date and remain effective for the Reset Period which begins on such Reset Date. The Trustee shall, by notice 60 days prior to a Reset Date, direct the Borrower to establish at least 45 days prior to such Reset Date the new Reset Date and to send written notice thereof to the Remarketing Agent, together with an opinion of nationally recognized Bond Counsel to the effect that such newly established Reset Period will not adversely affect the exclusion of interest on the Series 1991 A Bonds from gross income for federal income tax purposes. The Remarketing Agent shall deliver, on behalf of the Issuer, at least 40 days prior to such Reset Date, a notice to the Issuer, the Borrower, the Bank and the Trustee, which notice shall specify (1) the Reset Date upon which the subsequent Reset Rates are to become effective, (2) the subsequent Reset Date and Reset Period specified by the Borrower during which the subsequent Reset Rates will be effective, (3) the date on which the Remarketing Agent is to establish the subsequent Reset Rates, which date shall be not less than five Business Days prior to the Reset Date and, (4) any rating expected to be assigned to the Series 1991 Bonds on such Reset Date based on the Letter of Credit or otherwise. The notice shall be

accompanied by a draft of the proposed Letter of Credit which shall be in effect for the subsequent Reset Period. The failure to provide any of the foregoing shall not affect the requirement of a mandatory purchase or redemption of all Series 1991 Bonds on such Reset Date. The Remarketing Agent shall determine the subsequent Reset Rates for each sub-series of the Series 1991 Bonds, no later than five Business Days prior to the applicable Reset Date, as those rates which, in the determination of the Remarketing Agent, would result as nearly as practicable in the price of each separate sub-series of the Series 1991 Bonds on the Reset Date being 100% of the principal amount thereof. Upon the Reset Date, the Reset Rates shall be effective and shall be equal to the rate so determined by the Remarketing Agent.

In determining the Reset Rates pursuant to the Indenture, the Remarketing Agent shall take into account to the extent applicable: (1) market interest rates for comparable securities which are held by institutional and private investors with substantial portfolios (a) with a term or tender period equal to the period of the subsequent Reset Period, (b) with interest which is excludable from gross income for federal income tax purposes but only with regard to the Series 1991 A Bonds, (c) rated by a national credit rating agency in the same rating-category as the Series 1991 Bonds, and (d) with redemption provisions similar to those of the Series 1991 Bonds; (2) other financial market rates and indices which have a bearing on the subsequent Reset Rates; (3) general financial market conditions (including current forward supply); (4) other rates borne by securities comparable in term and provisions to the Series 1991 Bonds, with interest which is excludable from gross income for federal income tax purposes with regard only to the Series 1991 A Bonds, which are supported by credit facilities issued by the Bank; and (5) factors particular to the Project or the credit standing of the Borrower and the Bank.

The determination by the Remarketing Agent in accordance with the Indenture of the subsequent Reset Rates to be borne by the Series 1991 Bonds shall be conclusive and binding on the holders of the Series 1991 Bonds and the Issuer, the Borrower, the Bank, the Trustee and Co-Trustee.

On each Reset Date as provided in the Indenture the Series 1991 Bonds shall be subject to mandatory purchase in whole at 100% of the principal amount thereof plus accrued interest and such purchase shall be mandatory notwithstanding any failure by any Person (as defined in the Indenture) to comply with any procedure specified herein in connection with such Reset Date and shall be an absolute and unconditional right of the holders of the Series 1991 Bonds. Series 1991 Bonds shall be purchased at 100% of their principal amount by one or more designees of the Remarketing Agent and be delivered to the Trustee for transfer at the direction of the Remarketing Agent.

Upon receipt of notice from the Remarketing Agent of its then expected Reset Rates for the ensuing Reset Period, the Trustee shall mail such notice by first class mail to the Bondholders at least thirty days prior to the Reset Date. The notice from the Remarketing Agent shall state:

(1) that the Series 1991 Bonds are subject to mandatory tender for purchase or redemption on the Reset Date, and specifying the month, day and year which is the Reset Date;

(2) that the Series 1991 Bonds may be remarketed as provided in the Indenture, the name and address of the Remarketing Agent, that any Series 1991 Bonds which are



remarketed as provided in the Indenture will bear interest at the applicable Reset Rate for the subsequent Reset Period;

(3) the subsequent Reset Period during which the subsequent applicable Reset Rate will be effective;

(4) the date which is the subsequent Reset Date, if any, following the subsequent Reset Period, and that any Series 1991 Bonds which are remarketed will be subject to mandatory tender for purchase on such subsequent Reset Date;

(5) that all holders of Series 1991 Bonds shall be deemed to have tendered their Series 1991 Bonds for purchase or redemption on the Reset Date and shall be entitled only to the payment of the purchase price or redemption price of such Series 1991 Bonds plus accrued interest to the Reset Date, and shall not be entitled to any benefits of the Indenture after the Reset Date, including any interest to accrue subsequent to the Reset Date; and

(6) that all Series 1991 Bonds not remarketed on the Reset Date shall be redeemed on the Reset Date.

Even if a holder shall purchase on such Reset Date the same principal amount of Series 1991 Bonds as such holder held prior thereto, such holder shall tender its Series 1991 Bonds on such Reset Date for replacement Series 1991 Bonds.

Holders of Series 1991 Bonds shall be required to tender their Series 1991 Bonds for purchase or redemption at the applicable purchase price or redemption price, which shall be 100% of the principal amount thereof plus accrued interest to the Reset Date. Any Series 1991 Bonds not so tendered on the Reset Date ("Untendered Bonds") for which there has been irrevocably deposited in trust with the Trustee remarketing proceeds or the proceeds of a drawing on the Letter of Credit sufficient to pay the purchase price or redemption price of the Untendered Bonds, plus accrued interest to the Reset Date, shall be deemed to have been tendered for purchase or redemption. In the event of a failure by a Bondholder to tender such holder's Series 1991 Bonds on or prior to the Reset Date, such Bondholder shall not be entitled to any payment (including any interest to accrue subsequent to the Reset Date) other than the purchase price or redemption price for such Untendered Bonds plus accrued interest to the Reset Date, and any Untendered Bonds shall no longer be entitled to the benefits of this Indenture except for the purpose of payment of the purchase or redemption price therefor plus accrued interest to the Reset Date, or in the case of a mandatory redemption, to the date of redemption.

Subject to the next succeeding paragraph, the principal and premium, if any, of this Series 1991 Bond are payable at the principal corporate trust office of LaSalle National Bank, as Trustee, in Chicago, Illinois, or at the principal office of any successor ("Trustee" or "Registrar"). Subject to the next succeeding paragraph, all payments of interest hereon will be made by the Trustee by check, provided sufficient funds are received, mailed one Business Day (as defined in the Loan Agreement) prior to each Interest Payment Date to the Registered Owner hereof at the address shown on the registration books kept by the Trustee, as registrar, or any successor, determined on the Record Date next preceding such Interest Payment Date; provided, however, any Registered Owner of \$100,000 or more in aggregate principal amount of Series 1991 Bonds may elect to be paid interest by wire transfer to an account in the continental United States as provided in the Indenture.

The Bonds (as hereinafter defined) in a Book Entry System registered in the name of a Depository or its nominee shall be payable in lawful money of the United States of America without deduction for the services of the Trustee or any Paying Agent, in immediately available funds (i) in the case of principal of and any premium to the Depository or its authorized representative when due, and (ii) in the case of interest on such Bonds, delivered or transmitted on any date interest is due to the Depository or nominee that was the Holder of that Bond (or one or more predecessor Bonds) at the Record Date next preceding the Interest Payment Date.

"Book Entry Form" or "Book Entry System" means, with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as holder, with the physical Bond certificates "immobilized" in the custody of the Depository. The book entry maintained by the Depository is the record that identifies the owners of beneficial interests in those Bonds.

"Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of the Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of beneficial interests in the Bonds, and to effect transfers of the Bonds, in Book Entry Form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

This Series 1991 [[A]][B] Bond is one of the Issuer's [[tax exempt]][Taxable] Economic Development Revenue Bonds, Series 1991 [[A]][B] (The Miller Partnership L.P. Project) (the "Series 1991 [[A]] [B] Bonds"), which is being issued at the same time as the Issuer's [[Taxable]] Economic Development Revenue Bonds, Series 1991 [A] [[B]] (The Miller Partnership L.P. Project) (the "Series 1991 [A] [[B]] Bonds") (the Series 1991 A Bonds and Series 1991 B Bonds are collectively referred to herein as the "Series 1991 Bonds") being issued under the hereinafter described Indenture. The Series 1991 A Bonds are being issued in the aggregate principal amount of \$14,500,000 for the purpose of providing funds to finance the acquisition, construction, installation, rehabilitation and equipping of residential housing facilities located in or near the Issuer (the "Project") by The Miller Partnership L.P. (the "Borrower") and part of the cost of issuance of the Series 1991 A Bonds, and the Series 1991 B Bonds are being issued in the aggregate principal amount of \$1,000,000 for the purpose of paying certain development costs, part of the cost of issuance of the Series 1991 A Bonds and part of the costs of issuance of the Series 1991 B Bonds, by lending such funds to the Borrower pursuant to the Loan Agreement, Mortgage, Security Agreement, Assignment of Rents and Leases and Financing Statement, dated as of April 1, 1991 (the "Loan Agreement" or the "Mortgage") by and among the Borrower, the Issuer and the Bank (as hereinafter defined as a mortgagee thereunder) which prescribes the terms and conditions under which the Borrower shall repay such loans and pursuant to which the Borrower will execute and deliver to the Issuer its Mortgage Note, Series 1991 A and its Mortgage Note, Series 1991 B (collectively referred to herein as the "Series 1991 Notes") in the aggregate principal amount equal to the aggregate principal amount of the Series 1991 Bonds in order to evidence such loans. The Loan Agreement creates a lien on and a security interest in the Mortgaged Property, as therein defined, as security for the Series 1991 Notes and any other Notes issued thereunder (herein collectively referred to as the "Notes").

The Series 1991 Bonds are issued and entitled to the security of a Trust Indenture, dated as of April 1, 1991 (the "Indenture"), duly executed and delivered by the Issuer to LaSalle National Bank, as Trustee (the term "Trustee" where used herein refers to said Trustee or its successors), pursuant to which Indenture the Series 1991 Notes and all rights of the Issuer under the Mortgage, except the rights to payment for expenses, indemnity rights and the rights to perform certain discretionary acts, are pledged and assigned by the Issuer to the Trustee as security for the Series 1991 Bonds. The Series 1991 Bonds are further secured by an Irrevocable Transferable Direct Pay Letter of Credit issued by The Royal Bank of Scotland plc, acting through its New York Branch (the "Bank") in the maximum amount representing the full aggregate principal amount of the Series 1991 Bonds and 122 days' interest on the Series 1991 Bonds. No owner of Series 1991 Bonds shall have the right to draw upon the Letter of Credit.

The Trustee shall, two Business Days prior to each Interest Payment Date and on any other date on which principal and interest are due, draw on the Letter of Credit in an amount which, together with Available Moneys (as defined in the Loan Agreement) on deposit in the Bond Fund (as defined in the Indenture), is sufficient to pay principal of and interest on the Series 1991 Bonds on such Interest Payment Date or such other designated date.

It is provided in the Indenture that the Issuer may hereafter issue Additional Bonds (as defined in the Indenture) from time to time under certain terms and conditions contained therein. (Such Additional Bonds and the Series 1991 Bonds are hereinbefore and hereinafter collectively referred to as the "Bonds.") Under the same terms and conditions contained in the Loan Agreement, the Borrower may also issue obligations secured on a parity with the Bonds ("Parity Obligations"). Reference is made to the Indenture and to all indentures supplemental thereto and to the Loan Agreement for a description of the nature and extent of the security, the rights, duties and obligations of the Issuer and the Trustee, the rights of the holders of the Bonds and Parity Obligations, the issuance of Additional Bonds and Parity Obligations and the terms on which the Bonds and Parity Obligations are or may be issued and secured, and to all the provisions of which the holder hereof by the acceptance of this Series 1991 [[A]] [B] Bond assents.

The Series 1991 Bonds are issuable in registered form in the denominations of \$5,000 or integral multiples of \$5,000.

This Series 1991 [[A]] [B] Bond is transferable by the registered holder hereof in person or by its attorney duly authorized in writing at the principal corporate trust office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Series 1991 [[A]] [B] Bond. Upon such transfer a new registered Series 1991 [[A]] [B] Bond will be issued to the transferee in exchange therefor. The Registrar shall not be required to transfer or exchange any fully registered Series 1991 [[A]] [B] Bond during the period of fifteen (15) days next preceding any Interest Payment Date of such Series 1991 [[A]] [B] Bond, nor to transfer or exchange any Series 1991 [[A]] [B] Bond after the mailing of notice calling such Series 1991 [[A]] [B] Bond for redemption has been made, nor during a period of fifteen (15) days next preceding the giving of a notice of redemption of any Series 1991 [[A]] [B] Bonds.

The Issuer and the Trustee may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and premium, if any, hereon and interest due hereon and for all other purposes and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

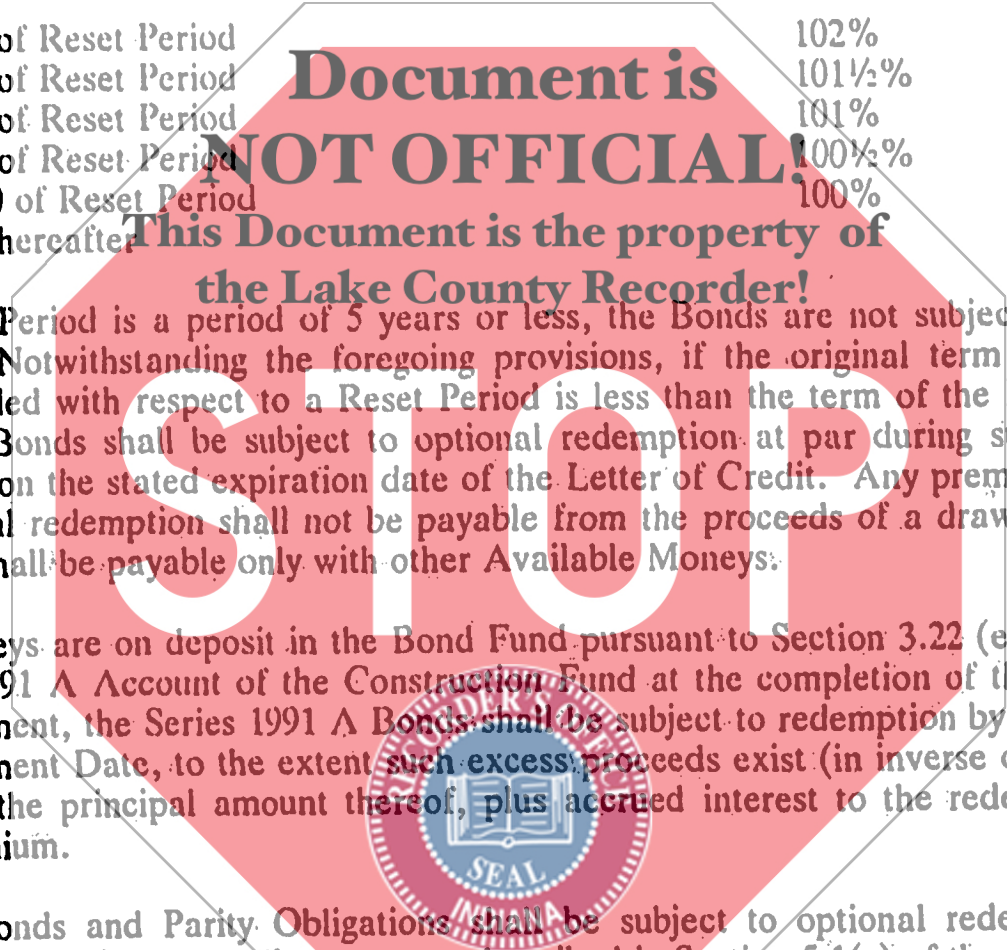
The Series 1991 A Bonds and Series 1991 B Bonds may be redeemed at the option of the Issuer as directed by the Borrower during the initial Reset Period and subsequent Reset Periods as set forth below:

Initial Reset Period

<u>Dates</u>	<u>Redemption Price</u>
April 1, 1996 to March 31, 2001	100%

Subsequent Reset Periods

<u>Dates</u>	<u>Redemption Price</u>
Year 6 of Reset Period	102%
Year 7 of Reset Period	101½%
Year 8 of Reset Period	101%
Year 9 of Reset Period	100½%
Year 10 of Reset Period and thereafter	100%



If the Reset Period is a period of 5 years or less, the Bonds are not subject to optional call hereunder. Notwithstanding the foregoing provisions, if the original term of the Letter of Credit provided with respect to a Reset Period is less than the term of the Reset Period, the Series 1991 Bonds shall be subject to optional redemption at par during such Reset Period commencing on the stated expiration date of the Letter of Credit. Any premium due pursuant to an optional redemption shall not be payable from the proceeds of a draw on the Letter of Credit, but shall be payable only with other Available Moneys.

If moneys are on deposit in the Bond Fund pursuant to Section 3.22 (excess proceeds in the Series 1991 A Account of the Construction Fund at the completion of the Project) of the Loan Agreement, the Series 1991 A Bonds shall be subject to redemption by the Issuer on any Interest Payment Date, to the extent such excess proceeds exist (in inverse order of maturity) at 100% of the principal amount thereof, plus accrued interest to the redemption date and without premium.

The Bonds and Parity Obligations shall be subject to optional redemption upon the occurrence of certain extraordinary events described in Section 5.1(c) of the Loan Agreement, if moneys for such redemption are on deposit with the Trustee. When called for redemption as a result of any such event, the Bonds and Parity Obligations shall be subject to redemption by the Issuer in whole on any Interest Payment Date at a redemption price of 100% of the principal amount of the Bonds and Parity Obligations being redeemed plus accrued interest to the redemption date and without premium.

In the event a Determination of Taxability (as defined in the Loan Agreement) with respect to any Series 1991 A Bonds shall have occurred, the Series 1991 A Bonds and the Series 1991 B Bonds shall be called for redemption and payment on a redemption date established pursuant to the Indenture (which redemption date shall be the earliest date by which the appropriate notices can be given, and shall be within 45 days of a final Determination of Taxability as hereinafter described) at a redemption price equal to 100% for

the Series 1991 A Bonds and 100% for the Series 1991 B Bonds of the principal amount thereof plus accrued interest to the redemption date; provided, however, that if the Borrower has contested the Determination of Taxability as described below and either lost or abandoned such contest, the redemption price for the Series 1991 A Bonds and the Series 1991 B Bonds shall also include a redemption premium equal to 5% per annum of the outstanding principal amount of Bonds to be redeemed measured from the date the Determination of Taxability would have been deemed to have occurred, absent such contest, to the date of redemption. The Borrower's right to contest a Determination of Taxability must be exercised in good faith and initiated within 30 days of the receipt of notice alleging that a Determination of Taxability has occurred and shall be conditioned on the Borrower delivering to the Trustee a letter of credit in an amount equal to 5% of the principal amount of the Series 1991 Bonds then outstanding within 15 days of receipt of such notice. Such letter of credit shall carry a rating equal to or greater than the rating then in effect for the Series 1991 Bonds, shall be effective for a period of not less than one year from the date of such notice, and shall be increased in its duration and the amount of its coverage by an additional 5% of the principal amount outstanding on the Series 1991 Bonds in each subsequent year that the Determination of Taxability continues to be actively contested in an administrative or court proceeding.

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If by March 1, 1996 and on each March 1 thereafter the Borrower fails to deliver to the Trustee an extension of the Letter of Credit or a Substitute Letter of Credit that provides sufficient coverage for at least the twelve-month period beginning on the next succeeding April 1 (and ending at least 15 days after an Interest Payment Date), then all Series 1991 Bonds then Outstanding on the April 1 following such March 1 shall be called for redemption on the Interest Payment Date prior to the expiration of the Letter of Credit. The Trustee shall draw on the Letter of Credit in order to redeem the Series 1991 Bonds then Outstanding at one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption but without premium.

The Series 1991 Bonds are subject to mandatory redemption in whole at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date, as soon as practicable but no later than the 90th day following the occurrence of an Act of Bankruptcy of the Bank, if by the 45th day following such occurrence a Substitute Letter of Credit has not been issued to the Trustee as provided in the Indenture.

The Series 1991 Bonds are also subject to mandatory redemption on any Reset Date, in whole or in part, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, in the amount and to the extent such Series 1991 Bonds, have not been remarketed by the Remarketing Agent by 10:30 a.m., New York time, on the Business Day prior to the Reset Date.

Redemption of Series 1991 Bonds from proceeds of a draw on the Letter of Credit pursuant to the prior three paragraphs shall be deemed to constitute a purchase in lieu of redemption and not result in the extinguishment and cancellation thereof so long as such Series 1991 Bonds are registered in the name of the Borrower and the Borrower and Bank have not directed the Trustee to cancel and extinguish such Series 1991 Bonds. Any Series 1991 Bonds so purchased with proceeds of a draw on the Letter of Credit shall be registered in the name of the Borrower, held by the Trustee and pledged to the Bank.

If fewer than all of the Series 1991 Bonds are to be redeemed, the Series 1991 Bonds shall be redeemed by inverse order of maturity, provided that Bonds shall be redeemed only in

whole multiples of \$5,000 provided that no Bond may have a denomination of less than \$5,000 after such redemption. The Trustee shall select the Series 1991 Bonds to be redeemed within a maturity by lot in such manner as it deems fair and appropriate. If any of the Series 1991 Bonds within a maturity are simultaneously subject to both optional and mandatory redemption, the Trustee shall first select by lot the Bonds to be redeemed under the optional redemption provisions.

If any of the Bonds are called for redemption (other than a redemption resulting from a failure to remarket the Bonds on a Reset Date, for which no advance notice is required) as aforesaid, notice thereof identifying the Bonds to be redeemed will be given by mailing a copy of the redemption notice by first class mail not less than thirty (30) days prior to the date fixed for redemption to the Registered Owner of the Bonds to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein with respect to any registered Bond, shall not affect the validity of any proceedings for the redemption of other Bonds. Two Business Days (as defined in the Loan Agreement) prior to the redemption date for the Bonds to be redeemed, the Trustee shall draw on the Letter of Credit an amount sufficient to pay the principal and interest on the Bonds to be redeemed.

All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided Available Moneys or funds drawn under the Letter of Credit for their redemption are on deposit at the place of payment at that time, and shall no longer be protected by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

The Bonds, the interest payable thereon and premium, if any, do not represent or constitute a debt of the Issuer within the meaning of the provisions of the constitution or statutes of the State of Indiana or a pledge of the faith and credit of the Issuer. The Bonds, as to principal, interest and premium, if any, are not an obligation of the State of Indiana, or of any political subdivision thereof including the Issuer, and are payable solely and only from the payments to be made on the Notes issued under the Loan Agreement pledged and assigned for their payment in accordance with the Indenture. However, no covenant or agreement contained in the Bonds or the Indenture shall be deemed to be a covenant or agreement of any member of the Gary Economic Development Commission (the "Commission"), the Issuer or of the legislative or fiscal bodies of the Issuer or of any officer or employee of the Commission, the Issuer or its legislative or fiscal bodies in his or her individual capacity, and neither the members of the Commission, the Issuer or the legislative or fiscal bodies of the Issuer nor any officer or employee of the Issuer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

**THE OWNER OF THIS BOND BY ACCEPTANCE HEREOF, HEREBY AGREES TO ALL OF THE TERMS AND PROVISIONS OF THE INDENTURE.**

Upon the occurrence of any Event of Default under the Indenture (subject to the requirement that the Bank consent to events of default under Section 701(b) and (c) of the Indenture), the Trustee shall be required to draw upon and enforce its full remedies under the Letter of Credit and to apply such moneys received from the honoring of the Letter of Credit to the payment of the Series 1991 Bonds in accordance with Section 702 of the Indenture. If moneys received from the honoring of the Letter of Credit are sufficient to pay the principal

and interest on the Series 1991 Bonds, interest will cease to accrue on the Series 1991 Bonds from such date of acceleration.

The holder of this Series 1991 [[A]] [B] Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

The Bonds are issuable as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of the Registered Owner, or, if the Bonds are held by a Depository, in the name of the Depository or its nominee, which shall be considered to be the holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of principal of, premium, if any, and interest on the Bonds, and receipt of notices and exercise of rights of holders.

If the Bonds are held in a Book Entry System, the Bonds shall be immobilized in the custody of the Depository with beneficial owners having no right to receive the Bonds in the form of physical securities or certificates. Ownership of beneficial interests in the Bonds shall be shown by book entry on the system maintained and operated by the Depository and its participants, and transfers of ownership of beneficial interests shall be made only by the Depository and its participants, by book entry, the Issuer having no responsibility therefor. The Depository is expected to maintain records of the positions of participants in the Bonds, and the participants and persons acting through participants are expected to maintain records of the purchasers of beneficial interests in the Bonds. The Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Issuer.

If the Bonds are held in a Book Entry System and if any Depository determines not to continue to act as a Depository for the Bonds for use in a book entry system, the Issuer, with the consent of the holders of 51% in aggregate principal amount of Bonds as set forth in the registration books of the Trustee, may attempt to have established a securities depository/book entry system relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Bonds from the Depository and authenticate and deliver Bond certificates in fully registered form (in denominations of \$5,000 or integral multiples of \$5,000) to the assigns of the Depository or its nominee, all at the cost and expense (including costs of printing definitive Bonds) of the Company. Upon the written request of 75% of the holders of the Bonds then Outstanding, the Trustee shall withdraw the Bonds from the Depository and authenticate and deliver Bonds fully registered to the assignees of the Depository or its nominee. Such withdrawal shall be at the cost and expense of those Bondholders requesting such withdrawal.

It is hereby certified that all conditions, acts and things required to exist, happen and be performed under the laws of the State of Indiana and under the Indenture precedent to and in the issuance of this Series 1991 [[A]] [B] Bond, exist, have happened and have been

performed, and that the issuance, authentication and delivery of this Series 1991 [[A]] [B] Bond have been duly authorized by the Issuer.

This Series 1991 [[A]] [B] Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Gary, Indiana has caused this Series 1991 [[A]] [B] Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Mayor and its corporate seal to be hereunto affixed manually or by facsimile and attested to by the manual or facsimile signature of its Clerk, all as of the Original Issue Date.

CITY OF GARY, INDIANA

By \_\_\_\_\_  
Mayor

(Seal)

Attest: \_\_\_\_\_  
Clerk

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(Form of Certificate of Authentication)

This Series 1991 [[A]] [B] Bond is one of the Series 1991 [[A]] [B] Bonds described in the within-mentioned Trust Indenture.

LaSalle National Bank, as Trustee

By \_\_\_\_\_  
Authorized Officer

(Form of Assignment)

Assignment

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

(Please Print or Typewrite Name and Address of Assignee)

the within Series 1991 [[A]] [B] Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_, Attorney to transfer the said Series 1991 [[A]] [B] Bond on the Bond Register with full power of substitution in the premises.



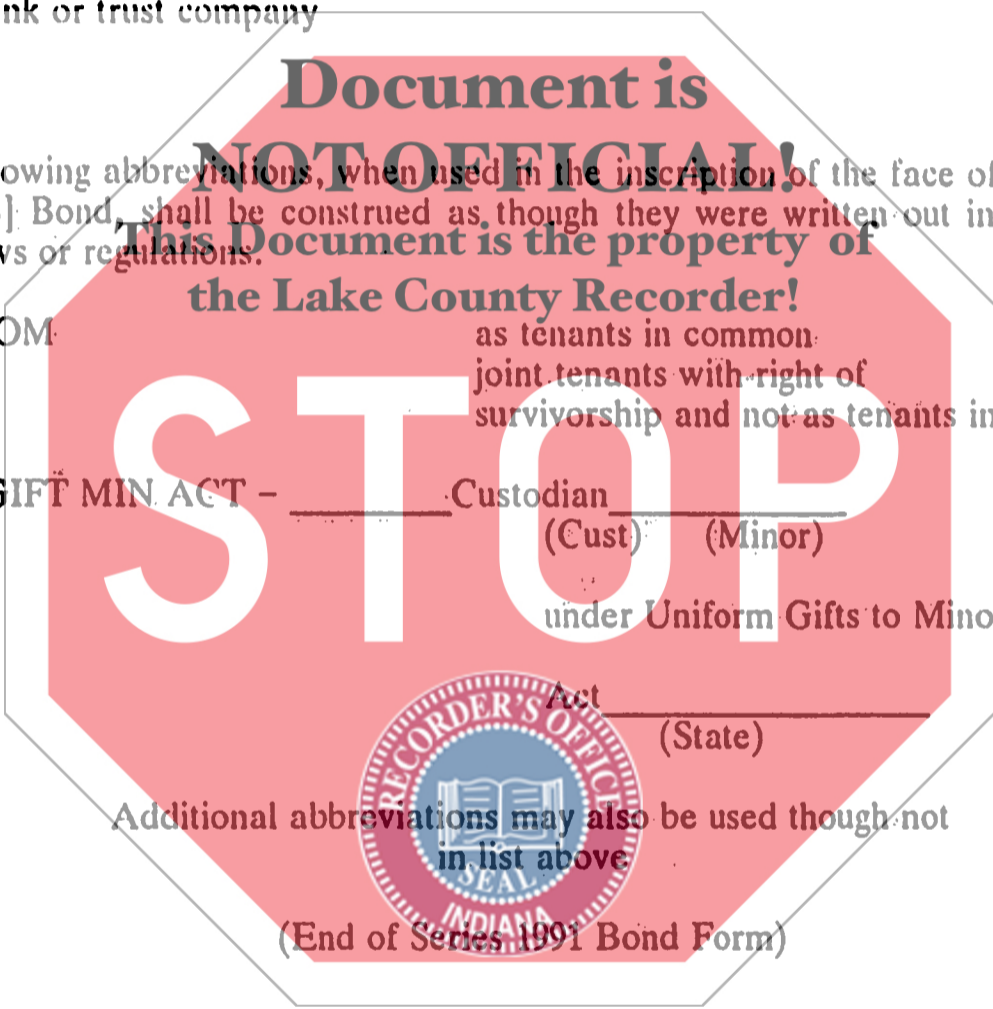
Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Series 1991 [[A]] [B] Bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by a registered broker-dealer or a commercial bank or trust company

The following abbreviations, when used in the inscription of the face of the within Series 1991 [[A]] [B] Bond, shall be construed as though they were written out in full according to applicable laws or regulations.



TEN COM  
JT

as tenants in common  
joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT -

Custodian  
(Cust) (Minor)

under Uniform Gifts to Minors

(State)

Additional abbreviations may also be used though not in list above

(End of Series 1991 Bond Form)

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That in order to secure the payment of the principal of and interest and premium, if any, on the Bonds to be issued under this Indenture according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants and conditions herein and in said Bonds contained, and in order to secure to the Bank the payment and performance of all of the obligations of the Borrower to the Bank under the Reimbursement Agreement, and in order to declare the terms and conditions upon which the Bonds are issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and for and in consideration of the mutual covenants herein contained, of the acceptance by the Trustee of the trust hereby created, and of the purchase and acceptance of the Bonds by the holders or obligees thereof, the Issuer has executed and delivered this

Indenture, and by these presents does hereby convey, grant, assign, pledge and grant a security interest in, unto the Trustee, its successor or successors and its or their assigns forever, with power of sale, all and singular, the property, real and personal hereinafter described:

## GRANTING CLAUSES

### DIVISION I

The Series 1991 Notes, which have been endorsed by the Issuer to the order of the Trustee and pledged by the Issuer to the Trustee, and all sums payable in respect of the indebtedness evidenced thereby;

### DIVISION II

All right, title and interest of the Issuer in and to the Loan Agreement (except the rights reserved to the Issuer and referred to in Section 3.1 thereof) and the Mortgaged Property referred to therein, which Loan Agreement has been recorded and filed concurrently with the recording and filing of this Indenture in the office of the Recorder of Lake County, Indiana.

SUBJECT, HOWEVER, to Permitted Encumbrances, as defined in the Mortgage;

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the Lake County Recorder!

### DIVISION III

All moneys and securities from time to time held by Trustee under the terms of this Indenture (except moneys or Qualified Investments deposited with Trustee pursuant to Sections 1101 and 1102 hereof and except moneys deposited in the Rebate Fund pursuant to Section 405 hereof) and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned, or transferred as and for additional security hereunder by Issuer, Borrower or by anyone in their behalf, or with their written consent to Trustee which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD the same unto the Trustee, and its successor or successors and its or their assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, to secure the payment of the Bonds to be issued hereunder, and premium, if any, payable upon redemption or prepayment thereof, and the interest payable thereon, and to secure also the observance and performance of all the terms, provisions, covenants and conditions of this Indenture, and for the benefit and security of all and singular the holders of all Bonds issued hereunder, and it is hereby mutually covenanted and agreed that the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become the holders thereof, and the trusts and conditions upon which the pledged moneys and revenues are to be held and disbursed, are as follows:

## ARTICLE I

### Definitions and Exhibits

Section 101. Terms Defined. In addition to the words and terms elsewhere defined in this Indenture, the following words and terms as used in this Indenture shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Book Entry Form" or "Book Entry System" means, with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as holder, with the physical Bond certificates "immobilized" in the custody of the Depository. The book entry maintained by the Depository is the record that identifies the owners of beneficial interests in those Bonds.

"Co-Trustee" means the Mercantile National Bank of Indiana, Hammond, Indiana, and any successor serving as such under the Indenture.

"Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of beneficial interests in the Bonds, and to effect transfers of the Bonds, in Book Entry Form, and includes The Depository Trust Company (a limited purpose trust company), New York, New York.

"Event of Default" means those events of default specified in and defined by Section 701 hereof.

"Indenture" means this instrument as originally executed or as it may from time to time be amended or supplemented pursuant to Article IX.

"Interest Payment Date" means each January 1, April 1, July 1 and October 1, commencing July 1, 1991.

"Issuer" means the City of Gary, Indiana, and its successors.

"Mortgage" or "Loan Agreement" means the Loan Agreement, Mortgage, Security Agreement, Assignment of Rents and Leases and Financing Statement, dated as of April 1, 1991, by and among the Borrower, the Issuer and the Bank, and all amendments and supplements thereto.

"Original Issue Date" means the date on the Bonds which is the date of original delivery of the series of Bonds in question.

"Outstanding" or "Bonds outstanding" means all Bonds which have been duly authenticated and delivered by the Trustee under this Indenture, except:

- (a) Bonds cancelled after purchase in the open market or because of payment at or redemption prior to maturity;
- (b) Bonds not tendered on any Reset Date as required by Section 211 hereof; and
- (c) Bonds in lieu of which others have been authenticated under Section 209.

"Person" means a natural person, firm, joint venture, corporation, partnership, association, joint stock company, trust, any unincorporated organization or a governmental unit or political subdivision thereof.

"Record Date" shall mean with respect to any Interest Payment Date, the fifteenth day of the month immediately prior to such Interest Payment Date, whether or not a Business Day in Gary, Indiana.

"Registrar" shall mean the Trustee or any successor thereto serving as such pursuant to this Indenture.

"Remarketing Agent" means the Kemper Securities Group, Inc., its successors and assigns, or any other Remarketing Agent appointed hereunder.

"Reset Period" means each period beginning on a Reset Date and ending on the day immediately preceding the next subsequent Reset Date. The initial Reset Period commences on the Original Issue Date and ends on March 31, 2001.

"Reset Rate" means the rate of interest on the Series 1991 A Bonds and the Series 1991 B Bonds, respectively, as in effect pursuant to the provisions of the Indenture at any date after any Reset Date.

"Series 1991 A Bonds" means the Issuer's tax-exempt Economic Development Revenue Bonds, Series 1991 A (The Miller Partnership L.P. Project) issued in the aggregate principal amount of \$14,500,000.

"Series 1991 B Bonds" means the Issuer's Taxable Economic Development Revenue Bonds, Series 1991 B (The Miller Partnership L.P. Project) issued in the aggregate principal amount of \$1,000,000.

"Series 1991 Bonds" means, collectively, the Series 1991 A Bonds and the Series 1991 B Bonds.

"Substitute Letter of Credit" means an irrevocable letter of credit delivered to, and accepted by, the Trustee pursuant to the Loan Agreement. Any extension or renewal of the Letter of Credit shall be regarded as the delivery of a Substitute Letter of Credit for purposes of this Section.

"Trustee" means LaSalle National Bank, Chicago, Illinois, and any successor serving as such under the Indenture.

Section 102. Rules of Interpretation. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) "This Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended pursuant to the applicable provisions hereof.

(2) All references in this instrument to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(3) The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular and the singular as well as the plural.

(4) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as consistently applied.

(5) Any capitalized terms not defined herein but defined in the Loan Agreement shall have the same meaning herein.

(6) The terms defined elsewhere in this Indenture shall have the meanings therein prescribed for them.

Section 103. Exhibit. The following Exhibit is attached to and by reference made a part of this Indenture:

Exhibit A: Legal description of the interest in real estate being mortgaged.

(End of Article I)



## ARTICLE II

### The Series 1991 Bonds

**Section 201. Authorized Amount of Series 1991 A Bonds and Series 1991 B Bonds.** No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total aggregate principal amount of Series 1991 Bonds (other than Bonds issued in substitution therefor pursuant to Section 209 hereof) that may be issued is hereby expressly limited to \$15,500,000, of which \$14,500,000 will be Series 1991 A Bonds and \$1,000,000 will be Series 1991 B Bonds. Additional Bonds may be issued as provided in Section 208 hereof.

**Section 202. Issuance of Series 1991 Bonds.** The Series 1991 Bonds shall be designated "Economic Development Revenue Bonds, Series 1991 A (The Miller Partnership L.P. Project)" and "Taxable Economic Development Revenue Bonds, Series 1991 B (The Miller Partnership L.P. Project)." They shall be issuable as fully registered Bonds in the denominations of \$5,000 or integral multiples of \$5,000, and shall be lettered and numbered AR-1 or BR-1, respectively, and upward. The Series 1991 Bonds shall be dated as of their Original Issue Date. Interest on Series 1991 Bonds shall be paid to the Owners of such Bonds determined as of the close of business of the Record Date next preceding each Interest Payment Date at the registered addresses of such Owners as they shall appear on the registration books maintained by the Registrar notwithstanding the cancellation of any such Bonds upon any exchange or transfer thereof subsequent to the Record Date and prior to such Interest Payment Date, except that, if and to the extent that there shall be a default in the payment of the interest due on such interest payment date, such defaulted interest shall be paid to the Owners in whose name any such Bonds (or any Bond issued upon transfer or exchange thereof) are registered at the close of business of the Special Record Date next preceding the date of payment of such defaulted interest. Subject to Section 203 hereof, payment of interest to all Bondholders shall be by check drawn on the main office of the Trustee upon receipt of sufficient funds and mailed to such Bondholder one Business Day prior to each Interest Payment Date. The Special Record Date shall be the day after the date to which interest on the Series 1991 Bonds has been paid in full.

The Bonds shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless such date of authentication shall be after a Record Date in which case they shall bear interest from the Interest Payment Date with respect to such Record Date; provided, however, that if, as shown by the records of the Trustee, interest on the Series 1991 Bonds shall be in default, Series 1991 Bonds issued in exchange for Series 1991 Bonds surrendered for transfer or exchange shall bear interest from the date to which interest has been paid in full on the Series 1991 Bonds or, if no interest has been paid on the Series 1991 Bonds, the Original Issue Date of the Series 1991 Bonds. Series 1991 Bonds authenticated on or before June 15, 1991 shall bear interest from the Original Issue Date of the Series 1991 Bonds. Series 1991 Bonds authenticated after a Record Date or on the corresponding Interest Payment Date shall bear interest from such Interest Payment Date. Interest will be calculated on the basis of a 360 day year consisting of twelve thirty-day months.

The interest on the Series 1991 Bonds shall be payable on each January 1, April 1, July 1 and October 1, commencing on July 1, 1991 (collectively, the "Interest Payment Dates"). The Series 1991 Bonds shall mature on April 1, 2031, and shall bear interest at the per annum rate of 7.40% for the Series 1991 A Bonds and of 9.75% for the Series 1991 B Bonds in each case until the initial Reset Date.

After the initial Reset Period, the Series 1991 A Bonds the Series 1991 B Bonds shall bear interest at their respective Reset Rates.

**Section 203. Payment on Bonds.** The principal of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. The Bonds in a Book Entry System registered in the name of a Depository or its nominee shall be payable in lawful money of the United States of America without deduction for the services of the Trustee, Co-Trustee or any paying agent, in immediately available funds (i) in the case of principal of and any premium on such Bond, delivered or transmitted to the Depository or its authorized representative when due, and (ii) in the case of interest on such Bonds, delivered or transmitted on any date interest is due to the Depository or nominee that was the Holder of that Bond (or one or more predecessor Bonds) at the close of business on the Record Date applicable to that Interest Payment Date. When the Bonds are not in Book Entry Form, the payment of the principal of and premium, if any, on the Bonds shall be payable at the principal corporate trust office of the Trustee. When the Bonds are not in Book Entry Form, all payments of interest on the Bonds shall be made to the person appearing on the Bond registration books of the Registrar as the registered Owner of the Bonds upon receipt of sufficient funds by check mailed one Business Day prior to each Interest Payment Date to the registered Owner thereof as shown on the registration books of the Trustee, as registrar of the Bonds; provided, however, that an owner of \$100,000 or more in aggregate principal amount of Bonds may elect to be paid by wire transfer to an account in the continental United States. To make such election, the Owner shall make a written request of the Trustee at least 15 days prior to the Record Date, specifying the account, address and other relevant information. Such request shall remain in effect until changed or revoked or until such Owner no longer owns \$100,000 or more in aggregate principal amount of Bonds.

The Trustee (i) shall on or before two Business Days before each date that any payment of principal or interest is due on the Bonds, draw on the Letter of Credit in an amount which is sufficient to pay the principal of and interest on the Bonds on such date to the extent other Available Moneys are not available to be used to effect such payment, all as contemplated by Section 402 hereof; and (ii) upon the occurrence of an Event of Default specified in Section 701 (a), (d) or (e) or upon declaration of acceleration of the Bonds pursuant to any other Event of Default, shall immediately draw on the Letter of Credit to the extent available in an amount equal to the full unpaid principal and accrued interest on the Bonds to the extent Available Moneys are not available therefor. No Owner of Bonds shall have the right to draw upon the Letter of Credit. In the event that Bonds are registered in the name of the Borrower, proceeds from a draw on the Letter of Credit shall not be used to pay principal or interest on any such Bonds unless and until the Letter of Credit has been fully reinstated with respect to such Bonds and such Bonds are no longer registered in the name of the Borrower.

**Section 204. Execution, Limited Obligation.** The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of its Mayor and attested with the manual or the facsimile signature of its Clerk and shall have impressed or printed thereon the corporate seal of the Issuer. Such facsimiles shall have the same force and effect as if such officer had manually signed each of said Bonds. In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall, nevertheless, be valid and sufficient for all purposes, the same as if that officer had remained in office until delivery.

The Bonds, together with interest thereon and premium, if any, shall be limited obligations of the Issuer payable solely from the payments to be made on the Notes (except to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment thereof and under certain circumstances proceeds from insurance and condemnation awards) and shall be a valid claim of the respective holders thereof only against the moneys held by the Trustee and the payments to be made on the Note which are hereby pledged and assigned for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in this Indenture.

Section 205. Authentication. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until the certificate of authentication on such Bond substantially in the form hereinabove set forth shall have been duly executed by the Trustee, and such executed certificate of the Trustee or the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's or Registrar's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee or Registrar, respectively, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 206. Form of Bonds. The Bonds issued under this Indenture shall be substantially in the form hereinabove set forth with such appropriate variations, omissions and insertions as are permitted or required by this Indenture or deemed necessary by the Trustee:

Section 207. Delivery of Series 1991 Bonds. Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee Series 1991 A Bonds in the aggregate principal amount of \$14,500,000 and the Series 1991 B Bonds in the aggregate principal amount of \$1,000,000. The Trustee shall authenticate such Bonds or cause the Registrar to authenticate the Bonds and deliver them to the purchaser thereof upon receipt of:

- (1) A copy, duly certified by the Clerk of the Issuer, of the ordinance adopted and approved by the Issuer authorizing the execution and delivery of the Loan Agreement and this Indenture and the issuance of the Series 1991 Bonds and the minutes of the meetings at which the ordinance was introduced and adopted.
- (2) An executed counterpart of the Loan Agreement.
- (3) The Series 1991 Notes in the same principal amount as the aggregate principal amount of the Series 1991 Bonds duly executed by the Borrower and endorsed by the Issuer to the order of the Trustee.
- (4) An ALTA mortgagee title insurance policy acceptable to the Trustee and the Bank in the face amount required by Section 3.18 of the Loan Agreement and issued by a company duly authorized to issue the same insuring that the Trustee and Bank have a parity first mortgage lien on the real estate described in Exhibit A subject to Permitted Encumbrances.
- (5) A Written Request of the Issuer to the Trustee requesting the Trustee or Registrar to authenticate and deliver the Series 1991 A Bonds in the principal amount of \$14,500,000 and the Series 1991 B Bonds in the principal amount of \$1,000,000, to the purchasers thereof.



(6) The Letter of Credit.

(7) Such other documents as shall be reasonably required by the Trustee or Bond Counsel.

The proceeds of the Series 1991 Bonds shall be paid over to the Trustee and deposited to the credit of various Funds as hereinafter provided under Section 301 hereof.

Section 208. Issuance of Additional Bonds. With the prior written consent of the Bank, one or more series of bonds in addition to the Series 1991 Bonds (herein referred to as "Additional Bonds"), may be authenticated and delivered from time to time for one or more of the purposes of (i) refunding entirely one or more series of Parity Obligations or one or more series of Bonds outstanding hereunder, if such Bonds or Parity Obligations may otherwise be refunded, (ii) advance refunding entirely one or more series of Parity Obligations or one or more series of Bonds outstanding hereunder, regardless of whether such Bonds or Parity Obligations may otherwise be refunded, if the same is then permitted by law by depositing with the Trustee, in trust for the sole benefit of such series of Bonds or Parity Obligations, cash or investments (but only to the extent that the full faith and credit of the United States of America are pledged to the timely payment thereof) in a principal amount which will, together with the income or increment to accrue thereon, be sufficient to pay and redeem (when redeemable) and discharge such series of Bonds or Parity Obligations at or before their respective maturity dates, and (iii) financing the cost or estimated cost of completing the Project or of acquiring, equipping and/or constructing additional improvements to the Project, and, in each case, obtaining additional funds to pay the costs to be incurred in connection with such Additional Bonds, to establish reserves with respect thereto and to pay interest during the estimated construction period of completing the additional improvements, if any. Each series of Additional Bonds issued hereunder shall be equal in aggregate principal amount to the principal amount of the Additional Note being then currently issued.

Prior to the delivery by the Issuer of any of such Additional Bonds there shall be filed with the Trustee:

(1) A supplement to this indenture executed by the Issuer and the Trustee authorizing the issuance of such Additional Bonds, specifying the terms thereof, pledging and assigning the Additional Note being then currently issued as security therefor and providing for the disposition of the proceeds of the sale thereof.

(2) The supplement or amendment to the Loan Agreement and the other instruments, documents, certificates, and opinions referred to in Section 6.2 of the Loan Agreement.

(3) The Additional Notes being then concurrently issued, made payable to the order of the Issuer, duly executed by the Borrower and endorsed by the Issuer to the order of the Trustee.

(4) A copy, duly certified by the Clerk of the Issuer, of the ordinance theretofore adopted and approved by the Issuer authorizing the execution and delivery of such supplemental indenture and such supplement to the Loan Agreement and the issuance of such Additional Bonds.

(5) If Additional Bonds are issued to finance additional real estate or building improvements, an ALTA mortgagee title insurance policy (or endorsement to the original policy) in the face amount of the Additional Bonds issued for such purpose by a company duly authorized to issue the same insuring that the Trustee has a mortgage lien on the Borrower's interest in any real estate or building improvements financed with the proceeds from such Additional Bonds.

(6) An opinion of Bond Counsel stating that such Additional Bonds have been issued in accordance with the terms and conditions of this Indenture and that such issuance will have no adverse affect on the exclusion from the gross income of the owners thereof for federal income tax purposes of the interest on the Series 1991 A Bonds.

(7) Such other certificates and opinions as Bond Counsel or counsel for the Trustee may reasonably request.

(8) A Written Request of the Issuer to the Trustee requesting the Trustee to authenticate and deliver such Additional Bonds.

(9) A written agreement of the Bank to increase the amount of the Letter of Credit to extend the coverage of the Letter of Credit to include the proposed Additional Bonds in the same manner that the Letter of Credit provides for the payment of the Series 1991 Bonds.

(10) If the Bonds are then rated, a written confirmation from each rating agency maintaining a rating on the Bonds to the effect that the issuance of such Additional Bonds will not result in the withdrawal or reduction of the then effective rating on the Bonds.

Any Additional Bonds issued in accordance with the terms of this Section shall be secured by this Indenture and shall be equally and ratably payable from all Notes issued under the Loan Agreement, but such Additional Bonds may bear such date or dates, such interest rate or rates, and with such maturities, redemption dates and premiums as may be agreed upon by the Issuer and the purchaser of such Additional Bonds.

Section 209. Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Registrar may authenticate a new Bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Registrar and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Registrar, together with indemnity to the Issuer and Registrar satisfactory to the Registrar.

In the event any such Bond shall have matured, instead of issuing a duplicate Bond the Issuer may pay the same without surrender thereof; provided, however, that in the case of a lost, stolen or destroyed Bond, there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Registrar, together with indemnity to the Issuer and Registrar satisfactory to the Registrar. The Issuer and the Registrar may charge the Owner of such Bond with their reasonable fees and expenses in this connection. Any Bond

issued pursuant to this Section 209 shall be deemed part of the original series of the Bonds in respect of which it was issued and an original additional contractual obligation of the Issuer.

**Section 210. Registration and Exchange of Bonds; Persons Treated as Owners.** The Bonds are issuable only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of the Registered Owner, or, if the Bonds are held by a Depository, in the name of the Depository or its nominee, which shall be considered to be the holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of principal of, premium, if any, and interest on the Bonds, and receipt of notices and exercise of rights of holders.

If the Bonds are held in a Book Entry System, the Bonds shall be immobilized in the custody of the Depository with the beneficial owners having no right to receive the Bonds in the form of physical securities or certificates. Ownership of beneficial interests in the Bonds shall be shown by book entry on the system maintained and operated by the Depository and its participants, and transfers of ownership of beneficial interests shall be made only by the Depository and its participants, by book entry, the Issuer having no responsibility therefor. The Depository is expected to maintain records of the positions of participants in the Bonds, and the participants and persons acting through participants are expected to maintain records of the purchasers of beneficial interests in the Bonds. The Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository (as defined in the Indenture) or to another nominee of a Depository, without further action by the Issuer.

If the Bonds are held in a Book Entry System and if any Depository determines not to continue to act as a Depository for the Bonds for use in a Book Entry System, the Issuer may, with the consent of the holders of 51% in aggregate principal amount of Bonds, attempt to have established a securities depository/book entry system relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Bonds from the Depository and authenticate and deliver the Bond certificate in fully registered form (in denominations of \$5,000 or integral multiples of \$5,000) to the assignees of the Depository or its nominee, all at the cost and expense (including costs of printing definitive Bonds) of the Company. Upon the written request of 75% of the holders of the Bonds then Outstanding, the Trustee shall withdraw the Bonds from the Depository and authenticate and deliver Bonds fully registered to the assignees of the Depository or its nominee. Such withdrawal shall be at the cost and expense of the Bondholders requesting such withdrawal.

The Issuer shall cause books for the registration and for the transfer of the Bonds as provided in this Indenture to be kept by the Registrar which is hereby constituted and appointed the registrar of the Issuer. Upon surrender for transfer of any fully registered Bond at the principal office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by the registered Owner or its attorney duly authorized in writing, the Issuer shall execute and the Registrar shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same series and the same maturity for a like aggregate principal amount. The execution by the Issuer of any fully registered Bond of any denomination shall constitute full and due authorization of such denomination, and the Registrar shall thereby be authorized to authenticate and deliver such registered Bond. The Registrar shall not be required to transfer or exchange any fully registered Bond during the period of fifteen (15) days next preceding any Interest Payment Date of such Bond, nor to

transfer or exchange any Bond after the mailing of notice calling such Bond for redemption has been made, nor during a period of fifteen (15) days next preceding the giving of a notice of redemption of any Bonds.

As to any fully registered Bond the person in whose name the same shall be registered shall be deemed and regarded as the absolute Owner thereof for all purposes, and payment of principal or interest thereon, shall be made only to or upon the order of the registered Owner thereof or its legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 211. Initial Interest Rates and Establishment of Reset Date. From the Original Issue Date of the Series 1991 Bonds until the first Reset Date, the respective Series 1991 Bonds shall bear interest at the rates set forth in Section 202 hereof.

Establishment of Reset Rates. The rates of interest payable on the Series 1991 A Bonds and Series 1991 B Bonds, respectively, shall be reset from the rates set forth in Section 202 hereof or Reset Rate, as applicable, to the subsequent Reset Rates which will become effective on each Reset Date and remain effective for the Reset Period which begins on such Reset Date. The Trustee shall, by notice 60 days prior to a Reset Date, direct the Borrower to establish at least 45 days prior to such Reset Date the new Reset Date and to send written notice thereof to the Remarketing Agent, together with an opinion of nationally recognized Bond Counsel to the effect that such newly established Reset Period will not adversely affect the exclusion of interest on the Series 1991 A Bonds from gross income for federal income tax purposes. The Remarketing Agent shall deliver on behalf of the Issuer, at least 40 days prior to each Reset Date a notice to the Issuer, the Borrower, the Bank, and the Trustee, which notice shall specify (1) the Reset Date upon which the subsequent Reset Rates are to become effective, (2) the subsequent Reset Date and Reset Period specified by the Borrower during which the subsequent Reset Rates will be effective, (3) the date on which the Remarketing Agent is to establish the subsequent Reset Rates, which date shall be not less than five Business Days prior to the Reset Date, and (4) any rating expected to be assigned to the Series 1991 Bonds on such Reset Date based on the Letter of Credit or otherwise. The notice shall be accompanied by a draft of the proposed Letter of Credit which will be in effect for the subsequent Reset Period, and any other information needed for the written notice required under the heading "Mandatory Purchase or Redemption of Series 1991 Bonds on any Reset Date" below; provided that failure to provide any of the foregoing shall not affect the requirement of a mandatory purchase or redemption of all Series 1991 Bonds on such Reset Date. The Remarketing Agent shall determine the actual subsequent Reset Rates, no later than five Business Days prior to the applicable Reset Date, as those rates which will enable the Remarketing Agent to remarket the Series 1991 Bonds at par. Upon any such remarketing, the Series 1991 Bonds may only be remarketed at par. Upon the Reset Date, the Reset Rates shall be effective and shall be equal to the rates so determined by the Remarketing Agent. Separate Reset Rates shall be established by the Remarketing Agent for the Series 1991 A Bonds and the Series 1991 B Bonds. Any Remarketing of Bonds registered in the name of the Borrower shall be accomplished in accordance with the requirements of Section 815(e) hereof.

Determination of Reset Rates. In determining the Reset Rates pursuant hereto, the Remarketing Agent shall take into account to the extent applicable: (1) market interest rates for comparable securities which are held by institutional and private investors with substantial portfolios (a) with a term or tender period equal to the period of the subsequent Reset Period,

(b) with interest which is excludable from gross income for federal income tax purposes but only with regard to the Series 1991 A Bonds, (c) rated by a national credit rating agency in the same rating category as the Series 1991 Bonds, and (d) with redemption provisions similar to those of the Series 1991 Bonds; (2) other financing market rates and indices which have a bearing on the subsequent Reset Rate; (3) general financial market conditions (including current forward supply); (4) other rates borne by securities comparable in term and provisions to the Series 1991 Bonds, with interest which is excludable from gross income for federal income tax purposes with regard only to the Series 1991 A Bonds, which are supported by credit facilities issued by the Bank; and (5) factors particular to the project or the credit standing of the Borrower and the Bank.

Conclusiveness of Subsequent Reset Rate Determination. The determination by the Remarketing Agent in accordance herewith of the subsequent Reset Rates to be borne by the Series 1991 Bonds shall be conclusive and binding on the Holders of the Series 1991 Bonds, the Issuer, the Borrower, the Bank, the Trustee and the Co-Trustee.

Mandatory Purchase or Redemption of Series 1991 Bonds on any Reset Date. On each Reset Date the Series 1991 Bonds shall be subject to mandatory purchase, in whole (purchase shall be mandatory notwithstanding any failure by any Person to comply with any procedure specified herein in connection with such Reset Date and shall be an absolute and unconditional right of the holders of the Series 1991 Bonds). All Series 1991 Bonds shall be purchased by one or more designees of the Remarketing Agent (other than the Issuer, the Borrower, any general or limited partner of the Borrower, or any other Person (other than the Bank) obligated to make payments under the Loan Agreement, the Indenture or the Reimbursement Agreement), and be delivered to the Trustee for transfer at the direction of the Remarketing Agent. Any Series 1991 Bonds not remarketed on a Reset Date shall be redeemed on such Reset Date, provided, however, that Bonds redeemed with proceeds of a draw on the Letter of Credit shall not be cancelled but shall be registered in the name of the Borrower, held by the Trustee and pledged to the Bank until such time as the Borrower or the Bank directs the Trustee to extinguish and cancel such Series 1991 Bonds.

The Series 1991 Bonds are subject to mandatory tender for purchase by one or more designees of the Remarketing Agent or redemption prior to maturity on each Reset Date and shall be purchased by one or more designees of the Remarketing Agent at a purchase price equal to 100% of the principal amount thereof plus accrued interest to the Reset Date or, if not remarketed, redeemed at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date.

Upon receipt of notice from the Remarketing Agent of its then expected Reset Rates for the ensuing Reset Period, the Trustee shall mail such notice by first class mail to the Bondholders at least thirty days prior to the Reset Date. The notice from the Remarketing Agent shall include:

(1) that the Series 1991 Bonds are subject to mandatory tender for purchase or redemption on the Reset Date, and specifying the month, day and year which is the Reset Date;

(2) that the Series 1991 Bonds may be remarketed as provided in the Indenture, the name and address of the Remarketing Agent, that any Series 1991 Bonds which are remarketed as provided in this Indenture will bear interest at the applicable Reset Rate for the subsequent Reset Period;

(3) the subsequent Reset Period during which the subsequent applicable Reset Rate will be effective;

(4) the date which is the subsequent Reset Date, if any, following the subsequent Reset Period, and that any Series 1991 Bonds which are remarketed will be subject to mandatory tender for purchase on such subsequent Reset Date;

(5) that all holders of Series 1991 Bonds shall be deemed to have tendered their Series 1991 Bonds for purchase or redemption on the Reset Date and shall be entitled only to the payment of the purchase price or Redemption Price of such Series 1991 Bonds, plus accrued interest to the Reset Date, and shall not be entitled to any benefits of the Indenture after the Reset Date, including any interest to accrue subsequent to the Reset Date; and

(6) that all Series 1991 Bonds not remarketed on the Reset Date shall be redeemed on the Reset Date.

Even if a holder shall purchase on such Reset Date the same principal amount of Series 1991 Bonds as such holder held prior thereto, such holder shall tender its Series 1991 Bonds on such Reset Date for replacement Series 1991 Bonds.

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Series 1991 Bonds Not Tendered upon Reset Date. Holders of Series 1991 Bonds shall be required to tender their Series 1991 Bonds for purchase or redemption at the applicable purchase price or redemption price, which shall be 100% of the principal amount thereof plus accrued interest to the Reset Date. Any Series 1991 Bonds not so tendered on the Reset Date ("Untendered Bonds") for which there has been irrevocably deposited in trust with the Trustee remarketing proceeds or the proceeds of a drawing on the Letter of Credit sufficient to pay the purchase price or redemption price of the Untendered Bonds, plus accrued interest to the Reset Date, shall be deemed to have been tendered for purchase or redemption. In the event of a failure by a Bondholder to tender such holder's Series 1991 Bonds on or prior to the Reset Date, such Bondholder shall not be entitled to any payment (including any interest to accrue subsequent to the Reset Date) other than the purchase price or redemption price for such Untendered Bonds plus accrued interest to the Reset Date, and any Untendered Bonds shall no longer be entitled to the benefits of this Indenture except for the purpose of payment of the purchase price or redemption price therefor plus accrued interest to the Reset Date or, in the case of a mandatory redemption, to the date of redemption.

(End of Article II)

## ARTICLE III

### Application of Series 1991 Bond Proceeds

Section 301. Deposit of Funds. The Issuer shall deposit with Trustee all proceeds from the sale of the Series 1991 Bonds. The Trustee shall deposit the portion of the proceeds of the Series 1991 A Bonds constituting accrued interest, if any, into the Series 1991 A Account of the Bond Fund and shall deposit all remaining proceeds of the Series 1991 A Bonds into the Series 1991 A Account of the Construction Fund.

The Trustee shall deposit the portion of the proceeds of the Series 1991 B Bonds constituting accrued interest, if any, into the Series 1991 B Account of the Bond Fund and shall deposit all remaining proceeds of the Series 1991 B Bonds into the Series 1991 B Account of the Construction Fund.



## ARTICLE IV

### Revenue and Funds

Section 401. Source of Payment of Bonds. The Bonds herein authorized and all payments to be made by the Issuer hereunder are not general obligations of the Issuer but are limited obligations payable solely from the payments on the Notes and Parity Obligations as provided herein and from moneys on hand under the various funds and accounts hereunder (other than the Rebate Fund) together with investment earnings thereon. No covenant or agreement contained in the Bonds or the Indenture shall be deemed to be a covenant or agreement of any member of the Commission, the Issuer or of the legislative or fiscal bodies of the Issuer or of any officer or employee of the Issuer or its legislative body in his or her individual capacity, and neither the members of the Commission or the Issuer or the legislative or fiscal bodies of the Issuer nor any officer or employee of the Issuer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

Section 402. Bond Fund. The Trustee shall establish and maintain, so long as any of the Bonds are outstanding, a separate fund to be known as the "Bond Fund." Money in the Bond Fund shall be applied as provided in this Section 402. Within the Bond Fund, the Trustee shall establish and maintain a Series 1991 A Account and a Series 1991 B Account relating to the payments and moneys corresponding to the Series 1991 A Bonds and Series 1991 B Bonds, respectively, as well as separate accounts for the same purposes relating to Additional Bonds. The Trustee shall also establish and maintain a separate sub-account within the Bond Fund to be known as the Ineligible Moneys Account to segregate ineligible funds from Available Moneys until such funds are held by the Trustee for a sufficient period to be deemed Available Moneys.

Notwithstanding anything contained herein to the contrary, all moneys deposited to the credit of the Bond Fund which do not constitute Available Moneys at the time of such deposit, shall be held separately in the Ineligible Moneys Account of the Bond Fund until such time as the same constitutes Available Moneys hereunder, provided that, in each case, after such moneys shall become Available Moneys (or if the same at the time of deposit are Available Moneys), such moneys will be transferred to the appropriate sub-account (either the Series 1991 A Account or Series 1991 B Account) of the Bond Fund. The Trustee shall establish separate sub-accounts within the Ineligible Moneys Account so as to separately identify moneys received on a given date from each discrete source for the credit of Ineligible Moneys Account from moneys received on any other date or from any other source for the credit of Ineligible Moneys Account and shall separately identify the portions thereof designated as having been paid on account of principal, interest or premium, as applicable.

There shall be deposited in the appropriate account of the Bond Fund all accrued interest, if any, received at the time of the issuance and delivery of the respective series of Series 1991 Bonds. In addition, there shall be deposited in the appropriate account of the Bond Fund, as and when received, (a) all payments received pursuant to the Notes; (b) all payments specified in Section 3.2 of the Loan Agreement; (c) such amount from the proceeds of Additional Bonds authorized by a supplemental indenture authorizing the issuance of such Additional Bonds representing accrued interest, if any, on such Additional Bonds; (d) any amount remaining in a specific account of the Construction Fund to be transferred to the corresponding account of the Bond Fund pursuant to the Indenture upon completion of the Project, and any amount remaining in a specific account of the Construction Fund to be



transferred to the corresponding account of the Bond Fund pursuant to the Indenture upon acceleration of the maturity of the Series 1991 Bonds; (e) the balance of any Net Proceeds of insurance or condemnation awards received by the Trustee pursuant to the Loan Agreement if so transferred from the corresponding account of the Construction Fund; (f) the amounts to be deposited in the Bond Fund pursuant to the Loan Agreement pertaining to damage, destruction or condemnation of the Project; (g) all interest and other income derived from investments of Bond Fund moneys as provided herein; (h) all draws on the Letter of Credit; and (i) all other moneys received by Trustee under and pursuant to any of the provisions of the Loan Agreement which are required or which are accompanied by directions that such moneys are to be paid into the Bond Fund. Issuer hereby covenants and agrees that so long as any of the Bonds issued hereunder are outstanding it will deposit, or cause to be paid to Trustee for deposit in the appropriate account of the Bond Fund for its account, sufficient sums from revenues and receipts derived from the Notes and Loan Agreement, promptly to meet and pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable. Nothing herein should be construed as requiring Issuer to deposit or cause to be paid to Trustee for deposit in the Bond Fund, funds from any source other than receipts derived from the Notes and Loan Agreement. Funds deposited from a draw on the Letter of Credit shall be held in separate accounts of the Bond Fund known as the Letter of Credit Account, Series 1991 A and Letter of Credit Account, Series 1991 B and such other Letter of Credit Accounts as may be established for Additional Bonds.

Moneys in the Bond Fund shall be used by the Trustee in the priority set forth below to pay interest on the Bonds as and when due, and to pay premium, if any, and principal on the respective series of Bonds as they become due at maturity, upon redemption or upon acceleration or otherwise:

- (a) First: Available Moneys, other than amounts received by the Trustee in respect of draws under the Letter of Credit, deposited from the proceeds of the sale of each respective series of Bonds and representing accrued interest, if any, on each respective series of Bonds and proceeds from the investment of such moneys.
- (b) Second: Available Moneys deposited from the proceeds of a draw by the Trustee under the Letter of Credit for each respective series of Bonds;
- (c) Third: Available Moneys in the Bond Fund for each respective series of Bonds other than from sources described in clauses First and Second Above; and
- (d) Fourth: Any other moneys on deposit in the Bond Fund for each respective series of Bonds from whatever source.

If the principal, premium, if any, and interest currently due and payable on the Bonds have been paid in full and the Bank has fully honored the draws on the Letter of Credit, moneys in the Bond Fund shall be used first to reimburse the Bank in accordance with the Reimbursement Agreement.

To the extent that sufficient Available Moneys in the Bond Fund described under FIRST above are not available to pay in full the principal of, premium, if any, and interest on each Interest Payment Date on the Bonds at 9:00 a.m., New York City time, two Business Days prior to the date when such amount is due, whether by maturity, redemption or acceleration or otherwise, the Trustee shall immediately draw upon the Letter of Credit, as provided in Section 203, in an amount which together with other Available Moneys available in the Bond

Fund under FIRST above is sufficient to make prompt payment of all principal of and interest due on the Bonds on such payment date, provided that no premium on the Bonds shall be payable from the proceeds of a draw on the Letter of Credit.

If moneys in the Bond Fund available pursuant to items FIRST and SECOND are insufficient to make any payment of principal of, premium, if any, or interest on the Bonds, whether due by maturity, acceleration, redemption or otherwise, and if the Letter of Credit no longer is in effect or if the Bank has wrongfully dishonored its obligations with respect to the Letter of Credit, the Trustee, on the date such payment is to be made, shall apply any moneys described in THIRD above.

Section 403. Construction Fund. (a) The Issuer shall establish with the Trustee a fund to be known as the Construction Fund and shall also establish and maintain within the Construction Fund a Series 1991 A Account and a Series 1991 B Account for deposit of the proceeds received from the corresponding series of Bonds, as well as separate accounts for the same purposes for Additional Bond proceeds. Deposits shall be made to the respective and appropriate accounts within the Construction Fund as follows: (i) the proceeds from the sale of the corresponding series Bonds, the earnings accrued on the investment of moneys in such accounts and required to be deposited into the Construction Fund, the proceeds from the sale of Additional Bonds (except Additional Bonds issued to refund Outstanding Bonds and Parity Obligations), excluding such amounts thereof required to be paid into a corresponding account within the Bond Fund, the Net Proceeds of casualty insurance, title insurance or condemnation awards required to be deposited into the Construction Fund pursuant to the Loan Agreement; (ii) all performance and labor and material payment bond payments and any and all payments from any contractors or other suppliers by way of breach of contract, refunds or adjustments required to be deposited into the Construction Fund pursuant to the Loan Agreement; and (iii) except as otherwise provided in this Indenture or in the Loan Agreement, any other moneys received by or to be paid to the Trustee from any other source for the acquisition, construction, installation, rehabilitation and equipping of the Project, when accompanied by directions by the Borrower that such moneys are to be deposited into the Construction Fund. The Trustee shall, at the request of the Borrower, establish other separate accounts within the Construction Fund to the extent required to comply with the provisions of the Tax Representation Certificate.

(b) Except as set forth in subparagraph (c) of this Section 403, moneys on deposit in the Series 1991 A Account of the Construction Fund shall be paid out from time to time by the Trustee to or upon the order of the Borrower in order to pay, or as reimbursement to the Borrower for payment made, for the Project Costs or for the costs of issuing the Series 1991 A Bonds, (but not to exceed 2% of the face amount of the Series 1991 A Bonds). Moneys on deposit in the Series 1991 B Account of the Construction Fund shall be paid out from time to time by the Trustee to or upon the order of the Borrower in order to pay for the Project Costs, or as reimbursement to the Borrower for payment made, for any costs of the Project which may not qualify as Project Costs for which not more than 5% of the proceeds of the Series 1991 A Bonds may be used, for costs of issuance of the Series 1991 A Bonds not paid for out of the proceeds of the Series 1991 A Bonds and for costs of issuance of the Series 1991 B Bonds. Such payments shall be made from time to time by the Trustee upon receipt by the Trustee of the following:

(i) The Written Request of the Borrower:

(1) stating which account the moneys shall be paid from and that the costs of an aggregate amount set forth in such Written Request have been made or incurred and were necessary for the acquiring, constructing or equipping of the Project and were made or incurred in accordance with the construction contracts, plans and specifications, or purchase contracts therefor then in effect and on file with the Bank as amended from time to time with the consent of Bank or that the amounts set forth in such written request are for allowable costs of issuance of the Bonds in question or for interest on the Bonds in question during construction of the Project;

(2) stating which account the moneys shall be paid from and that the amount paid or to be paid, as set forth in such Written Request, is reasonable and represents a part of the amount payable for the costs of issuance of the Bonds in question or interest during construction of the Project or the costs of performing the Borrower's Undertaking or other Project Costs all in accordance with the cost budget previously submitted to the Trustee and Bank; and that such payment was not paid in advance of the time, if any, fixed for payment and was made in accordance with the terms of any contracts applicable thereto and in accordance with usual and customary practice under existing conditions;

(3) stating that no part of the said costs was included in any Written Request previously filed with the Trustee under the provisions hereof;

(4) stating that such costs are appropriate for the expenditure of proceeds of the Bonds in question under the Act; and

(5) stating that to the extent such request is for costs of issuance of the Series 1991 A Bonds and payable from proceeds of Series A Bonds, such request for reimbursement of costs of issuance, when added to all previous requests for costs of issuance, does not exceed 2% of the proceeds of the Series 1991 A Bonds.

(ii) A statement from the Bank (or its designee pursuant to the Reimbursement Agreement) that the requirements of the Reimbursement Agreement with respect to such disbursement have been satisfied or waived (temporarily, for only a set number of such disbursements, or permanently) by the Bank.

(iii) Except in the case of a disbursement for payment of the costs described in clauses (ii), (iv), (v), (viii) and (ix) of the definition of Project Costs in the Loan Agreement, or for the acquisition of Project Equipment, a written certification of the architect or other agent of the Borrower acceptable to the Trustee and the Bank and responsible for supervising the purchase of materials or the performance of Borrower's Undertaking that the work for which payment is sought has been satisfactorily provided or completed.

(iv) Except in the case of a disbursement for payment of the costs described in clauses (ii), (iv), (v), (viii) and (ix) of the definition of Project Costs in the Loan Agreement, or for the acquisition of Project Equipment, all disbursements for the payment of any work or materials for which a mechanic's lien could attach to the Mortgaged Property shall be made through a construction escrow established with the title company issuing the title insurance policy specified in paragraph 3.18 of the Loan Agreement providing for the issuance of a date down endorsement to said title policy

insuring the Trustee and Bank through the date of such disbursement that such insurance is not subject to any mechanics lien or materialmen's exceptions, other than Permitted Encumbrances, except as otherwise permitted by the Bank.

(c) The Borrower shall evidence completion of the Project by delivering to the Issuer and Trustee, in addition to the items required by (b) above:

(i) a certificate from Borrower's Architect and approved by the Bank, and by the Construction Inspector (as defined in the Reimbursement Agreement referred to in the Loan Agreement) stating the date that the Project has been fully completed in accordance with the Plans (as defined in the Reimbursement Agreement referred to in the Loan Agreement), as then amended or that the Borrower with Bank's consent has determined, that further performance of Borrower's Undertaking is no longer economically desirable for the Borrower;

(ii) a final endorsement to the loan policy of title insurance deleting any exceptions pertaining to mechanic's liens (which are not otherwise Permitted Encumbrances) or the possibility thereof; and

(iii) a certificate from the Borrower that all other costs associated with Borrower's Undertaking have been paid.

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If, after payment by the Trustee of all orders theretofore tendered to the Trustee under the provisions of subparagraph (b) of this Section 403 and after receipt of the statement mentioned in subparagraph (c)(i) and (ii) of this Section 403, there shall remain any balance of moneys in the Series 1991 A Account of the Construction Fund, the Trustee shall transfer all moneys then in the Series 1991 A Account of the Construction Fund (except any disputed claims described in the completion certificate required in Section 403(c) hereof) to the Series 1991 A Account of the Bond Fund. The Trustee, as directed by Borrower, shall use any amount transferred to all material respects in the Series 1991 A Account of the Bond Fund from the Series 1991 A Bonds (together with interest thereon, limited as provided in the Internal Revenue Service Rev. Proc. 79-5 and Rev. Proc. 81-22 at 26 CFR 601.201 and any subsequent amendments, modifications or replacements thereof) to prepay the Series 1991 A Note pursuant to Section 5.2(a) of the Loan Agreement at the earliest redemption date, or upon receipt of an opinion from Bond Counsel to the effect that such use would not cause interest on the Series 1991 A Bonds to become includable in the gross income of the Owners thereof for federal income tax purposes, or for any other use so approved by Bond Counsel.

(d) Moneys deposited into the Series 1991 A Account and Series 1991 B Account of the Construction Fund pursuant to Sections 3.18, 4.1(a) or 4.1(c) of the Loan Agreement, may at the discretion of the Borrower and within three years from the date of such deposit be used to repair or restore the Project or purchase additional real property or equipment to be made subject to the lien of the Loan Agreement. If the Net Proceeds deposited in the Construction Fund pursuant to Sections 3.18, 4.1(a) or 4.1(c) of the Loan Agreement exceed the amount necessary for such repair, restoration, replacement or purchase of additional property, upon written certification thereof from the Borrower and approved by the Bank, such excess amounts may be drawn from the Construction Fund for the Borrower's own use and shall be released from the lien.

**Section 404. Rebate Fund.** The Trustee shall establish and maintain, so long as any Series 1991 A Bonds are outstanding, a separate fund to be known as the "Rebate Fund." The Trustee shall make information regarding the Series 1991 A Bonds and investments hereunder available to the Borrower and shall make deposits and disbursements from the Rebate Fund in accordance with the provisions of Sections 405 and 406 hereof. The Trustee shall invest the moneys in the Rebate Fund in Qualified Investments subject to any instructions provided by Bond Counsel in order to comply with the provisions of this Indenture and shall deposit income from such investments immediately upon receipt thereof in the Rebate Fund. Anything in this Indenture to the contrary notwithstanding, the immediately preceding sentence of this Indenture and Section 405 and 406 hereof may be superseded or amended by new investment instructions delivered by the Borrower or the Issuer and accompanied by an opinion of Bond Counsel addressed to the Trustee to the effect that the use of the new investment instructions will not cause the interest on the Series 1991 A Bonds to become includable in the gross income of the Owners thereof for federal income tax purposes.

Moneys held in the Rebate Fund shall not be pledged as security for the payment of the principal of, premium, if any, and interest payable on any series of Bonds or Parity Obligations and shall remain in the Rebate Fund until either (a) the money is disbursed to the United States pursuant to Section 406 hereof or (b) a written opinion of Bond Counsel is provided to the Trustee to the effect that such funds are not owed to the United States under the rebate requirement of Section 148 of the Code, in which case such funds shall be applied as described in Section 405 hereof.

**Section 405. Rebate Deposits.** If a deposit to the Rebate Fund is required as a result of the computations made by the Borrower pursuant to Section 3.19 of the Loan Agreement, the Trustee shall upon receipt of direction from the Borrower accept such payment for the benefit of the Borrower. The Trustee shall maintain adequate records of the receipt, investment, re-investment and disbursement of all moneys subject to this Indenture and moneys in the Rebate Fund to enable the Borrower to make the calculations and determinations required to comply with Section 148 of the Code. Such records shall be delivered to the Borrower promptly upon its request. The Trustee shall have no duty to make any calculation or determinations relating to the Borrower's compliance with the provisions of Section 148 of the Code and may rely, without liability and without any independent review on the Borrower's computations. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in reliance upon any calculations provided by the Borrower. If amounts in excess of that required to be rebated to the United States accumulate in the Rebate Fund, the Trustee shall upon direction from the Borrower transfer such amount to the Borrower. Records of the determinations made by the Borrower and furnished to the Trustee together with the Borrower's investment instructions must be retained by the Trustee until six (6) years after the Series 1991 A Bonds are no longer Outstanding.

**Section 406. Rebate Disbursements.** Not later than sixty (60) days after April 1, 1995, and every five (5) years thereafter, the Trustee shall pay to the United States at least ninety percent (90%) of the amount required to be on deposit in the Rebate Fund as of such payment date. Not later than sixty (60) days after the final retirement of the Series 1991 A Bonds, the Trustee shall pay to the United States one hundred percent (100%) of the amount owed to the United States under Section 148(f) of the Code from the Rebate Fund. If sufficient funds are not available in the Rebate Fund to pay the rebate amount owed, the Trustee shall obtain any deficiency from the Borrower or from the Construction Fund or Bond Fund, but not from the Letter of Credit Account. Each payment required to be paid to the United States pursuant to this Section shall be filed with the Internal Revenue Service Center, Philadelphia,

Pennsylvania 19255. Each payment shall be accompanied by Form 8038-T (or any successor form as may be designated by the Internal Revenue Service).

Section 407. Trust Funds. All moneys and securities received by the Trustee under the provisions of this Indenture, shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the Issuer or of the Borrower other than the Bank. Such moneys shall be held in trust and applied in accordance with the provisions of this Indenture.

Section 408. Investments; Arbitrage Covenant. The Issuer and the Trustee covenant that they will not, and will not cause the Borrower to, make any investment or do any other act or thing during the period that any Series 1991 A Bonds are outstanding under this Indenture which would cause any of the Series 1991 A Bonds to become or be classified as arbitrage bonds within the meaning of Section 148 of the Code (and any successor section of any subsequent federal income tax statute or code) and the regulations thereunder proposed or published in the Federal Register or as promulgated in final form. It is further understood and agreed that the Trustee shall not be required at any time to make any such investment or to do any such act and that no duties or obligations shall be implied to the Trustee in connection with any computations or determinations to be made by the Borrower under Section 148 of the Code.

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(End of Article IV)

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ARTICLE V

Redemption of Series 1991 Bonds Before Maturity

Section 501. Redemption Dates and Prices. (a) General Provisions. Except as described in subsections (b) and (c) hereof, the Series 1991 Bonds are not subject to redemption by the Issuer.

(b) Optional Redemption of Series 1991 A Bonds, Series 1991 B Bonds and Bonds.

(i) The Series 1991 A Bonds and Series 1991 B Bonds may be redeemed at the option of the Issuer as directed by the Borrower during the initial Reset Period and subsequent Reset Periods as set forth below:

<u>Initial Reset Period</u>	
<u>Dates</u>	<u>Redemption Price</u>
April 1, 1996 to March 31, 2001	100%
<u>Subsequent Reset Periods</u>	
<u>Dates</u>	<u>Redemption Price</u>
Year 6 of Reset Period	102%
Year 7 of Reset Period	101½%
Year 8 of Reset Period	101%
Year 9 of Reset Period	100½%
Year 10 of Reset Period and thereafter	100%

If the Reset Period is a period of 5 years or less, the Bonds are not subject to optional call hereunder. Notwithstanding the foregoing provisions of this Section 501(b)(i), if the original term of the Letter of Credit provided with respect to a Reset Period is less than the term of the Reset Period, the Series 1991 Bonds shall be subject to optional redemption at par during such Reset Period commencing on the stated expiration date of the Letter of Credit. Any premium due pursuant to an optional redemption shall not be payable from the proceeds of a draw on the Letter of Credit, but shall be payable only with other Available Moneys.

(ii) The Bonds also shall be subject to optional redemption by the Issuer, at the direction of the Borrower, upon the occurrence of any of the events set forth in Section 5.1(c) of the Loan Agreement on any Interest Payment Date, if the Borrower shall have deposited with the Trustee sufficient moneys to redeem the Series 1991 Bonds and prepay the Parity Obligations in whole, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

(c) Mandatory Redemption.

(i) Miscellaneous. If moneys are on deposit in the Series 1991 A Account of the Bond Fund for redemption of Series 1991 A Bonds pursuant to Section 3.22 of the Loan Agreement,

the Series 1991 A Bonds shall be subject to redemption by Issuer on any Interest Payment Date, to the extent such excess proceeds exist (in inverse order of maturity), at 100% of the principal amount thereof plus accrued interest to the redemption date and without premium.

(ii) Determination of Taxability. In the event a Determination of Taxability (as defined in the Loan Agreement) with respect to any Series 1991 A Bonds shall have occurred, the Series 1991 A Bonds and the Series 1991 B Bonds shall be called for redemption and payment on a redemption date established pursuant to this Indenture (which redemption date shall be the earliest date by which the appropriate notices can be given, and shall be within 75 days of a Determination of Taxability as hereinafter described) at a redemption price equal to 100% for the Series 1991 A Bonds and 100% for the Series 1991 B Bonds of the principal amount thereof plus accrued interest to the redemption date; provided, however, that if the Borrower has contested the Determination of Taxability as described below and either lost or abandoned such contest, the redemption price for the Series 1991 A Bonds and the Series 1991 B Bonds shall also include a redemption premium equal to 5% of the outstanding principal amount of Bonds to be redeemed for each 12 month period during which a Determination of Taxability is contested. Such 12 month period(s) shall be measured from the date the Determination of Taxability would have been deemed to have occurred, absent such contest, to the date of redemption. The Borrower's right to contest a Determination of Taxability must be exercised in good faith and initiated within 30 days of the receipt of notice alleging that a Determination of Taxability has occurred and shall be conditioned on the Borrower delivering to the Trustee a letter of credit in an amount equal to 5% of the principal amount of the Series 1991 Bonds then outstanding within 30 days of receipt of such notice. Such letter of credit shall carry a rating equal to or greater than the rating then in effect for the Series 1991 Bonds, shall be effective for a period of not less than one year from the date of such notice, and shall be increased in its duration and the amount of its coverage by an additional 5% of the principal amount outstanding on the Series 1991 Bonds in each 12-month period that the Determination of Taxability continues to be actively contested in an administrative or court proceeding. Prior to acceptance of any such letter of credit, the Trustee shall have received a written confirmation from each rating agency maintaining a rating on the Bonds to the effect that acceptance thereof will not result in the withdrawal or reduction of the then current rating on the Bonds.

(iii) Expiration of the Letter of Credit. If by March 1, 1996 and on each March 1 thereafter the Borrower fails to deliver to the Trustee an extension of the Letter of Credit or a Substitute Letter of Credit that provides sufficient coverage for at least the twelve-month and fifteen day period beginning on the next succeeding April 1 (and ending on an April 15th) then all Series 1991 Bonds then Outstanding shall be called for redemption as soon as practicable but no later than five (5) days prior to the expiration date of such Letter of Credit. The Trustee shall draw on the Letter of Credit at least two Business Days prior its expiration in order to redeem the Series 1991 Bonds then Outstanding at one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption but without premium.

(iv) Series 1991 Bonds Not Remarketed. The Series 1991 Bonds are subject to mandatory redemption on any Reset Date, in whole or in part, at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date, in the amount and to the extent such Series 1991 Bonds, have not been remarketed by the Remarketing Agent by 10:30 a.m., New York time on the Business Day prior to the Reset Date. The Remarketing Agent shall advise the Trustee not later than 11:00 a.m., New York time, on the Business Day prior to the Reset Date of the principal amount of Series 1991 Bonds



remarketed. If the Trustee receives no such notice by 11:00 a.m. New York time on the Business Day prior to the Reset Date from the Remarketing Agent, the Trustee shall call for redemption all Series 1991 Bonds then Outstanding, in accordance with the provisions of this Indenture.

(v) Act of Bankruptcy of Bank. The Series 1991 Bonds are subject to mandatory redemption in whole at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date, as soon as practicable but no later than the 90th day following the occurrence of an Act of Bankruptcy of the Bank, if by the 45th day following such occurrence a Substitute Letter of Credit has not been issued to the Trustee as provided in this Indenture or the Act of Bankruptcy of the Bank has not been cured within 60 days.

(d) Event of Default Draw Not Considered Redemption. It is hereby understood that a payment of the Series 1991 Bonds from a drawing on the Letter of Credit because of the occurrence of an Event of Default hereunder shall not be considered a redemption of the Series 1991 Bonds and no premium shall be due because of such Event of Default. It is further understood that no premium on the Series 1991 Bonds shall be payable from the proceeds of a draw on the Letter of Credit.

(e) Series 1991 Bonds Not Extinguished; Deemed Purchase in lieu of Redemption. Notwithstanding anything contained herein to the contrary, any redemption of Series 1991 Bonds pursuant to Sections 501(c)(iii), (iv) or (v) hereof from proceeds of a draw on the Letter of Credit shall be deemed to be a purchase in lieu of redemption and shall not result in the extinguishment and cancellation thereof so long as such Series 1991 Bonds are registered in the name of the Borrower and the Borrower has not directed the Trustee to extinguish and cancel such Series 1991 Bonds. Any Bonds so deemed to be purchased in lieu of redemption may be remarketed in accordance with the requirements of Section 816(e) hereof. Any Series 1991 Bonds so purchased with proceeds of a draw on the Letter of Credit shall be registered in the name of the Borrower, held by the Trustee and pledged to the Bank.

Section 502. Notice of Redemption. In the case of redemption of Bonds pursuant to Section 501 hereof (other than a redemption resulting from a failure to remarket the Bonds on a Reset Date, for which no advance notice is required), notice of the call for any such redemption identifying the Bonds, or portions of fully registered Bonds, to be redeemed shall be given by the Trustee by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Registrar, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any such registered Bond shall not affect the validity of any proceedings for the redemption of other Bonds. Notwithstanding the foregoing, notice of redemption shall not be given for a redemption of Bonds for which a premium is due until such time as Available Moneys are on deposit with the Trustee for purposes of paying the premium portion of any such redemption.

On and after the redemption date specified in the aforesaid notice, such Bonds, or portions thereof, thus called (provided Available Moneys or funds drawn under the Letter of Credit sufficient for their redemption are on deposit at the place of payment at that time) shall not bear interest, shall no longer be protected by this Indenture and shall not be deemed to be outstanding under the provisions of this Indenture, and the holders thereof shall have the right only to receive the redemption price thereof plus accrued interest thereon to the date fixed for redemption.

Section 503. Cancellation. All Bonds which have been redeemed shall be cancelled and cremated or otherwise destroyed by the Registrar and shall not be reissued and a counterpart of the certificate of cremation or other destruction evidencing such cremation or other destruction shall be furnished by the Registrar to the Issuer and the Borrower; provided, however, that one or more new fully registered Bonds shall be issued for the unredeemed portion of any fully registered Bond without charge to the holder thereof.

Section 504. Redemption Payments. The Trustee shall timely submit draws on the Letter of Credit to the Bank pursuant to the Letter of Credit in order to provide funds to effect any redemption of Series 1991 Bonds hereunder unless Available Moneys for such redemption are provided from another source. Prior to the date fixed for redemption, funds shall be deposited with the Trustee to pay, and the Trustee is hereby authorized and directed to apply such funds to the payment of the Bonds or portions thereof called, together with accrued interest thereon to the redemption date and any required premium. Upon the giving of notice and the deposit of funds for redemption, interest on the Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption. No payment shall be made by Trustee upon any Bond or portion thereof called for redemption until such Bond shall have been delivered for payment or cancellation or the Registrar shall have received the items required by Section 209 hereof with respect to any mutilated, lost, stolen or destroyed Bond.

Section 505. Partial Redemption of Bonds. If less than all of the Bonds at the time outstanding are to be called for redemption, the particular Bonds or portions thereof to be redeemed shall be redeemed by inverse order of maturity and Bonds within a maturity shall be selected by lot (meaning also random selection by computer) by the Trustee in such manner as the Trustee, in its discretion, may determine. The Trustee shall call for redemption in accordance with the foregoing provisions as many Bonds or portions thereof as will, as nearly as practicable, exhaust the moneys available therefor. Particular Bonds or portions thereof shall be redeemed only in the principal amount of \$5,000 each provided that no Bond may have a final denomination of less than \$5,000.

If less than the entire principal amount of any registered Bond then outstanding is called for redemption, then upon notice of redemption given as provided in Section 502 hereof, the Owner of such registered Bond shall forthwith surrender such Bond to the Trustee in exchange for (a) payment of the redemption price of, plus accrued interest on the principal amount called for redemption and (b) a new Bond or Bonds of like series in an aggregate principal amount equal to the unredeemed balance of the principal amount of such registered Bond, which shall be issued without charge therefor. In lieu of surrender of a Bond called for partial redemption, the holder thereof may note on the back of such Bond the date and amount of such redemption, such redemption to be effective regardless of whether such notation shall have been made. Such partial redemption shall be effective regardless of whether such notation shall have been made. Such partial redemption shall be called upon payment of the amount thereby required to be paid to such registered holder, and the Issuer and the Trustee shall be released and discharged from all liability to the extent of such payment, irrespective of whether such endorsement shall or shall not have been made upon the reverse of such Bond by such registered holder and irrespective of any error or omission in such endorsement.

If any of the Bonds are simultaneously subject to both optional and mandatory redemption, the Trustee shall first select the Bonds to be redeemed under the optional redemption provisions.

(End of Article V)

## ARTICLE VI

### General Covenants

Section 601. Payment of Principal and Interest. The Issuer covenants that it will promptly pay, or cause to be paid, the principal of, premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in said Bonds according to the true intent and meaning thereof. The principal, interest and premium, if any, on the Bonds are payable solely from the payments to be made on the Notes which payments are hereby specifically pledged and assigned to the payment thereof in the manner and to the extent herein specified and moneys available under the various funds and accounts created hereunder (except the Rebate Fund) and Investment earnings thereon, and nothing in the Bonds or in this Indenture should be considered as pledging any other funds or assets of the Issuer. The Bonds do not represent or constitute a debt of the Issuer within the meaning of the provisions of the constitution or statutes of the State of Indiana or a pledge of the full faith and credit of the Issuer or grant to the owners or holders thereof of any right to have the Issuer levy taxes or appropriate any funds for payment of the principal thereof or interest thereon. No covenant or agreement contained in the Bonds or the Indenture shall be deemed to be a covenant or agreement of any member of the Commission, the Issuer or of the fiscal or legislative bodies of the Issuer or of any officer or employee of the Commission, the Issuer or its fiscal or legislative bodies in his or her individual capacity, and neither the members of the Commission or the Issuer or the legislative or fiscal bodies of the Issuer nor any officer or employee of the Issuer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

Section 602. Performance of Covenants. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings of its members pertaining thereto. The Issuer represents that it is duly authorized under the constitution and laws of the State of Indiana to issue the Bonds authorized hereby and to execute this Indenture, and to pledge and assign the Series 1991 Notes and assign the Loan Agreement in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken, and that the Bonds in the hands of the holders and owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

Section 603. Ownership; Instruments of Further Assurance. The Issuer represents that at the time of the pledge and assignment thereof it will lawfully own the Series 1991 Notes and that such pledge and assignment and the assignment of the Loan Agreement to the Trustee hereby made will be valid and lawful. The Issuer covenants that it will defend the title to the Series 1991 Notes and its interest in the Loan Agreement to the Trustee, for the benefit of the owners of the Bonds against the claims and demands of all persons whomsoever. The Issuer covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, mortgaging, conveying, pledging, assigning and confirming unto the Trustee, the Series 1991 Notes, the Loan Agreement and all payments thereon and thereunder pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds.

Section 604. Recordation of Indenture, Loan Agreement and Security Instruments. The Issuer shall cause this Indenture, the Loan Agreement and all supplements thereto as well as such other security instruments, financing statements and all supplements thereto and other instruments as may be required from time to time to be kept recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the lien hereof and the security of the owners of the Bonds and the rights of the Trustee and Bank hereunder.

Section 605. Inspection of Books. The Issuer covenants and agrees that all books and documents in its possession relating to the Project and the revenues derived from the Project shall at all times be open to inspection by such accountants or other agents as the Trustee or the Bank may from time to time designate.

Section 606. List of Bondholders. The Trustee will keep on file at its principal office a list of names and addresses of the holders of all Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Borrower, the Bank or by Owners (or a designated representative thereof) of 25% or more in principal amount of Bonds then outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

Section 607. Rights Under Loan Agreement. The Issuer agrees that the Trustee in its name or in the name of the Issuer may enforce all rights of the Issuer and all obligations of the Borrower under and pursuant to the Loan Agreement (except the rights reserved to the Issuer under Section 3.1 thereof) for and on behalf of the Bondholders and the Bank, whether or not the Issuer is in default hereunder. The Trustee agrees to give notice to rating agencies as required by Section 13.6 of the Loan Agreement when and as directed to do so by the Borrower.

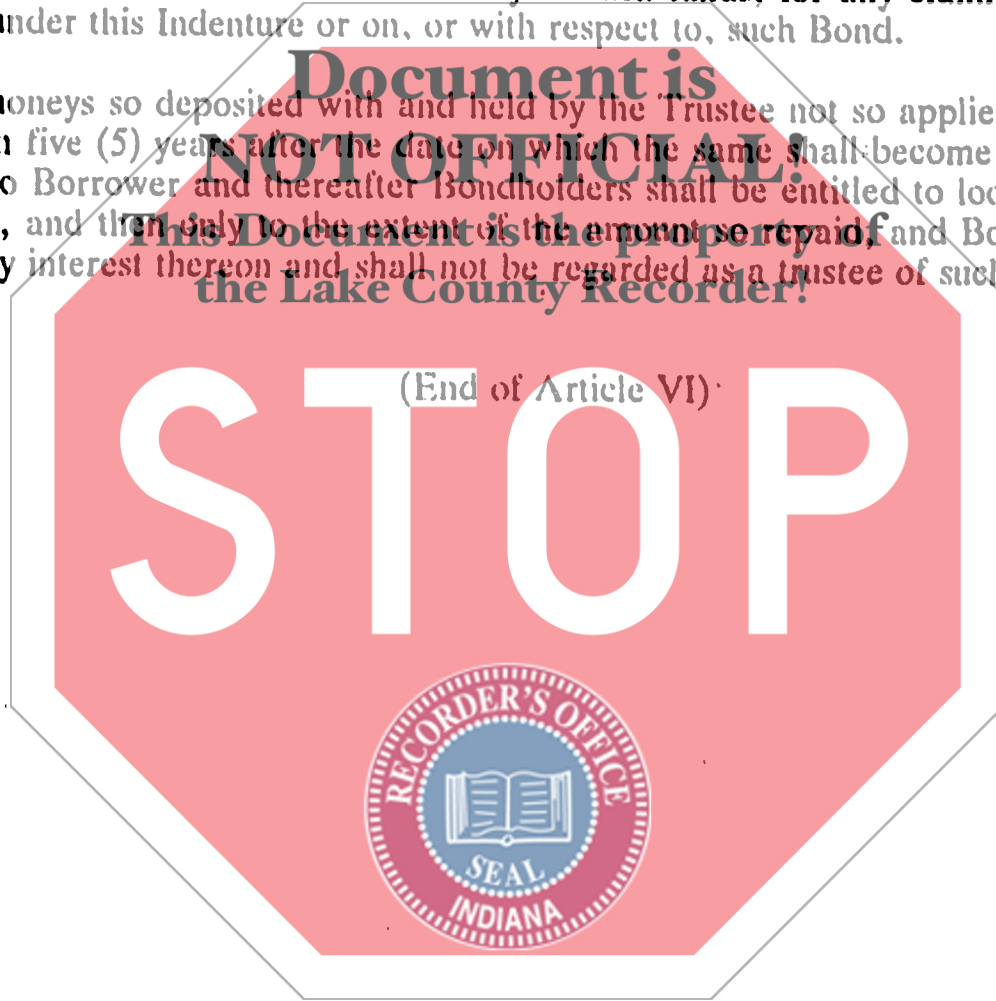
Section 608. Bonds to Remain Tax Exempt. Issuer covenants and certifies to the Trustee and to and for the benefit of the purchasers of the Series 1991 A Bonds that no use will be made of the proceeds from the issue and sale of the Series 1991 A Bonds which would cause the Series 1991 A Bonds to be classified as arbitrage bonds within the meaning of Section 148 of the Code or any successor provisions or codes or which would adversely affect the exclusion from gross income of interest on the Series 1991 A Bonds for federal tax purposes under the Code. Pursuant to such covenant, Issuer obligates itself throughout the term of the issue of the Series 1991 Bonds not to violate the requirements of the Code or any successor provisions or codes and any applicable regulations.

Section 609. Investment of Funds. Moneys in the Funds established hereunder may be invested in Qualified Investments, to the extent and in the manner provided for in Section 3.19 of the Loan Agreement; provided, however, that moneys deposited to the Bond Fund which do not constitute Available Moneys at the time of such deposit and are held separately in an Ineligible Moneys Account of the Bond Fund shall not be invested in any investment rated less than Baa3/P3 by Moody's Investors Service, Inc. The Trustee shall not be liable or responsible for any loss resulting from any such investment. The interest accruing thereon and any profit realized from such investments shall be credited, and any loss resulting from such investments shall be charged to the fund in which the money was deposited. The Trustee shall sell and reduce to cash a sufficient amount of such investments of the Construction Fund whenever the cash balance is insufficient to pay a requisition when presented or of the Bond Fund whenever the cash balance in the Bond Fund is insufficient to pay the principal of, premium, if any, and interest on the Series 1991 Bonds when due. Notwithstanding the

foregoing, draws on the Letter of Credit shall not be invested but shall be held uninvested in the Letter of Credit Account created in Section 402 until spent. Any moneys on deposit with the Trustee and representing premium payable on the Bonds shall at all times after notice of redemption of the Bonds to which such premium applies be invested in Government Obligations maturing in not later than 30 days or, if sooner, the date such moneys will be needed hereunder.

Section 610. Non-presentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or otherwise, if funds sufficient to pay any such Bond shall have been made available to Trustee for the benefit of the holder or holders thereof, all liability of Issuer to the holder thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of Trustee to hold such funds for five (5) years without liability for interest thereon, for the benefit of the holder of such Bond, who shall thereafter be restricted exclusively to such funds, for any claim of whatever nature on his part under this Indenture or on, or with respect to, such Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within five (5) years after the date on which the same shall become due shall be repaid by Trustee to Borrower and thereafter Bondholders shall be entitled to look only to Borrower for payment, and then only to the extent of the amount so repaid, and Borrower shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.



## ARTICLE VII

### Defaults and Remedies

Section 701. Events of Default. Each of the following events, if continuing, is hereby declared an "Event of Default," that is to say, if:

(a) payment out of Available Moneys (including draws of Letter of Credit) of any principal, premium, if any, or interest on the Bonds shall not be made when and as the same is due (whether at maturity, redemption, acceleration or otherwise); or

(b) a default as defined in Section 7.1(i), (ii) or (iv) of the Loan Agreement shall occur and be continuing provided that the Bank has consented in writing to such being an Event of Default hereunder; or

(c) default in the performance of any other of the covenants, agreements or conditions on the part of the Issuer included in this Indenture or in the Bonds and the continuance thereof for a period of sixty days after written notice to the Issuer, the Bank and the Borrower given by the Trustee, provided that the Bank has consented in writing to such being an Event of Default hereunder; or

(d) notification of the Trustee by the Bank in writing that an "Event of Default" has occurred under the Reimbursement Agreement or that the Letter of Credit will be terminated; or

(e) the Trustee shall have received, within fifteen (15) Business Days following a draw under the Letter of Credit to pay interest on the Bonds, notice from the Bank that amounts available to be drawn on the Letter of Credit in respect of interest shall not be reinstated to an amount equal to 122 days' interest on all Outstanding Bonds;

Notwithstanding the foregoing, a Determination of Taxability, as defined in the Loan Agreement, shall not be considered an Event of Default.

Section 702. Acceleration. (a) Subject to the requirement that the Bank's consent to any acceleration must be obtained other than in the case of an Event of Default described in subsection (a), (d) or (e) of Section 701 hereof, upon the occurrence of any Event of Default hereunder, the Trustee shall, by notice in writing sent to the Issuer, establish a date for payment of the Bonds (which date shall not be more than 5 calendar days after the date of such acceleration) and declare the principal of and any premium on all Bonds then Outstanding (if not then due and payable) and the interest accrued thereon through and including such date of payment to be due and payable immediately, and, upon said declaration, such principal and premium, if any, and interest shall become and be immediately due and payable; provided, that in the case of any of the Events of Default specified in subsection (a), (d) or (e) of Section 701 hereof, without any notice to the Issuer or other act by the Trustee, the principal of, and interest accrued thereon through and including such date of payment shall become and be immediately due and payable. Pursuant to such declaration, interest on the Bonds shall accrue to the date of such payment hereunder. The Trustee shall immediately exercise such rights as it may have under the Loan Agreement to declare all payments thereunder to be immediately due and payable and, to the extent it has not already done so and to the extent necessary, shall immediately draw upon the Letter of

Credit as provided in Section 203, but shall not be permitted to draw on the Letter of Credit for any premium due.

Immediately following any such declaration of acceleration, the Trustee shall mail notice of such declaration by first class mail to each holder of Bonds at his last address appearing on the registration books of the Registrar. Any defect in or failure to give such notice of such declaration shall not affect the validity of such declaration.

(b) It is expressly understood that the Trustee shall be obligated to pursue its remedies afforded under Section 702(a) and the Letter of Credit before the Trustee shall exercise its remedies hereinafter afforded or otherwise provided by law; provided, however, that if the Trustee's action under this Section 702 hereof and subparagraph (b)(I) of Section 7.1 of the Loan Agreement does not fully pay the Bonds, the Trustee shall have all the remedies provided in this Article VII and in Article VII of the Loan Agreement.

(c) Payment of the principal and interest on Bonds upon acceleration with funds drawn from the Letter of Credit shall constitute a purchase of the Bonds by the Borrower and the Bonds shall be registered in the name of the Borrower while pledged to the Bank. Upon demand by the Bank, such Bonds shall be delivered to the Bank or its designated agent or custodial account.

Section 703. ~~Remedies, Rights of Bondholders.~~

Subject to the requirement that the Bank must consent to any acceleration of the Bonds other than in the case of an Event of Default described in subsections (a), (d) or (e) of Section 701 hereof;

(a) Subject to Section 702(b) hereof, upon the occurrence of an Event of Default, the Trustee may pursue any available remedy by suit at law or in equity, including acceleration of all payments due on the Bonds and Notes, to enforce the payment of the principal of, premium, if any, and interest on the Bonds then outstanding, to enforce any obligations of the Issuer hereunder, and to enforce its rights and remedies under the Letter of Credit. Notwithstanding the foregoing, the Trustee shall pursue its mandatory obligations under Sections 203 and 702 hereof.

(b) Subject to Section 702(b) hereof, upon the occurrence of an Event of Default, and if requested so to do by the holders of twenty-five per cent (25%) in aggregate principal amount of Bonds then outstanding and indemnified as provided in Section 801 hereof, the Trustee shall be obliged to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

(c) Subject to Section 702(b) hereof, and except as provided in Section 702 hereof, no remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

(d) No delay or omission to exercise any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver of any event

of default or acquiescence therein, and every such right and power may be exercised from time to time as may be deemed expedient.

(e) No waiver of any Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 704. Right of Bondholders to Direct Proceedings. The holders of a majority in principal amount of Bonds then outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and provided that the Trustee is obligated to pursue its remedies under the provisions of Section 702 hereof before any other remedies are sought. Notwithstanding the foregoing, so long as the Bank has not wrongfully dishonored its obligations under the Letter of Credit, the written consent of the Bank shall be required before the Bondholders may direct any proceedings hereunder.

Section 705. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article or the Letter of Credit shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee and the Bank (provided that the proceeds from a draw on the Letter of Credit and other Available Moneys shall only be used to pay principal of and interest on the Bonds (other than Bonds registered in the name of the Borrower) and Parity Obligations and remaining moneys in the Bond Fund shall be used to pay the premium, if any, on the Bonds), be deposited in the Bond Fund and all moneys in the Bond Fund shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First: To the payment of any amounts required to be deposited in the Rebate Fund;

Second: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds (other than Bonds registered in the name of the Borrower), in the order of the maturity of the installments of such interest, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

Third: To the payment to the persons entitled thereto of the unpaid principal of the Bonds (other than Bonds registered in the name of the Borrower) which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest on such Bonds (other than Bonds registered in the name of the Borrower) from the respective dates upon which they become due, and if the amount available shall not be sufficient to pay in full Bonds (other than Bonds registered in the name of the Borrower) due on any particular date, together with such interest, then to the



payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege;

Fourth: To the payment of any other sums required to be paid by the Issuer pursuant to any provisions of this Indenture or the Bonds (other than Bonds registered in the name of the Borrower); and

Fifth: To the payment of the balance, if any, to the Bank to the extent amounts are owing thereto under the Reimbursement Agreement and after satisfaction thereof to the Borrower or its successors or assigns, upon the written request of the Borrower or to whomsoever may be lawfully entitled to receive the same upon its written request, or as any court of competent jurisdiction may direct;

provided that proceeds from a draw under the Letter of Credit and other Available Moneys shall only be used for the payment of principal and interest on the Bonds (other than Bonds registered in the name of the Borrower).

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied first to any payment obligations to the Rebate Fund and then to the payment of the principal and interest then due and unpaid upon the Bonds (other than Bonds registered in the name of the Borrower), without preference or priority of principal over interest or of interest over any other installment of interest, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege. Any monies remaining in the Bond Fund after satisfaction of all principal and interest then due and unpaid on the Bonds (other than Bonds registered in the name of the Borrower) shall then be applied as provided in items Fourth and Fifth of subparagraphs (a) of this Section.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article then, subject to the provisions of subsection (b) of this Section in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this Section.

Subject to the specific time frames and dates set forth in Sections 701 and 702 hereof, whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date to make payment to the holder of any Bond until such Bond shall be presented to the Registrar for appropriate endorsement or for cancellation if fully paid. All moneys received by the Trustee from the Bank from a draw under the Letter of Credit shall be used solely to pay the principal of and interest on the Bonds (other than Bonds registered in the name of the Borrower).

**Section 706. Remedies Vested in Trustee.** All rights of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee

shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Bonds, and any recovery of judgment shall, subject to the provisions of Section 705 hereof, be for the equal benefit of the holders of the outstanding Bonds.

**Section 707. Rights and Remedies of Bondholders.** No holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in subsection (h) of Section 801, or of which by said subsection it is deemed to have notice, nor unless also such default shall have become an Event of Default and the holders of 25% in principal amount of all Bonds then outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in Section 801, nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its, his, or their own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more holders of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the holders of all Bonds then outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Bondholder to enforce the covenants of the Issuer to pay the principal of and interest on each of the Bonds issued hereunder to the respective holders thereof at the time, place, from the source and in the manner in said Bonds expressed. Until the Trustee has drawn in full on the Letter of Credit, the Bondholders shall not have the rights set forth herein so long as the Letter of Credit remains in full force and effect and the Bank has not wrongfully dishonored draws made by the Trustee thereon.

**Section 708. Termination of Proceedings.** In case the Trustee shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Borrower and the Trustee shall be restored to their former positions and rights hereunder with respect to the Mortgaged Property, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

**Section 709. Waivers of Events of Default.** The Trustee, upon receipt of the prior written consent of the Bank with respect to Events of Default under subsections (b) and (c) of 701, may waive any Event of Default hereunder and its consequences and rescind any declaration of maturity and shall do so upon the written request of the holders of 100% in principal amount of all the Bonds then Outstanding provided that the Bank's consent to such waiver shall be required so long as the Bank has not wrongfully dishonored draws under the Letter of Credit of principal of and interest on the Bonds and the Trustee shall be satisfied that the Letter of Credit is in the amount required herein with all amounts payable thereunder having been fully reinstated, provided, however, that there shall not be waived (a) any Event

of Default in the payment of the principal of any outstanding Bonds at the date of maturity specified therein, or (b) any default in the payment when due of the interest on any such Bonds unless prior to such waiver or rescission, arrears of interest, or all arrears of payments of principal and premium, if any, when due, as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

Section 710. Borrower's Right of Possession and Use of Mortgaged Property. Subject to the Bank's rights under the Loan Agreement, so long as the Borrower is in full compliance with the terms and provisions of the Mortgage, the Borrower shall be suffered and permitted to possess, use and enjoy the properties and appurtenances constituting the Mortgaged Property free of claims of the Issuer and the Trustee.

Section 711. Waiver of Redemption, Effect of Sale of Mortgaged Property. The Issuer, to the extent permitted by law, shall not claim any rights under any stay, valuation, exemption or extension law, and hereby waives any right of redemption which it may have in respect of the Mortgaged Property. Upon the institution of any foreclosure proceedings or upon any sale of the Mortgaged Property, or any acceleration of the maturity of the Notes, the principal of all Bonds then outstanding hereunder, if not previously due and payable, shall without any other act or event become immediately due and payable.

Section 712. Cooperation of Issuer. Upon the occurrence of an Event of Default hereunder, the Issuer shall cooperate with the Trustee and use its best efforts to protect the Bondholders, including, without limitation, consenting to the sale of the Mortgaged Property for the benefit of the Bondholders if such sale is otherwise permitted under the Loan Agreement.

Section 713. Notice of the Honoring of the Letter of Credit.

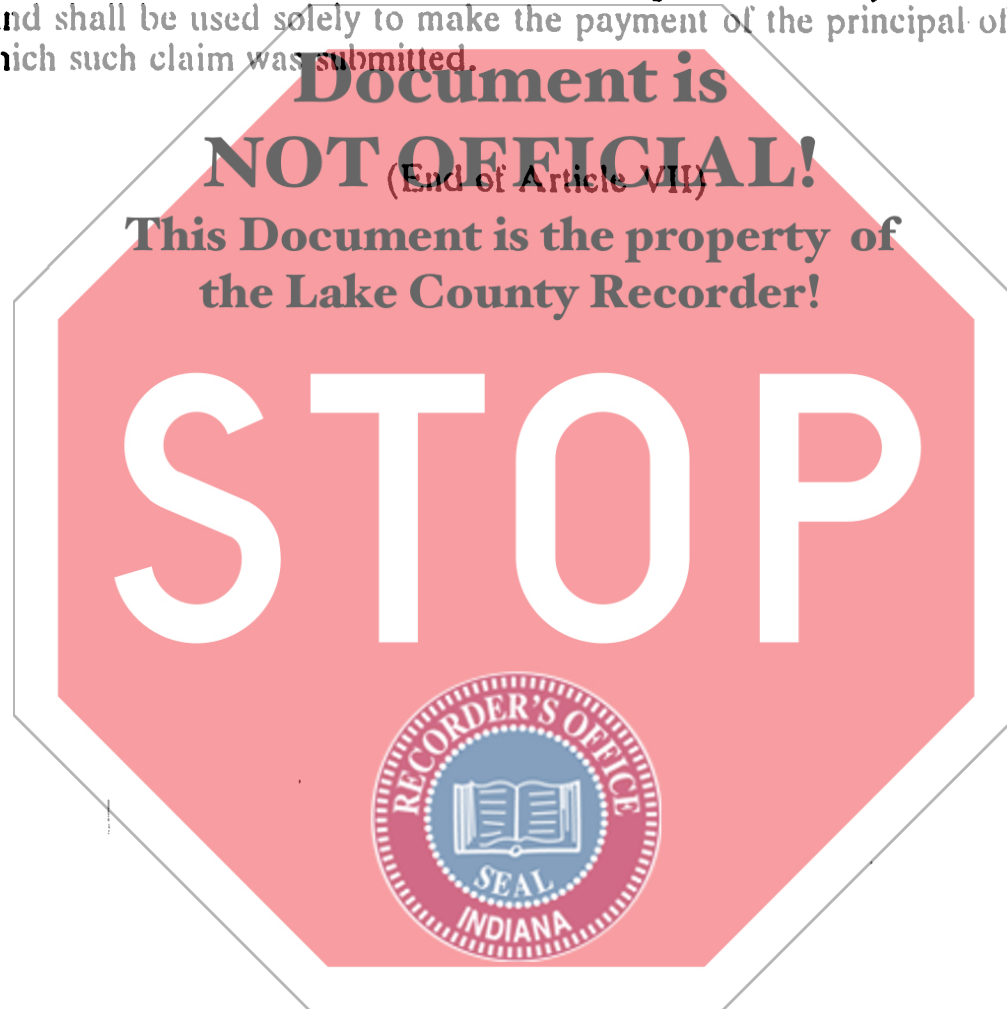
Notwithstanding the provisions of this Article to the contrary, if payments on the Letter of Credit are sufficient to pay the principal and interest on the Bonds then outstanding to the date designated for payment, the Bonds shall no longer be secured by the Letter of Credit, whether notice is properly given or not pursuant to Section 702 hereof.

Payment of the Bonds from the amounts received by the Trustee from the Letter of Credit shall be made as provided in Section 203 of this Indenture.

Section 714. Notice from Bank and Trustee's Duties. Upon receipt of notice from the Bank, the Trustee is obligated to treat an Event of Default hereunder or under the Loan Agreement as an Event of Default hereunder, without regard to the Trustee's or the Bondholder's discretion to the contrary. The Trustee shall be obligated hereunder or under the Loan Agreement to exercise its remedies under the Letter of Credit and the Trustee shall pursue such remedies and take such actions, including the bringing of legal proceedings and giving notice to Bondholders, as are necessary or advisable to enforce the Letter of Credit and to assure timely payment of the Bonds.

Section 715. Term of this Indenture; Payments. This Indenture shall remain in effect until payment in full of the principal of, premium, if any, and interest on the Bonds with Available Moneys, or if paid in full with other than Available Moneys, for one year and one day after such final payment during which time no Act of Bankruptcy has occurred. Thereafter, this Indenture shall be discharged in accordance with Section 1101 hereof.

Section 716. Amounts Payable Under Letter of Credit. The Borrower hereby authorizes and directs the Trustee, and the Trustee hereby agrees, promptly to give all notices and to take all other action necessary to cause such amounts as are available under the Letter of Credit to be drawn in accordance with the terms of the Letter of Credit on two Business Days prior to any payment date to make the payment of principal or interest to become due upon the Bonds as of the payment date. All moneys received by the Trustee from the Bank pursuant to the Letter of Credit shall be held in a separate segregated account of the Bond Fund for the sole benefit of the Bondholders, shall not be deemed to be moneys held in any other fund or account hereunder nor be commingled with any other fund or account hereunder, and shall be used solely to make the payment of the principal of or interest on the Bonds for which such claim was submitted.



## ARTICLE VIII

### The Trustee

Section 801. Acceptance of the Trusts. The Trustee and the Co-Trustee, respectively, hereby accept the trusts hereby created, and agree to perform said trusts as corporate trustees ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the terms and conditions set forth in this Article and no implied covenants or obligations shall be read into this Indenture against the Trustee. Notwithstanding the foregoing, unless or until the Trustee assigns certain trust duties to the Co-Trustee or is replaced and the Co-Trustee becomes the Trustee, all trust functions herein shall be performed by the Trustee. The Co-Trustee shall be a passive Co-Trustee performing only such functions hereunder as shall be agreed to in writing with the Trustee. However, in such cases where the Co-Trustee has agreed with the Trustee to perform certain trust duties of the Trustee, the Co-Trustee shall have the same authority to perform such functions as are extended to the Trustee hereunder.

(a) The Trustee and the Co-Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. Any such agent performing the duties of a tender agent or payment agent hereunder must be a commercial bank or trust company having trust powers. The Trustee and the Co-Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Borrower). The Trustee and Co-Trustee shall execute their duties hereunder in furtherance of maintaining the security of the Bondholders. The Trustee and the Co-Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee and the Co-Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or for insuring the property herein conveyed or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the property herein conveyed or otherwise as to the maintenance of the security hereof; and the Trustee and the Co-Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer or on the part of the Borrower under the Loan Agreement; but the Trustee and the Co-Trustee may require of the Issuer or the Borrower full information and advice as to the performance of the covenants, conditions and agreements aforesaid as to the condition of the property herein conveyed. The Trustee or the Co-Trustee shall have no obligation to perform any of the duties of the Issuer under the Loan Agreement, and the Trustee and the Co-Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with the provisions of this Indenture or in accordance with the Borrower's instructions.

(c) Except for the certificate of authentication of the Trustee upon the Bonds, neither the Trustee nor the Co-Trustee shall be responsible for:

(i) the validity, priority, recording, re-recording, filing or re-filing of this Indenture or any Supplemental Indenture or the Mortgage.

(ii) any financing statements, amendments thereto or construction statements.

The Trustee and the Co-Trustee shall not be liable for any error of judgment made in good faith by any one of their officers, unless it shall be established that the Trustee or the Co-Trustee were grossly negligent in ascertaining the pertinent facts.

The Trustee and the Co-Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the Bonds then outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or the Co-Trustee, or exercising any trust or power conferred upon the Trustee or the Co-Trustee, under this Indenture; and

No provision of this Indenture shall require the Trustee or the Co-Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

In addition to the foregoing, so long as the Co-Trustee shall be a passive Co-Trustee, it shall not be liable for any acts or omissions on the part of the Trustee and only to the extent that the Co-Trustee is expressly directed by the Trustee and its Issuer to undertake certain trust duties and obligations shall it be liable hereunder, and then only to the extent and subject to the limitations set forth above.

(d) The Trustee and the Co-Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee and the Co-Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee or the Co-Trustee, as the case may be.

(e) The Trustee and the Co-Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee or the Co-Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee and the Co-Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer or the Borrower by its duly authorized officers as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee or the Co-Trustee have been notified as provided in subsection (h) of this Section, or of which said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The

Trustee and the Co-Trustee may accept a certificate of the Issuer or the Borrower under its seal to the effect that a resolution in the form therein set forth has been adopted by the Issuer or the Borrower as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(g) The permissive right of the Trustee and the Co-Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee and the Co-Trustee shall not be answerable for other than their own gross negligence or willful default; provided, however, that the provisions of this subsection shall not affect the duties of the Trustee or the Co-Trustee hereunder, including the provisions of Article VII hereof.

(h) Except for an Event of Default under Section 701(a), (d) or (e) hereof, the Trustee and Co-Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder (other than payment of the principal and interest on the Bonds) unless the Trustee shall be specifically notified in writing of such Event of Default by the Issuer, the Bank, the Co-Trustee or by the holders of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then outstanding and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(i) The Trustee and the Co-Trustee shall not be personally liable for any debts contracted or for damages to persons or to personal property injured or damaged, or for salaries or nonfulfillment of contracts during any period in which it may be in possession of or managing the Mortgaged Property.

(j) At any and all reasonable times and upon reasonable prior written notice, the Trustee, the Co-Trustee and their duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the Mortgaged Property and the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(k) The Trustee and Co-Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(l) Notwithstanding anything elsewhere in this Indenture contained, the Trustee and Co-Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee or the Co-Trustee, deemed desirable for the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee or Co-Trustee.

(m) Before taking any action under this Section 801 (other than actions required under Sections 402 and 702 hereof) the Trustee and the Co-Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful default in connection with any action so taken; provided, however, that the Trustee and/or Co-Trustee may not delay any payments to the holders of the Bonds

from proceeds of a draw on the Letter of Credit, as required herein, based on a lack of indemnity.

(n) All moneys received by the Trustee and the Co-Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. The Trustee and Co-Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(o) If any Event of Default under this Indenture shall have occurred and be continuing, the Trustee and the Co-Trustee shall exercise such of the rights and powers vested in them by this Indenture and shall use the same degree of care as a prudent man would exercise or use in the circumstances in the conduct of his own affairs.

(p) The Trustee and the Co-Trustee are permitted to invest in obligations or securities issued by the Trustee provided that such obligations or securities are Qualified Investments.

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Section 802. Fees, Charges and Expenses of Trustee, Co-Trustee and Registrar. The Trustee, Co-Trustee and the Registrar shall be entitled to payment and/or reimbursement for reasonable fees as agreed to between the Trustee, the Co-Trustee and the Borrower for their services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee and Co-Trustee in connection with such services. Upon an Event of Default, but only upon an Event of Default, the Trustee and Co-Trustee shall have a right of payment prior to payment on account of interest or principal, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred, except that the Trustee and Co-Trustee shall have no claim to funds from proceeds of a draw under the Letter of Credit or remarketing proceeds or other Available Moneys. In no event may the Trustee or Co-Trustee delay payments to Bondholders in order to recover the foregoing advances, fees, costs and expenses.

Section 803. Notice to Bondholders and Bank if Default Occurs. If an Event of Default occurs of which the Trustee is by subsection (h) of Section 801 hereof required to take notice or if notice of an Event of Default be given as in said subsection (h) provided, then the Trustee shall give written notice thereof by registered or certified mail to the last known holders of all Bonds then outstanding shown by the list of Bondholders required by the terms of this Indenture to be kept at the office of the Trustee and to the Bank.

Section 804. Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of holders of the Bonds, the Trustee may intervene on behalf of Bondholders and, subject to the provisions of Section 801(m), shall do so if requested in writing by the Owners of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then outstanding. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 805. Successor Trustee or Successor Co-Trustee. Any corporation or association into which the Trustee or the Co-Trustee, respectively, may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee or the Co-Trustee,



respectively, hereunder and vested with all of the title to the whole property or trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 806. Resignation by the Trustee or Co-Trustee. The Trustee or Co-Trustee and any successor Trustee or Co-Trustee may at any time resign from the trusts hereby created by giving thirty days' written notice to the Issuer, the Bank and the Borrower and by registered or certified mail to each registered owner of Bonds then outstanding and to each holder of Bonds as shown by the list of Bondholders required by this Indenture to be kept at the office of the Trustee, and such resignation shall take effect upon appointment of a successor Trustee or Co-Trustee, as the case may be, by the Bondholders or by the Issuer and the transfer of the Letter of Credit to such successor. Such notice to the Issuer, the Bank and the Borrower may be served personally or sent by registered or certified mail.

Section 807. Removal of the Trustee or Co-Trustee. The Trustee or the Co-Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee or Co-Trustee, as the case may be, and to the Issuer and signed by the Owners of a majority in aggregate principal amount of Bonds then outstanding. Such removal shall not take effect until the appointment of a successor Trustee or Co-Trustee, as the case may be, and the assignment of the Letter of Credit to such successor.

Section 808. Appointment of Successor Trustee or Co-Trustee by the Borrower, Temporary Trustee. In case the Trustee or the Co-Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Borrower, by an instrument or concurrent instruments in writing signed by the Borrower, duly authorized; provided, nevertheless, that in case of such vacancy, the Issuer, by an instrument executed by one of its duly authorized officers, may appoint a temporary Trustee or Co-Trustee to fill such vacancy until a successor Trustee or Co-Trustee shall be appointed by the Borrower in the manner above provided; and any such temporary Trustee or Co-Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee or the Co-Trustee so appointed by the Borrower. Every such Trustee or Co-Trustee, as the case may be, appointed pursuant to the provisions of this Section shall be a commercial bank or trust company with trust powers, having a reported capital and surplus of not less than Fifty Million Dollars (\$50,000,000) if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms and must be reasonably acceptable to the Bank. Notwithstanding the foregoing, the Issuer, and not the Borrower, shall appoint a successor Trustee or Co-Trustee where an Event of Default has occurred and is continuing and when the Bank has dishonored the Letter of Credit.

Section 809. Concerning Any Successor Trustees or Co-Trustees. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the Borrower an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, execute and deliver an instrument transferring to such successor Trustee or Co-Trustee all the estates, properties, rights, powers and trusts of such

predecessor hereunder; and every predecessor Trustee or Co-Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee or Co-Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee or Co-Trustee and the instrument or instruments removing any Trustee or Co-Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article shall be filed and/or recorded by the successor Trustee or Co-Trustee in each recording office, if any, where the Indenture shall have been filed and/or recorded.

Section 810. Trustee and Co-Trustee Protected in Relying Upon Resolutions, etc. Subject to the conditions contained herein, the resolutions, ordinances, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee and Co-Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee and the Co-Trustee for the release of property and the withdrawal of cash hereunder.

Section 811. Successor Trustee and Co-Trustee as Trustee and Co-Trustee. In the event of a change in the office of Trustee or Co-Trustee, the predecessor Trustee or Co-Trustee which has resigned or been removed shall cease to be Trustee or Co-Trustee of the funds provided hereunder and the successor Trustee or Co-Trustee, as the case may be, shall become such Trustee or Co-Trustee.

Section 812. Separate Trustee or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including, particularly, the law of the State) denying or restricting the right of banking corporations or associations to transact business as trustees in such jurisdiction. Therefore, in the event of the incapacity or lack of authority of the Trustee or the Co-Trustee, as determined by the Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the powers, rights, or remedies herein granted to the Trustee and the Co-Trustee or to take any other action which may be necessary or desirable in connection therewith in such jurisdiction, the Trustee may activate the role of the Co-Trustee, appoint an additional individual or institution as a separate Trustee or Co-Trustee, and each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate Trustee or Co-Trustee to exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Section 813. Remarketing Agent - Appointment, Acceptance and Successors. (a) The Issuer hereby appoints Kemper Securities Group, Inc., as Remarketing Agent. The Remarketing Agent shall designate to the Trustee its principal office, and signify its acceptance of the duties and obligations imposed on it hereunder by a written instrument of acceptance delivered to the Bank, the Trustee, the Issuer and the Borrower.

(b) The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least seventy-five days written notice to the Bank, the Trustee, the Issuer and the Borrower, provided that no such notice within sixty days prior to the end of a Reset Period shall be effective unless a successor Remarketing Agent has been appointed. The Remarketing Agent may be removed at any time by the Issuer at the direction of the Borrower by a written notice filed with such parties provided that

no such removal shall be effective within sixty days prior to the end of Reset Period unless a successor Remarketing Agent has been appointed.

(c) If the position of Remarketing Agent shall become vacant for any reason, or if any bankruptcy, insolvency or similar proceeding shall be commenced by or against the Remarketing Agent, the Issuer shall appoint a successor Remarketing Agent designated by the Borrower and reasonably acceptable to the Bank to fill the vacancy. A written acceptance of office shall be filed by the successor Remarketing Agent in the manner set forth in Section 812 (a) hereof. Any successor Remarketing Agent shall be an entity authorized by law to perform all of the duties imposed on it under this Indenture.

Section 814. Remarketing Agent - General Responsibilities. (a) The Remarketing Agent shall perform the duties and obligations set forth in this Indenture, and in particular shall:

(1) determine the Reset Rate to be borne by the Bonds for the Reset Period beginning on each Reset Date as described herein;

(2) keep such books and records as shall be consistent with prudent industry practice and which will document its action taken hereunder, and make such books and records available for inspection by the Bank, the Trustee, the Issuer and the Borrower; and

(3) comply at all times and all applicable state and federal securities laws and other statutes, rules and regulations applicable to the remarketing of the Bonds.

(b) In performing its duties and obligations hereunder the Remarketing Agent shall use the same degree of care and skill as a prudent person would exercise under the same circumstances in the conduct of such person's own affairs. The Remarketing Agent shall not be liable in connection with the performance of its duties hereunder except for its own willful misconduct, gross negligence or bad faith.

(c) The Remarketing Agent may deal in Bonds and with the Borrower to the same extent and with the same effect as provided with respect to the Trustee hereunder.

(d) The Issuer and the Trustee shall each cooperate to cause the necessary arrangements to be made and thereafter continued whereby Bonds prepared, executed, authenticated and issued hereunder shall be made available to the Remarketing Agent to the extent necessary for delivery pursuant to Section 814 hereof and to otherwise enable the Remarketing Agent to carry out its duties hereunder.

(e) The Remarketing Agent hereby waives any right to, or lien on, any funds or obligations held by or owing to it by the Bank, the Borrower, the Trustee and the Issuer pursuant to this Indenture. The Remarketing Agent shall be reimbursed and compensated for its fees and expenses for acting under and pursuant to this Indenture only from payments to be made by the Borrower pursuant to an agreement mutually acceptable to the parties.

Section 815. Remarketing Agent; Remarketing and Sale of Tendered Bonds; Remarketing of Borrower Bonds Pledged to Bank. (a) The Remarketing Agent shall offer for sale and use its best efforts to sell, and may, but shall not be obligated to, place or underwrite (but only on a best efforts basis) the purchase of, all Bonds which are subject to mandatory tender for purchase on the applicable Reset Date at a price equal to the principal amount

thereof and with an interest rate determined by the Remarketing Agent as provided herein. The Remarketing Agent may establish such conditions as it deems appropriate to effect the underwriting, placement, purchase or sale of such Bonds.

(b) The Remarketing Agent shall not underwrite and/or place the purchase of or offer for sale or sell any Bonds upon the occurrence and continuation of any Event of Default of which it has received written notice from any of the Bank, the Trustee, the Borrower, and the Issuer. No Bond shall be remarketed except to a purchaser who agrees at the time of such purchase to accept the subsequent Reset Rate. No Bond shall be remarketed to the Issuer, the Borrower or any other Person (other than the Bank) obligated to make payments under the Loan Agreement, the Indenture or the Reimbursement Agreement.

(c) By not later than 4:00 p.m., New York time, on the date which is five Business Days prior to the Reset Date, the Remarketing Agent shall give notice by telecommunication, promptly confirmed in writing, to the Bank, the Trustee, the Borrower and the Issuer specifying the principal amount of the Bonds, if any, to be underwritten or sold by it pursuant to this Section 814.

(d) By not later than 11:00 a.m., New York time, on the date which is two Business Days prior to the applicable Reset Date, the Remarketing Agent shall endeavor to provide the Trustee with as complete a list as possible of the names of the persons to whom such Bonds are to be sold and are to be registered, each such person's address and social security number or taxpayer identification number, the denominations in which replacement Bonds are to be prepared, and any other appropriate registration and transfer instructions. Such information shall be updated thereafter as necessary by the Remarketing Agent prior to the Reset Date so as to be complete in all respects.

(e) Notwithstanding anything in this Indenture to the contrary, Bonds registered in the name of the Borrower shall not be remarketed unless:

(i) the full amount of the principal of and an appropriate amount of interest on such Bonds has been reinstated under the Letter of Credit or a Substitute Letter of Credit has been issued to cover such amounts; and

(ii) The Trustee has been provided with an opinion of counsel acting on behalf of the Bank or the bank issuing a Substitute Letter of Credit to the effect that the reinstated Letter of Credit or Substitute Letter of Credit is enforceable and such opinion is in such form and substance as is reasonably acceptable to the Trustee and acceptable to any rating agency or rating agencies then rating the Bonds; and

(iii) The Trustee has been provided with an opinion of Bond Counsel to the effect that interest on the Series 1991 A Bonds will be excludable from the gross income of the holders thereof for federal income tax purpose, notwithstanding any such remarketing;

Section 816. Remarketing Agent - Application of Proceeds from Sale of Remarketed Bonds. The payment for any Bonds which are in fact underwritten, placed, purchased or sold by the Remarketing Agent pursuant to Section 814 shall be deposited with the Trustee in immediately available funds no later than 10:30 a.m., New York time, on the Business Day prior to the applicable Reset Date. Such funds shall be held by the Trustee in a separate account in trust for, and delivered as soon as possible to, the Persons who have sold Bonds

pursuant to Section 211. Any such remarketing proceeds held by the Trustee shall be either (i) held uninvested, or (ii) invested overnight in Governmental Obligations.

Section 817. Remarketing Agent - Determination and Notice of Reset Date. The Remarketing Agent shall, in accordance with Section 211, determine the Reset Rates to be borne by the Bonds for the Reset Period beginning on each Reset Date. Notice of the Reset Rates so determined shall be given by telecommunications, promptly confirmed in writing, to the Bank, the Trustee, the Borrower and the Issuer.

(End of Article VIII)



## ARTICLE IX

### Supplemental Indentures

Section 901. Supplemental Indentures Not Requiring Consent of Bondholders. The Issuer and the Trustee may without the consent of, or notice to, any of the Bondholders, enter into an indenture or indentures supplemental to this Indenture, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee or any of them; or
- (c) To subject to this Indenture ~~additional revenues,~~ properties, security or collateral.

No Supplemental Indenture entered into pursuant to this Section 901 may amend Sections 203, 702 or 902 hereof.

Section 902. Supplemental Indentures Requiring Consent of Bondholders. Exclusive of supplemental indentures covered by Section 901 hereof, and subject to the terms and provisions contained in this Section, and not otherwise, the holders of a majority in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided however, that nothing in this section contained shall permit or be construed as permitting (except as otherwise permitted in this Indenture) (a) an extension of the stated maturity or reduction in the principal amount of, or reduction in the rate or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, any Bonds, without the consent of the holder of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any sinking fund applicable to any Bonds without the consent of the holders of all the Bonds which would be affected by the action to be taken, or (c) the creation of any lien prior to or, except for the lien of Parity Obligations, on a parity with the lien of this Indenture without the consent of the holders of all the Bonds at the time outstanding, or (d) a reduction in the aforesaid aggregate principal amount of Bonds the holders of which are required to consent to any such supplemental indenture, without the consent of the holders of all the Bonds at the time outstanding which would be affected by the action to be taken, or (e) a modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee, or (f) a privilege or priority of any Bond over any other Bonds, or (g) a deprivation of the Owners of any Series 1991 Bonds then Outstanding of the lien thereby created.

Anything herein to the contrary notwithstanding, a supplemental indenture under this Article which affects any rights of the Borrower shall not become effective unless and until the Borrower shall have consented in writing to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture together with a copy of the proposed

supplemental indenture to be mailed by certified or registered mail to the Borrower at least fifteen (15) days prior to the proposed date of execution and delivery of any such supplemental indenture.

Section 903. Consent of Bank. No amendment or supplement to this Indenture shall be permitted without the prior written consent of the Bank, which consent shall not be unreasonably withheld.

(End of Article IX).



ARTICLE X

Amendments to the Loan Agreement

Section 1001. Amendments, etc., to Loan Agreement Not Requiring Consent of Bondholders. The Issuer and the Trustee with the consent of the Borrower shall, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Loan Agreement as may be required (i) by the provisions of the Loan Agreement and this Indenture, including particularly amendments to the Loan Agreement relating to the issuance of Additional Notes or Parity Obligations, or (ii) for the purpose of curing any ambiguity or formal defect or omission, or (iii) in connection with any other change therein which, in the reasonable judgment of the Trustee, is not to the material prejudice of the Trustee or the holders of the Bonds.

Section 1002. Amendments, etc., to Loan Agreement Requiring Consent of Bondholders. Except for the amendments, changes or modifications as provided in Section 1001 hereof, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of the Loan Agreement without the written approval or consent of the holders of a majority in aggregate principal amount of the Bonds at the time outstanding given and procured as in Section 902 provided.

Section 1003. No Amendment May Alter Notes. Under no circumstances shall any amendment to the Loan Agreement alter the Notes or the payments of principal and interest thereon, without the consent of the holders of all the Bonds at the time outstanding.

Section 1004. No Amendment Without Consent of Bank. No amendment to the Loan Agreement shall be permitted without the prior written consent of the Bank, which consent shall not be unreasonably withheld.

(End of Article X)





## ARTICLE XI

### Miscellaneous

Section 1101. Satisfaction and Discharge. All rights and obligations of the Issuer and the Borrower under the Loan Agreement, the Notes and this Indenture shall terminate, and such instruments shall cease to be of further effect, and the Trustee shall cancel the Notes and deliver them to the Borrower, shall cancel the Letter of Credit and deliver it to the Bank, shall execute and deliver all appropriate instruments evidencing and acknowledging the satisfaction of this Indenture, and shall assign and deliver to the Borrower any moneys and investments in all Funds established hereunder (except moneys or investments held by the Trustee for the payment of principal of, interest on, or premium, if any, on the Bonds) when

(a) all fees and expenses of the Trustee and Co-Trustee shall have been paid;

(b) the Issuer and the Borrower shall have performed all of their covenants and promises in the Loan Agreement, the Notes and in this Indenture;

(c) all Bonds theretofore authenticated and delivered have been (i) paid in full with Available Moneys; or (ii) are to be retired or called for redemption under arrangements satisfactory to the Trustee for the giving of notice of redemption at the expense of the Borrower, or (iii) have been delivered to the Registrar cancelled or for cancellation; and, in the case of (ii) and (iii) above, there shall have been deposited with the Trustee either Available Moneys in an amount which shall be sufficient, or investments purchased with Available Moneys (but only to the extent that the full faith and credit of the United States of America are pledged to the full and timely payment thereof, such investments are not subject to prepayment or call prior to maturity and are not issued pursuant to any pass-through type structure) the principal of and interest on which when due will provide moneys which, together with the Available Moneys, if any, deposited with the Trustee, shall be sufficient without regard to reinvestment income thereon, to pay when due the principal or redemption price, if applicable, and interest due and to become due on the bonds and prior to the redemption date or maturity date thereof, as the case may be, and such amount shall be certified by an independent accountant or firm of independent accountants;

(d) all obligations of the Borrower to the Bank under the Reimbursement Agreement shall have been paid in full.

However, none of the Series 1991 A Bonds may be refunded or advance refunded if under any circumstances the interest on such refunded Series 1991 A Bonds would lose the exclusion from gross income for federal tax purposes or if such refunding or advance refunding is not permitted by the laws of Indiana. In determining the foregoing, the Trustee may rely upon an opinion of Bond Counsel to the effect that interest on the Series 1991 A Bonds being refunded will be excludable in gross income for purposes of federal income taxation, notwithstanding the satisfaction and discharge of this Indenture.

Section 1102. Defeasance of Bonds. Any Bond shall be deemed to be paid and no longer Outstanding within the meaning of this Article and for all purposes of this Indenture when (a) payment of the principal of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee,

in trust and irrevocably set aside exclusively for such payment, (1) Available Moneys sufficient to make such payment or (2) non-callable and non-prepayable Government Obligations which are not issued pursuant to any pass-through type of structure purchased with Available Moneys maturing as to principal and interest in such amounts and at such times to make such payment, and (b) all necessary and proper fees, compensation, indemnities and expenses of the Trustee, the Co-Trustee, and the Issuer pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, such Bond shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of any such payment from such Available Moneys or Government Obligations purchased with Available Moneys.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed payment of such Bonds as aforesaid until (a) proper notice of redemption of such Bonds shall have been previously given in accordance with Section 502 of this Indenture, or in the event such Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, until the Borrower shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Owners of the Bonds, that the deposit required by (a)(ii) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section 1102 and listing the earliest of the Reser. Date, maturity or redemption date upon which Available Moneys are to be available for the payment of the principal of and the applicable redemption premium, if any, on said Bonds, plus interest thereon to the due date thereof; or (b) the maturity of such Bonds.

All Available Moneys so deposited with the Trustee as provided in this Section 1102 may also be invested and reinvested, at the written direction of the Borrower, in non-callable and non-prepayable Government Obligations which are not issued pursuant to any pass-through type of structure, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Section 1102 which is not required for the payment of principal of the Bonds and interest and premium, if any, thereon with respect to which such Available Moneys shall have been so deposited shall be deposited in the Bond Fund as and when realized and collected for use and application as are other Available Moneys deposited in the Bond Fund.

Notwithstanding any provision of any other Article of this Indenture which may be contrary to the provisions of this Section 1102, all Available Moneys or Governmental Obligations purchased with Available Moneys set aside and held in trust pursuant to the provisions of this Section 1102 for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including the interest and premium thereon, if any) with respect to which such Available Moneys or all Government Obligations purchased with Available Moneys have been so set aside in trust.

Anything in Article IX hereof to the contrary notwithstanding, if Available Moneys or all Government Obligations purchased with Available Moneys have been deposited or set aside with the Trustee pursuant to this Section 1102 for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Section 1102 shall be made without the consent of the Owner of each Bond affected thereby.

The right to register the transfer of or to exchange Bonds shall survive the discharge of this Indenture.

Section 1103. Application of Trust Money. All money or investments deposited with or held by the Trustee pursuant to Section 1101 shall be held in trust for the holders of the Bonds and the Bank, and applied by it, in accordance with the provisions of the Bonds and this Indenture, to the payment, either directly or through any paying agent, to the persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money has been deposited with the Trustee; but such money or obligations need not be segregated from other funds except to the extent required by law.

Section 1104. Consents, etc., of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be executed by such Bondholders in person or by agent appointed in writing; provided, however, that wherever this Indenture or the Loan Agreement requires that any such consent or other action be taken by the holders of a specified percentage, fraction or majority of the Bonds outstanding, any such Bonds held by or for the account of the following persons shall not be deemed to be outstanding hereunder for the purpose of determining whether such requirement has been met: the Issuer, any of its members, the Borrower, or the officers of the Borrower. For all other purposes, Bonds held by or for the account of such person shall be deemed to be outstanding hereunder. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of the holding by any person of Bonds transferable by delivery and the amounts and numbers of such Bonds, and the date of the holding of the same, may be proved by a certificate executed by any trust company, bank or bankers, wherever situated, stating that at the date thereof the party named therein did exhibit to an officer of such trust company or bank or to such banker, as the property of such party, the Bonds therein mentioned if such certificate shall be deemed by the Trustee to be satisfactory. The Trustee may, in its discretion, require evidence that such Bonds have been deposited with a bank, bankers or trust company, before taking any action based on such ownership. In lieu of the foregoing, the Trustee may accept other proofs of the foregoing as it shall deem appropriate.

For all purposes of this Indenture and of the proceedings for the enforcement hereof, such person shall be deemed to continue to be the holder of such Bond until the Trustee shall have received notice in writing to the contrary.

Section 1105. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture, or the Bonds is intended or shall be construed to give to any person other than the parties hereto,

and the Borrower, and the holders of the Bonds, any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, conditions and provisions herein contained, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Borrower and the holders of the Bonds as herein provided.

Section 1106. Severability. If any provision of this Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections in this Indenture contained, shall not affect the remaining portions of this Indenture, or any part thereof.

Section 1107. Notices. All notices, demands, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, with proper address as indicated below. The Issuer, the Borrower, the Bank, the Remarketing Agent and the Trustee may, by written notice given by each to the others, designate any address or addresses to which notices, demands, certificates or other communications to them shall be sent when required as contemplated by this Indenture. Until otherwise provided by the respective parties, all notices, demands, certificates and communications to each of them shall be addressed, and sent to each party, as provided in Section 11.4 of the Loan Agreement.

Section 1108. Counterparts. This Indenture 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.

Section 1109. Applicable Law. This Indenture shall be governed exclusively by the applicable laws of the State of Indiana.

Section 1110. Immunity of Officers and Directors. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future officer or director of the Issuer, or any incorporator, officer, director or trustee of any successor corporation, as such, either directly or through the Issuer or any successor corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officers, directors or trustees as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and issuance of such Bonds.

Section 1111. Holidays. If any date for the payment of principal or interest on the Bonds is not a Business Day then such payment shall be due on the first Business Day thereafter.

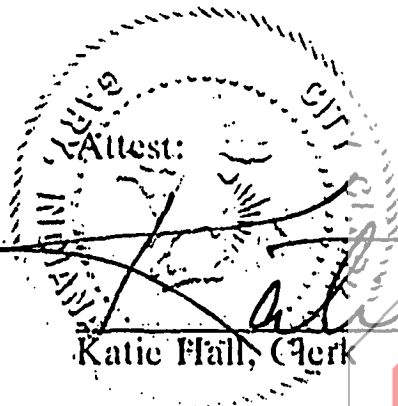
Section 1112. Relationship of Issuer, Trustee, Co-Trustee and Bank. Issuer, for itself, and on behalf of the Trustee, agrees that so long as the Letter of Credit is in effect and the Bank is making all required payments with respect to the Bonds in accordance with the terms of the Letter of Credit, and except as otherwise specified in the next sentence, the rights herein accorded to the Bank or the Trustee to grant consents, to grant waivers, to give notices of default or notices of intended action to cure defaults, and otherwise to exercise any remedies or rights hereunder (including, but not limited to, the remedies specified in Sections 703 and 706 hereof) shall be vested solely in the Bank, it being agreed that any condition precedent to Trustee's exercise of such remedies (other than an Event of Default) shall be inapplicable to the Bank. Nothing in this Section 1112 shall affect, preclude or condition the exercise by Trustee of the rights and remedies of the Trustee under Section 702.



IN WITNESS WHEREOF, the City of Gary, Indiana has caused these presents to be signed in its name and behalf by its Mayor and its corporate seal to be hereunto affixed and attested by its Clerk and to evidence its acceptance of the trusts hereby created, the Trustee and Co-Trustee have caused these presents to be signed in their name and behalf by, their official seal to be hereunto affixed, and the same to be attested by, their duly authorized officers, all as of the day and year first above written.

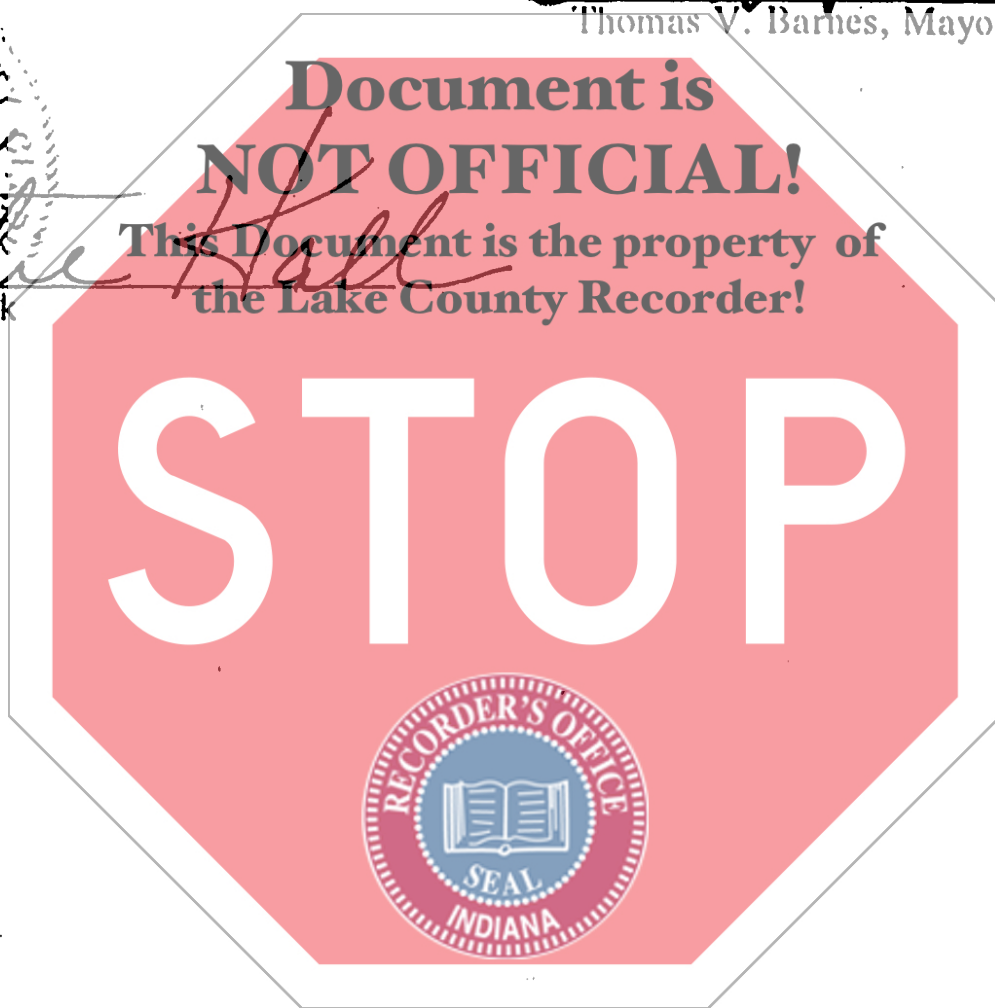
CITY OF GARY, INDIANA

By *Thomas V. Barnes*  
Thomas V. Barnes, Mayor



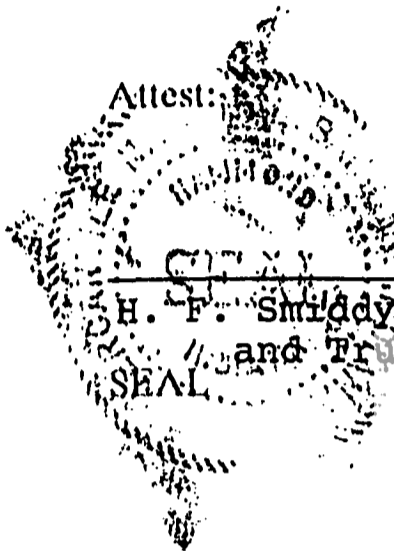
Katie Hall, Clerk

SEAL



MERCANTILE NATIONAL BANK OF  
INDIANA, as Co-Trustee

By *Gary M. Wilbert*  
Gary M. Wilbert, Vice President  
and Executive Trust Officer



*H. F. Smiddy*  
H. F. Smiddy, Senior Vice President  
and Trust Officer

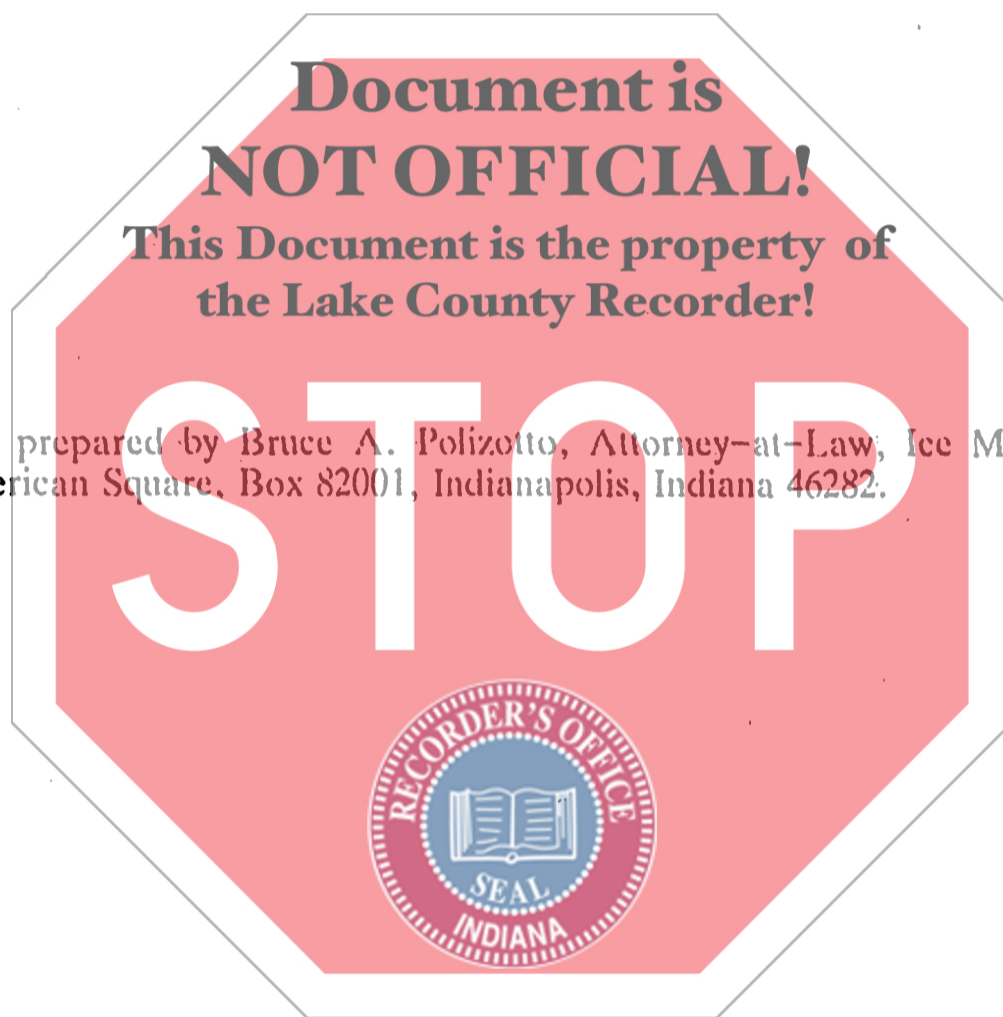


LASALLE NATIONAL BANK, as Trustee

By Lisa Laurson  
LISA LAURSEN, TRUST OFFICER

Attest:

Georgia Tribas  
GEORGIA TRIBAS, ASSISTANT SECRETARY  
SEAL



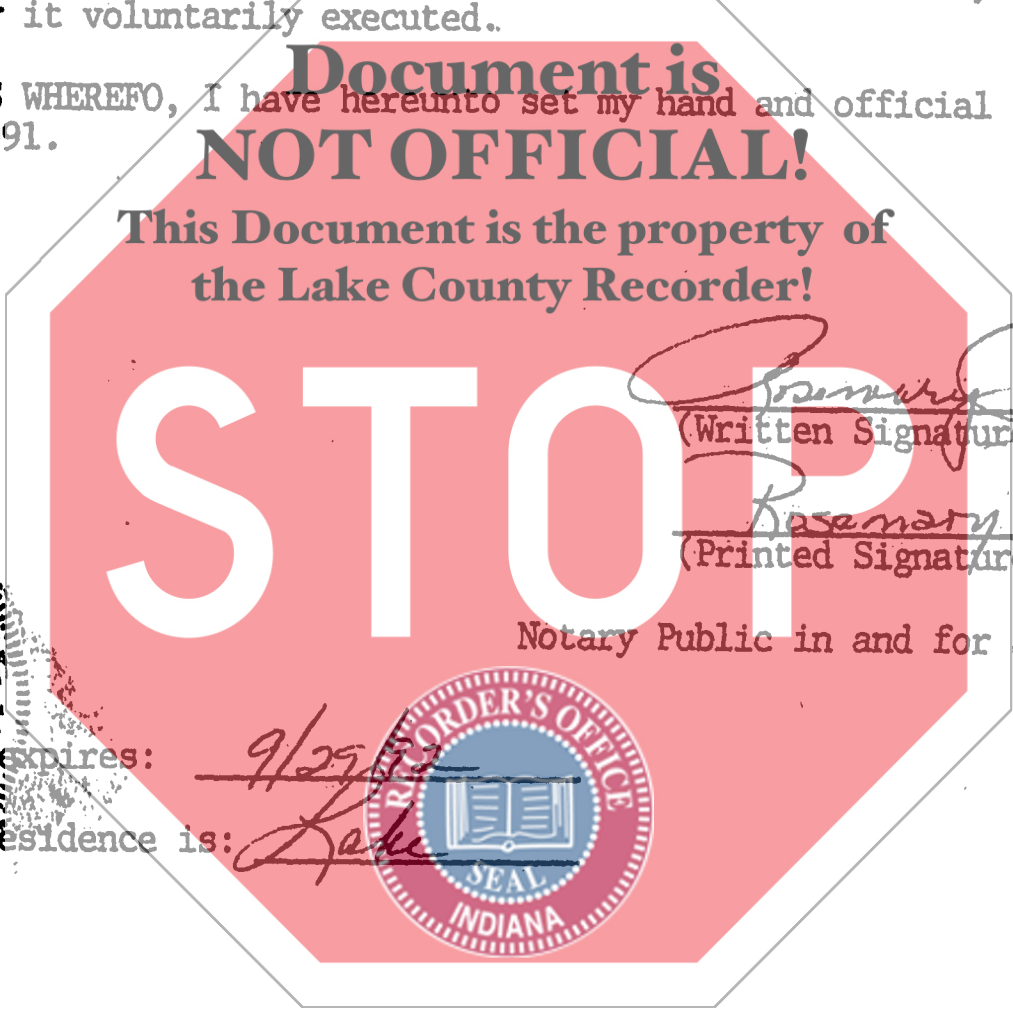
This instrument prepared by Bruce A. Polizotto, Attorney-at-Law, Ice Miller Donadio & Ryan, One American Square, Box 82001, Indianapolis, Indiana 46282.



STATE of INDIANA )  
 ) SS:  
COUNTY OF LAKE )

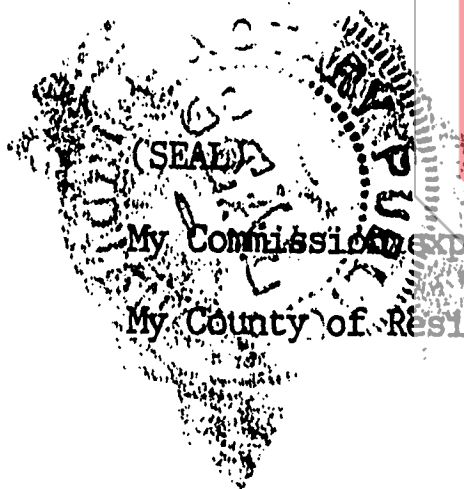
On this 6th day of May, 1991, before me a Notary Public in and for the said County and State, personally appeared Thomas V. Barnes, to me personally known and known to me to be the same person who executed the within and foregoing instrument, who, being by me duly sworn, did depose, acknowledge and say: That he resides in Gary, Indiana; that he is the Mayor of Gary, Indiana (the "Issuer"), the municipal corporation described in and which executed the foregoing instrument: that he knows the seal of said Issuer; that the seal affixed to said instrument is the seal of said Issuer; that said instrument was signed and sealed on behalf of said Issuer by the Mayor, and the said Katie Hall, the Clerk of the Issuer, did acknowledge the execution of said instrument to be the voluntary act and deed of said Issuer by it voluntarily executed.

IN WITNESS WHEREFO, I have hereunto set my hand and official seal this 6th day of May, 1991.



Rosemary Pruitt  
(Written Signature)  
Rosemary Pruitt  
(Printed Signature)

Notary Public in and for said County and State

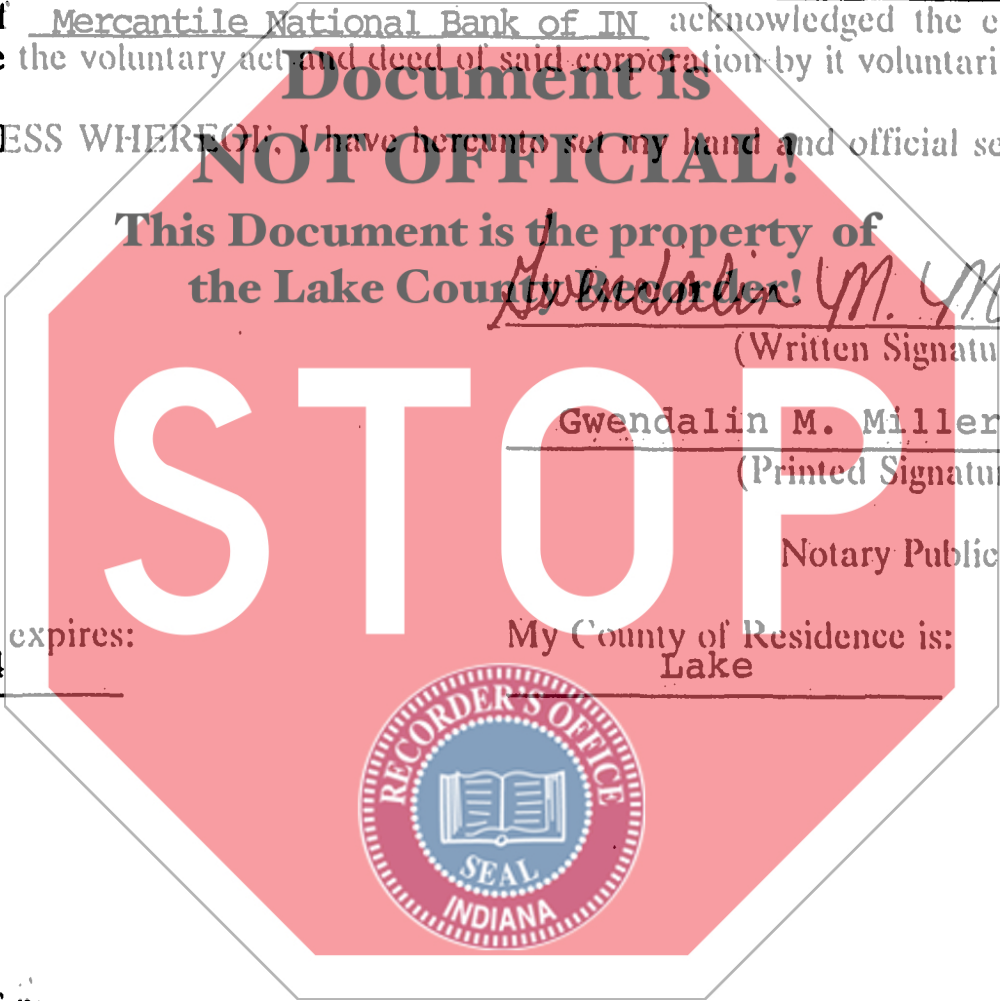


My Commission expires: 9/29/92  
My County of Residence is: Lake

STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

On this 14th day of May, 1991, before me a notary public in and for said county and state, personally appeared Gary M. Wilbert, to me personally known and known to me to be the same person who executed the within and foregoing instrument, who being by me duly sworn, did depose, acknowledge and say: That he is the <sup>V.P. & Exec.</sup> ~~Trust Officer~~ of Mercantile National Bank of Indiana, the banking association described in and which executed the foregoing instrument; that he knows the seal of said association; that the seal affixed to said instrument is the seal of said association; that said instrument was signed and sealed on behalf of the said association by this officer; and the said H. F. Smiddy, the ~~Senior V.P. & Trust Officer~~ of Mercantile National Bank of IN acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 14th day of May, 1991.



Gwendalin M. Miller  
(Written Signature)

Gwendalin M. Miller  
(Printed Signature)

Notary Public

My commission expires:  
9/30/94

My County of Residence is:  
Lake

(Seal)



STATE OF Illinois )  
 ) SS:  
COUNTY OF COOK )

On this 17<sup>th</sup> day of May, 1991, before me a notary public in and for said county and state, personally appeared Lisa K. Laursen, to me personally known and known to me to be the same person who executed the within and foregoing instrument, who being by me duly sworn, did depose, acknowledge and say: That he is the Trust Officer of LaSalle National Bank, the banking association described in and which executed the foregoing instrument; that he knows the seal of said association; that the seal affixed to said instrument is the seal of said association; that said instrument was signed and sealed on behalf of the said association by this officer; and the said Georgia E. Tsirbas, the asst. secy. of LaSalle National Bank acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 17<sup>th</sup> day of May, 1991.

**Document is NOT OFFICIAL!**  
This Document is the property of the Lake County Recorder!

Dinah Delene Bibbs  
(Written Signature)

DINAH D. BIBBS

(Printed Signature)

Notary Public

My commission expires:

(Seal)

My County of Residence is:

COOK



"OFFICIAL SEAL"  
Dinah Delene Bibbs  
Notary Public, State of Illinois  
My Commission Expires July 13, 1993

EXHIBIT A TO TRUST INDENTURE

PROJECT DESCRIPTION

I. Project Site:

- (a) The land legally described in Exhibit A-1, attached hereto and made a part hereof.
- (b) Any covenants, conditions, restrictions and easements of record benefiting the Project as set forth on the title commitment delivered in connection with the Loan Agreement
- (c) All rights of Borrower under any rental lease agreements existing now or in the future with respect to any apartment units comprising part of the Project Buildings

II. Project Buildings:

14 low to midrise apartment buildings containing 682 units and one former one-story commercial building located on the Project Site and as more particularly described in the survey delivered pursuant to the terms of the Reimbursement Agreement.

III. Project Equipment:

The items of fixtures, furnishings and equipment specified in the Plans (as defined in the Reimbursement Agreement) including, but not limited to:

- Kitchens (including refrigerators, stoves, sinks, cabinets and dishwashers)
- Bathrooms (including sinks, toilets, bathtubs and vanities)
- Carpeting
- Security Inter-com systems
- Windows
- Air conditioners
- Forced air heating units
- Washers and dryers
- Tennis court
- Playground equipment
- Picnic equipment
- Lighting and electrical fixtures
- Outside lighting
- Other items as contained in the plans and specifications submitted pursuant to the Reimbursement Agreement

**Parcel A1:** Part of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West described as follows: Beginning at a monument at the intersection of the center line of Cypress Avenue and the center line of Section 31, Township 37 North, Range 7 West; thence North along said center line of said Section 31, a distance of 30 feet; thence East along the North line of Cypress Avenue, a distance of 160.02 feet to the point of beginning; thence North parallel with the center line of Lake Street, a distance of 282.00 feet; thence East, parallel to the center line of Cypress Avenue, a distance of 160.76 feet; thence South, parallel with the center line of Lake Street, a distance of 137.00 feet; thence East, parallel with the center line of Cypress Avenue, a distance of 176.33 feet; thence South, parallel with the center line of Lake Street, a distance of 145.00 feet; thence West along the North line of Cypress Avenue, a distance of 337.08 feet to the point of beginning, all in the City of Gary, in Lake County, Indiana.

**NOT OFFICIAL!**

**Parcel A2:** Part of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the Second Principal Meridian, described as follows: Beginning at a monument at the intersection of the center line of Cypress Avenue and the West line of said Southeast Quarter of Section 31; thence North along said West line of said Southeast Quarter, a distance of 30 feet to the North right-of-way line of Cypress Avenue and the point of beginning; thence East along the North line of Cypress Avenue a distance of 160.02 feet; thence North, parallel with the center line of Lake Street a distance of 308.15 feet; thence West, parallel to the center line of Cypress Avenue a distance of 152.24 feet to the West line of said Southeast Quarter of Section 31; thence South along said West line a distance of 308 feet, to the point of beginning, all in the City of Gary, in Lake County, Indiana.

**Parcel A3:** Part of Government Lot 5 in the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the Second Principal Meridian in the City of Gary, Calumet Township, Lake County, Indiana, lying Westerly of the center line of Lake Street and North of the North line of Johnson-Kennedy Estates Fourth Subdivision, more particularly described as beginning at the point of intersection of a line that is parallel to and 408.65 feet West of the center line of Lake Street with a line that is parallel to and 30 feet North of the North line of Johnson-Kennedy Estates Fourth Subdivision (the Center line of Hemlock Street); thence Northerly on said line parallel with Lake Street a distance of 150.24 feet; thence Westerly on a line that is parallel with, and 180.24 feet North of the North line of Johnson-Kennedy Estates Fourth Subdivision, a distance of 226.70 feet, to the West line of Government Lot 5; thence Southerly on said West line, a distance of 150.17 feet to a line that is 30 feet North of and parallel with the North line of Johnson-Kennedy Estates Fourth Subdivision; thence Easterly on said line a distance of 230.5 feet to the place of beginning.

**Parcel B1:** Part of Government Lot 5 in the East Half of Section 31, Township 37 North, Range 7 West of the Second Principal Meridian, in the City of Gary, Calumet Township, Lake County, Indiana, lying Westerly of the center line of Lake Street and North of the North line of Johnson-Kennedy Estates 4th Subdivision as the same appears in Plat Book 22, page 2; in the Recorder's Office of Lake County, Indiana, more particularly described as beginning at a point in the West line of Government Lot 5, 180.18 feet North of the North line of Johnson-Kennedy Estates 4th Subdivision (the center line of Hemlock Avenue) measured along the West line of said Government Lot 5; thence Northerly on the West line of Government Lot 5, a distance of 329.63 feet to the Grand Calumet River Lagoon; thence along the waters edge of said Lagoon to a line that is parallel to and 333.02 feet West of the center line of Lake Street measured parallel with Hemlock Avenue, the chord distance of the line along said Lagoon being 297.58 feet and the chord bearing being North 79 degrees 07 minutes 51 seconds East; thence Southerly on said line 335.96 feet to the North line of Forest Court, (see Deed Record Book 1209, page 180, Document 414683, recorded July 5, 1962); thence along the dedicated right-of-way of Forest Court, (see Deed Record Book 1296, page 32, Document No. 625929, recorded July 23, 1965) 189.77 feet beginning Northwesterly along the arc of a curve that is concave to the Southeast, said curve having a radius of 40 feet, a chord length of 55.66 feet and a chord bearing of South 44 degrees 06 minutes 04 seconds West to a point which is 373.02 feet Westerly from the centerline of Lake Street; thence Southerly on the West right-of-way line of Forest Court, as the same was dedicated July 23, 1965 a distance of 19.03 feet, said line being parallel with the center line of Lake Street; thence Westerly on a line which is parallel with the North line of Johnson-Kennedy Estates 4th Subdivision, a distance of 262.35 feet, to the point of beginning.

**Parcel C1:** A part of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the 2nd P.M., in the City of Gary in Lake County, Indiana, and described as: Commencing at the intersection of the West line of Lake Street and the South line of Hemlock Avenue as shown in the Plat of Johnson-Kennedy Estates 4th Subdivision as shown in Plat Book 22, page 2, in the Recorder's Office in Lake County, Indiana; thence West along the South line of said Hemlock Avenue, a distance of 133.55 feet to the point of beginning of this description; thence continuing West, along the South line of said Hemlock Avenue, a distance of 241.00 feet; thence Southerly on a line parallel with the West line of Lake Street, a distance of 190.13 feet; thence Easterly on a line parallel with the South line of Hemlock Avenue, a distance of 241.00 feet; thence Northerly on a line parallel with the West line of Lake Street, a distance of 190.13 feet to the place of beginning.

**Parcel C2:** A part of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the Second Principal Meridian, in the City of Gary in Lake County, Indiana, and described as: Commencing at the intersection of the West line of Lake Street and the South line of Hemlock Avenue as shown in the Plat of Johnson-Kennedy Estates 4th Subdivision in Plat Book 22, page 2, in Lake County, Indiana, thence continuing West along the South line of said Hemlock Avenue a distance of 374.55 feet to the place of beginning of this description; thence Southerly on a line parallel with the West line of Lake Street, a distance of 216.53 feet; thence Westerly on a line parallel with the South line of Hemlock Avenue, a distance of 238.59 feet to the west line of said Southeast Quarter of section 31; thence Northerly on the West line of said Southeast Quarter a distance of 216.42 feet to the South line of Hemlock Avenue; thence Easterly on the South line of Hemlock Avenue, a distance of 233.16 feet to the place of beginning.

**Parcel D1 & D2:** Part of Government Lot 5 in the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the 2nd P.M., in the City of Gary, Calumet Township, Lake County, Indiana, lying Westerly of the center line of Lake Street and North of the North line of Johnson-Kennedy Estates Fourth Subdivision, more particularly described as beginning at the point of intersection of a line that is parallel to and 33 feet West of the center line of Lake Street with a line that is parallel to and 30 feet North of the North line of Johnson-Kennedy Estates Fourth Subdivision (the center line of Hemlock Avenue); thence Northerly on the West line of Lake Street a distance of 150.24 feet to the South line of Forest Court; thence Westerly on a line that is parallel with the center line of Hemlock Avenue and along the south line of Forest Court a distance of 375.65 feet; thence Southerly on a line that is parallel with the center line of Lake Street a distance of 150.24 feet to the North line of Hemlock Avenue; thence Westerly on said North line, 375.65 feet to the point of beginning.

**Parcel E1:** Part of the West Half of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the 2nd P.M., in the City of Gary, in Lake County, Indiana, described as follows: Beginning at a monument at intersection of the center line of vacated Gibson Street (the center line of Section 31, Township 37 North, Range 7 West) and the center line of Cypress Avenue, thence North along the center line of Section 31, Township 37 North, Range 7 West, a distance of 338 feet, thence East, parallel with the center line of Cypress Avenue, a distance of 152.24 feet; thence South, parallel with the center line of Lake Street, a distance of 26.15 feet; thence East, parallel with the center line of Cypress Avenue a distance of 160.76 feet to the point of beginning; thence continuing East, parallel with the center line of Cypress Avenue, a distance of 176.33 feet; thence South, parallel with the center line of Lake Street a distance of 137.00 feet; thence West, parallel with the center line of Cypress Avenue a distance of 176.33 feet; thence North, parallel with the center line of Lake Street a distance of 137.00 feet to the point of beginning, in the City of Gary, in Lake County, Indiana.

**Parcel F1:** Lots 17 to 24, inclusive, and the vacated South 20 feet of Hickory Avenue, now Forest Avenue, lying North of and adjacent to said Lot 17, and the vacated North 20 feet of Hemlock Avenue lying South of and adjacent to said Lot 24, and the West Half of the vacated 20 foot alley which adjoins said Lots 17 to 24, inclusive, on the East, all in Block "A" in the Johnson-Kennedy Estates Second Subdivision, in the City of Gary, as shown in Plat Book 17, on page 15, in the Recorder's Office in Lake County, Indiana.

**Parcel F2:** A part of the West Half of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the Second Principal Meridian and more particularly described as follows: Beginning at the intersection of the North line of Cypress Avenue with the West line of Lake Street, thence 133.55 feet West, along the North line of Cypress Avenue; thence 298.12 feet North, parallel with the West line of Lake Street; thence 133.55 feet East, parallel with the North line of Cypress Avenue, to the West line of Lake Street; thence 298.12 feet South, along said West line of Lake Street, to the point of beginning, all in the City of Gary in Lake County, Indiana, also known as Lots 21 to 29, both inclusive, Block 4, Johnson-Kennedy Estates Fourth Subdivision, in the City of Gary, as shown in Plat Book 22, page 2, in Lake County, Indiana.

**Parcel F3:** Part of Government Lot 5 in the East Half of Section 31, Township 37 North, Range 7 West of the 2nd P.M., in the City of Gary, Lake County, Indiana, lying Westerly of the center line of Lake Street and North of the North line of Johnson-Kennedy Estates Fourth Subdivision, more particularly described as beginning at a point that is 33 feet West of the center line of Lake Street and 230.24 feet North of the center line of Hemlock Avenue, which center line is the North line of said Johnson-Kennedy Estates Fourth Subdivision as shown in Plat book 22, page 2; thence Westerly parallel with the center line of Hemlock Avenue and along the North line of Forest Court, 150.00 feet to a line that is 180.02 feet West of and parallel with the center line of Lake Street; thence Northerly on said parallel line, 369.03 feet to the Grand Calumet River Lagoon; thence Northeasterly along the water's edge to the West line of Lake Street, the chord distance of said line being 151.99 feet and the chord bearing being North 78 degrees 43 minutes 43 seconds East; thence Southerly on said West line, a distance of 398.78 feet to the place of beginning and subject to all easements of Record.

Document is

**Parcel F4:** A part of Government Lot 5 in the Northeast Half of Section 31, Township 37 North, Range 7 West of the 2nd P.M., in the City of Gary, Lake County, Indiana, lying Westerly of the center line of Lake Street and North of the North line of Johnson-Kennedy Estates Fourth Subdivision, as shown in Plat Book 22, page 2, more particularly described as beginning at a point that is 183.02 feet West of the center line of Lake Street and 230.24 feet North of the center line of Hemlock Avenue which said center line is the said North line of Johnson-Kennedy Estates Fourth Subdivision; thence Westerly parallel with the center line of Hemlock Avenue and on the North line of Forest Court, 150 feet to a line that is 333.02 feet West of and parallel with the center line of Lake Street; thence Northerly parallel with the center line of Lake Street, 335.96 feet to the Grand Calumet River Lagoon; thence Northeasterly along the water's edge of said Lagoon to a line that is parallel with and 183.02 feet West of the center line of Lake Street, the chord distance of the line along said Lagoon being 152.57 feet and the chord bearing being North 77 degrees 29 minutes 56 seconds East; thence Southerly, parallel with and 183.02 feet West of the center line of Lake Street, a distance of 369.03 feet to the place of beginning and subject to all easements of record.

**Parcel F5:** Part of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the Second Principal Meridian, more particularly described as follows: Beginning at a monument at the intersection of the center line of vacated Gibson Street, (the center line of said Section 31) and the center line of Cypress Avenue; thence North along the center line of said Section 31, a distance of 721.81 feet; thence East, parallel with the center line of Hemlock Avenue, a distance of 185.05 feet to the point of beginning; thence East, parallel with the center line of Hemlock Avenue, a distance of 53.54 feet; thence North, parallel with the center line of Lake Street a distance of 26.4 feet; thence East, parallel with the center line of Hemlock Avenue a distance of 241 feet; thence South parallel with the center line of Lake Street a distance of 190.23 feet to the North right-of-way line of Kennedy Terrace; thence West, along the North right-of-way line of Kennedy Terrace a distance of 243.04 feet; thence Northwesterly along the right-of-way line of the Kennedy Terrace cul de sac a distance of 66.15 feet, said distance being along the arc of a curve that is concave to the Southwest and whose radius is 52.5 feet, whose chord length is 61.86 feet and whose chord bearing is North 64 degrees 31 minutes 21 seconds West; thence North, parallel with the center line of said Section 31 a distance of 137.15 feet, to the point of beginning, all in the City of Gary, in Lake County, Indiana.

**Parcel F6:** All of Lots 18 to 26, inclusive, Block "C", of Johnson-Kennedy Estates Second Subdivision, in the City of Gary, as shown in Plat Book 17, page 15, in the Recorder's Office in Lake County, Indiana.



**Parcel F7:** Part of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the 2nd P.M., and described as follows: Beginning at a monument at the intersection of the center line of said Section 31, (the center line of vacated Gibson Street) and the center line of Cypress Avenue; thence North along the center line of said Section 31, a distance of 338 feet to the place of beginning; thence continuing North along the center line of said Section 31, a distance of 383.81 feet; thence East, parallel with the center line of Hemlock Avenue, a distance of 185.05 feet; thence South, parallel with the center line of said Section 31, a distance of 137.15 feet, to a point on Kennedy Terrace cul de sac right of way; thence 146.14 feet Southerly, along said right of way line, and along the arc of a curve that is concave to the East, said curve having a radius of 52.5 feet, a chord length of 103.32 feet and a chord bearing parallel with the centerline of Section 31, Township 37 North, Range 7 West; thence South, parallel with the center line of said Section 31, a distance of 169.47 feet; thence West, parallel with the center line of Cypress Avenue, a distance of 32.15 feet; thence North and parallel with the center line of Lake Street, a distance of 26.15 feet; thence West, parallel with the center line of Cypress Avenue, a distance of 152.24 feet to the point of beginning, all in the City of Gary, Lake County, Indiana.

**Parcel F8:** Part of the West Half of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the 2nd P.M., Gary, Lake County, Indiana, described as follows: Beginning at a monument at intersection of the center line of vacated Gibson Street (center line of said Section 31) and the center line of Cypress Avenue, thence North along the center line of said Section 31, Township 37 North, Range 7 West, a distance of 338 feet; thence East, parallel with the center line of Cypress Avenue, a distance of 152.24 feet; thence South, parallel with the center line of Lake Street, a distance of 26.15 feet; thence East, parallel with the center line of Cypress Avenue, a distance of 32.15 feet to the point of beginning; thence North, parallel with the center line of said Section 31, a distance of 169.47 feet, to a point on the Kennedy Terrace right-of-way; thence 65.47 feet Northeasterly, along said right of way line and along the arc of a curve that is concave to the Northwest, said curve having a radius of 52.5 feet, a chord length of 61.31 feet and a chord bearing of North 64 degrees 10 minutes 20 seconds East, thence East, along the South right of way line of Kennedy Terrace distance of 244.63 feet; thence South, parallel with the center line of Lake Street, a distance of 196.10 feet; thence West, parallel with the center line of Cypress Avenue, a distance of 304.94 feet to the point of beginning, all in the City of Gary, in Lake County, Indiana.

**Parcel 2:** Lots 12, 13 and 14, Block 3, Johnson-Kennedy Estates Fourth Subdivision, in the City of Gary, as shown in Plat Book 22, page 2, in Lake County, Indiana.

**Parcel 3:** Lots 15 and 16, Block 3, Johnson-Kennedy Estates 4th Subdivision, in the City of Gary, as shown in Plat Book 22, page 2, in Lake County, Indiana.

**Parcel 4:** That part of vacated Kennedy Terrace lying West of the East lines of Parcel F5 extended South and Parcel F8 extended North as evidenced in Document recorded January 22, 1991, as Document No. 91003421, being a part of the West Half of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the 2nd P.M., in Lake County, Indiana.

**Parcel 5:** That part of vacated Hemlock Avenue lying West of the West line of Lake Street, as evidenced in Document recorded January 22, 1991, as Document No. 91003421, being a part of the West Half of the Northwest Quarter of the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the 2nd P.M., in Lake County, Indiana.

**Parcel 6:** Part of Government Lot 5 in the Southeast Quarter of Section 31, Township 37 North, Range 7 West of the Second Principal Meridian, in the City of Gary, Lake County, Indiana, lying Westerly of the centerline of Lake Street and North of the North line of Johnson-Kennedy Estates Fourth Subdivision, more particularly described as follows: Beginning at the point of intersection of a line that is parallel to and 33 feet West of the centerline of Lake Street with a line that is parallel to and 180 feet North of the North line of Johnson-Kennedy Estates Fourth Subdivision, measured on a line parallel to Lake Street; thence Northerly on said 33-foot parallel line, 50 feet to a line that is parallel to and 230 feet North of the North line of Johnson-Kennedy Estates Fourth Subdivision measured along a line parallel to the centerline of Lake Street; thence Westerly on said 230-foot parallel line 452.41 feet to a line that is 485.41 feet West of the centerline of Lake Street measured on a line parallel to the North line of Johnson-Kennedy Estates Fourth Subdivision; thence Southerly on said 485.41 foot parallel line a distance of 10 feet to a curved line of 40-foot radius; thence Westerly, Southerly and Northerly on the arc of the curve struck by the 40-foot radius whose centerpoint is the intersection point of the aforesaid 485.41 foot parallel line with a line that is parallel to and 180 feet Northerly of the North line of Johnson-Kennedy Estates Fourth Subdivision, measured along a line parallel to and 485.41 feet West of the centerline of Lake Street, an arc distance of 187.25 feet to aforesaid line that is 180 feet North of and parallel to the North line of Johnson-Kennedy Estates Fourth Subdivision, measured along a line parallel to the centerline of Lake Street; thence Easterly on said 180-foot parallel line a distance of 412.41 feet to the point of beginning, excepting therefrom the following: that part lying West of a line described as beginning at a point on the South line of heretofore Forest Court 373 feet West of the centerline of Lake Street; thence Northerly on a line which is parallel to and 373 feet West of the centerline of Lake Street, 10 feet; thence Northwesterly on the arc of the curve struck by the 40-foot radius whose centerpoint is the intersection of the aforesaid 373-foot parallel line with the North right of way line of heretofore Forest Court, 64.05 feet to the North right of way line of heretofore Forest Court.

