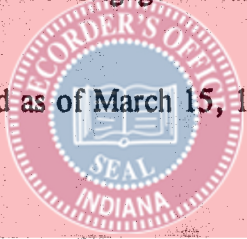


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and  
CALUMET NATIONAL BANK  
Hammond, Indiana, Trustee  
\$44,370,000 First Mortgage Bonds, Series 1996  
Dated as of March 15, 1996



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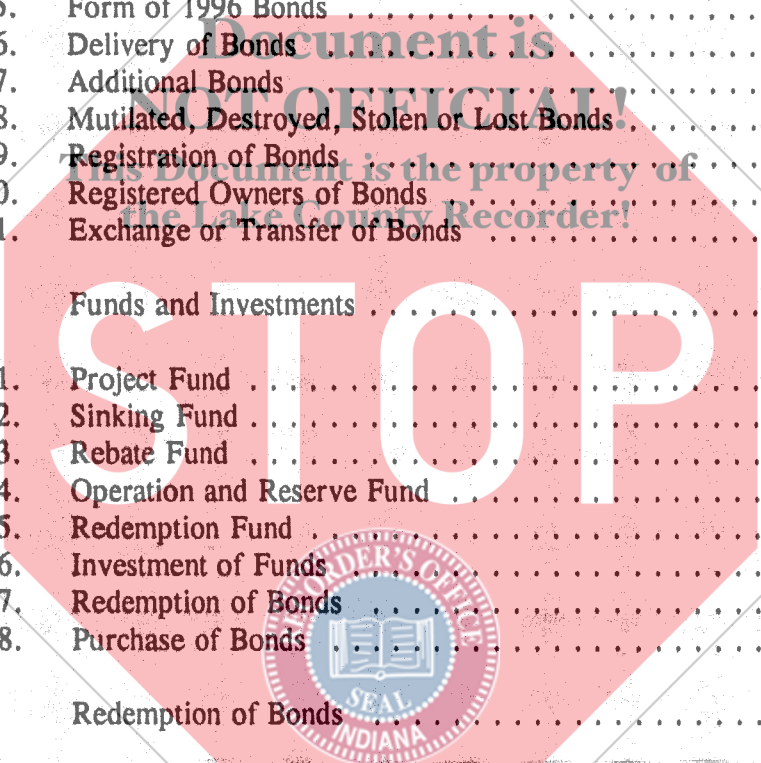
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RECORDER

STATE OF INDIANA  
LAKE COUNTY  
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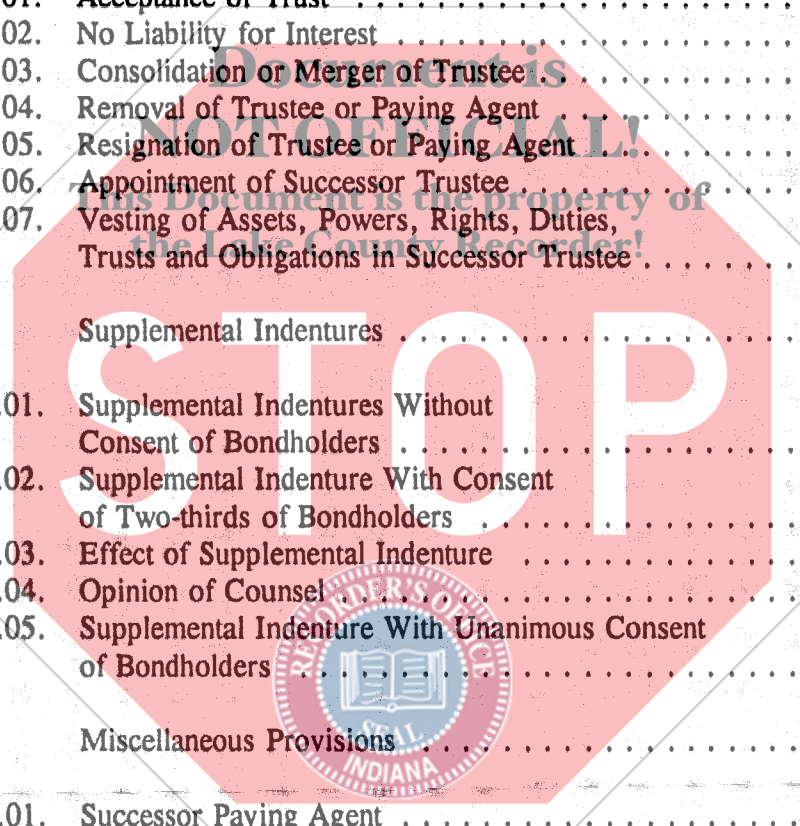
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## TRUST INDENTURE

THIS INDENTURE, executed and dated as of the 15th day of March, 1996, made and entered into between the MUNSTER SCHOOL BUILDING CORPORATION, a corporation organized and existing under the laws of the State of Indiana (the "Corporation"), and CALUMET NATIONAL BANK, a national banking association, organized and existing under the laws of the United States of America having its principal corporate trust office in Hammond, Indiana (the "Trustee"),

### WITNESSETH:

WHEREAS, the Corporation has, by due corporate action, determined (A) to borrow the sum of Forty-Four Million Three Hundred Seventy Thousand and no/100 Dollars (\$44,370,000) for the purpose of procuring funds to provide for the payment (1) of the costs of (a) acquiring from the School Town of Munster, Lake County, Indiana (the "School Corporation"), a portion of the existing Munster High School and the land upon which it is located (the "Facility"), (b) renovating a portion of the Facility, consisting of the improvement and/or enlargement of four special needs classrooms, two business labs and two business classrooms, eight social studies classrooms, three science labs, eleven science classrooms, storage and prep areas and a greenhouse, one writing lab and twelve english classrooms, one math computer lab and ten math classrooms, eight foreign language classrooms and two resource rooms, two large group instruction areas, conversion of the library into a media services center, which will provide media and audio visual services throughout the Facility, improvement of the industrial technology, consumer and family science (home economics), art and music areas, improvement and enlargement of the administrative, student services, and guidance areas, faculty work areas, improvement of the kitchen and cafeteria, and improvement of the heating, ventilation, air conditioning, plumbing and electrical systems, and technology will be made available for instructional use throughout the Facility, as well as both on-site and off-site utilization for communication and administration, and (c) all or a portion of the costs of issuance and incidental expenses incurred in connection with the issuance of its First Mortgage Bonds, Series 1996 (the "1996 Bonds"), (2) on April 23, 1996 of (a) the principal of the Munster School Building Corporation Bond Anticipation Notes, Series 1995 A, dated as of May 5, 1995 (the "Series 1995 A BANs"), (b) the interest payable on the Series 1995 A BANs as of April 23, 1996, (c) the principal of the Munster School Building Corporation Bond Anticipation Notes, Series 1995 B, dated as of September 6, 1995 (the "Series 1995 B BANs"), and (d) the interest payable on the Series 1995 B BANs as of April 23, 1996, and (B) to execute and issue the 1996 Bonds in the form and terms provided herein; and

WHEREAS, in order to secure the principal and interest of all of said 1996 Bonds and all other bonds issued pursuant to this Indenture on a parity with the 1996 Bonds (the "Additional Bonds") (the 1996 Bonds and the Additional Bonds, collectively, the "Bonds"), and the performance of the covenants herein contained, the Corporation has in like manner determined to execute and deliver this Indenture which shall be and constitute a mortgage with respect to the real estate herein described; and

WHEREAS, all acts, proceedings and things necessary and required by law and by the bylaws of the Corporation to make said Bonds, when executed by the Corporation and authenticated

by the Trustee, the valid, binding and legal obligations of the Corporation and to constitute and make this Indenture a valid and effective mortgage, have been done, taken and performed, and the issuance, execution and delivery of said Bonds, and the execution, acknowledgment and delivery of this Indenture have, in all respects, been duly authorized by the Corporation in the manner provided and required by law; now therefore,

MUNSTER SCHOOL BUILDING CORPORATION, in consideration of the premises and the acceptance of the 1996 Bonds by the registered owners thereof, and the sum of One Dollar (\$1.00) in hand paid by the Trustee, receipt of which is hereby acknowledged, and especially in order to secure the punctual payment of the principal and interest of all Bonds to be issued and at any time outstanding hereunder as the same shall become due, according to the tenor hereof, and the faithful performance of all the covenants and agreements contained in the Bonds and in this Indenture, by these presents does grant, bargain, sell, transfer, assign, demise, release, convey, mortgage, pledge, set over and confirm unto Calumet National Bank, as trustee, and its successors and assigns, the following:

Real estate located in Lake County, Indiana, the same being more particularly described in Exhibit A hereto attached and made a part hereof (the "Real Estate");

Also, all interests in such real estate now or hereafter acquired by the Corporation and pledged to the Trustee as security by the Corporation, together with the tenements, hereditaments and appurtenances belonging to or in any wise appertaining to such real estate, including without limitation its rights under the Lease by and between the Corporation and the School Corporation, dated as of September 20, 1995 (the "Lease"), which Lease rights are hereby assigned to the Trustee without any further action on the part of the Corporation or the Trustee being necessary to make such assignment of Lease rights fully effective (collectively, the "Real Estate Interests");

Also, all buildings, improvements, fixtures and structures thereon (the "Structures");

Also, all proceeds of the Bonds and other cash and securities now or hereafter held in the funds and accounts created and established hereunder and the investment earnings thereon and all proceeds thereof, and all other properties and moneys hereafter pledged to the Trustee as security by the Corporation to the extent of that pledge, provided, that the foregoing shall not apply to the Rebate Fund created and established herein (all proceeds, monies, Real Estate, Real Estate Interests and Structures hereinafter collectively, the "Mortgaged Property").

TO HAVE AND TO HOLD all of the Mortgaged Property unto the Trustee and its successors in said trust; and to their assigns forever; in trust, nevertheless, upon the terms and conditions set forth herein for the equal and proportionate benefit, security and protection of all registered owners of the Bonds issued or to be issued under and secured by this Indenture, without preference, priority or distinction as to lien or otherwise by reason of the date of maturity thereof, or for any other reason whatsoever, subject to the provisions of this Indenture.

**PROVIDED, HOWEVER, that if the Corporation, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of all of the Bonds and the interest due or to become due thereon, at the times and in the manner as set forth in the Bonds in accordance with the terms hereof, and shall well and truly keep, perform and observe all covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by the Corporation, and shall pay to the Trustee all sums of money due, or to become due to it, in accordance with the terms and provisions hereof, then this Indenture and the rights hereby granted shall cease, determine and be void, and the Trustee, in such case, on demand of the Corporation, upon the payment by the Corporation to the Trustee of its reasonable fees, costs and expenses, shall execute and deliver to the Corporation such deeds, discharges or satisfactions as shall be requisite to discharge the lien hereof and to reconvey to or to revert in the Corporation the Mortgaged Property hereby conveyed; otherwise, this Indenture to be and remain in full force and effect.**

**All Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all property hereby mortgaged and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed; and the Corporation has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective registered owners, from time to time, of the Bonds or any part thereof, as follows:**

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the Lake County Recorder!**

**(End of preambles and granting clauses)**

**STOP**



## ARTICLE I.

### Definitions and Interpretation

**Section 1.01. Definitions.** The terms defined in this Article I shall, for all purposes of this Indenture, and any indenture supplemental hereto, have the meanings herein specified, unless the context otherwise requires:

"Additional Bonds" shall mean Bonds issued pursuant to Section 2.07 hereof.

"Affidavit of Completion" shall have the meaning given in Section 3.01(c) hereof.

"Authorized Officer" shall mean, with respect to the Corporation, the Superintendent, Business Manager or Director of Facility Planning of the School Corporation.

"Bond" or "Bonds" shall (unless the context shall otherwise require) mean any Bond or Bonds, or all the Bonds, as the case may be, including both the 1996 Bonds and any Additional Bonds, as the case may be, authenticated and delivered under this Indenture.

"1996 Bonds" shall mean the First Mortgage Bonds, Series 1996 issued pursuant to Section 2.01 hereof.

"Bond Interest Account" shall mean the Bond Interest Account created and established as a part of the Project Fund by Section 3.01 hereof.

"Business Day" shall mean a day other than Saturday, Sunday, or day on which banking institutions in the city in which the principal corporate trust office of the Trustee is located are required or authorized by law to close or on which the New York Stock Exchange is closed.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Construction Account" shall mean the Construction Account created and established as a part of the Project Fund by Section 3.01 hereof.

"Corporation" shall include and mean the Corporation, and shall also include any corporation successor thereto by consolidation, merger or purchase.

"Facility" shall mean the portion of the existing Munster High School located on the real property described on Exhibit A attached hereto and the renovations made thereto.

"Government Obligations" shall mean obligations of, or unconditionally guaranteed by, the Department of the Treasury of The United States of America.



"Indenture" or "this Indenture" shall mean this instrument, either as originally executed or as it may from time to time be supplemented, modified or amended by any supplemental indenture entered into pursuant to the provisions of this Indenture.

"Interest Payment Date" shall mean each January 15 and July 15, commencing July 15, 1996.

"Lease" shall mean the Lease by and between the Corporation and the School Corporation, dated as of September 20, 1995, pursuant to which the School Corporation, as lessee, will lease the Facility, as amended or supplemented.

"Mortgaged Property" shall mean all proceeds, monies, Real Estate, Real Estate Interests, and Structures as such are defined in the preamble and granting clauses of this Indenture.

"Operation and Reserve Fund" shall have the meaning given in Section 3.04 hereof.

"Paying Agent" shall mean any bank, banks, trust company or trust companies at which the principal of the Bonds is payable.

"Project Fund" shall have the meaning given in Section 3.01(a) hereof.

"Qualified Investments" shall mean (i) Government Obligations, (ii) money market funds which are rated in the highest rating category by Standard & Poor's Ratings Group, (iii) certificates of deposit issued by a commercial bank, organized under the laws of the United States of America or any state thereof, which are fully insured by the Federal Deposit Insurance Corporation, (iv) repurchase agreements that are fully collateralized by Government Obligations based upon the market value of such obligations on the day such agreement becomes effective, which obligations are in possession of the Trustee or its agent and are free and clear of all security interests, liens or other rights of any third party, (v) any obligation the interest on which is excludable from gross income for federal tax purposes under Section 103 of the Code, other than a specified private activity bond as defined in Section 57(a)(5)(C) of the Code, and which is rated in one of the two highest rating categories by Standard & Poor's Ratings Group or (vi) any guaranteed investment contract or investment agreement of financial institutions which is rated in the highest rating category by Standard & Poor's Rating Group.

"Rebate Fund" shall have the meaning given in Section 3.03 hereof.

"Record Date" shall mean, with respect to each Interest Payment Date, the first day of the calendar month of such Interest Payment Date.

"Redemption Fund" shall have the meaning given in Section 3.05 hereof.

"1996 Redemption Price," with respect to the 1996 Bonds outstanding under this Indenture, shall mean the price at which the 1996 Bonds are redeemable as set forth in Article IV of this Indenture.

"Refunding Account" shall mean the Refunding Account created and established as a part of the Project Fund by Section 3.01 hereof.

"School Corporation" shall mean the School Town of Munster, Lake County, Indiana, a school corporation under the laws of the State of Indiana.

"Series 1995 A BANs" shall mean the Munster School Building Corporation Bond Anticipation Notes, Series 1995 A, dated as of May 5, 1995.

"Series 1995 B BANs" shall mean the Munster School Building Corporation Bond Anticipation Notes, Series 1995 B, dated as of September 6, 1995.

"Sinking Fund" shall have the meaning given in Section 3.02 hereof.

"Trustee" shall mean and include not only the Trustee but also its successor or successors in trust.

**Section 1.02. Interpretation.** Words importing the singular number shall include the plural number in each case, and vice versa, and words importing persons shall include firms and corporations, and the terms employed in the disjunctive form shall be deemed to be employed also in the conjunctive form and vice versa. The words "herein", "hereof", "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision of this Indenture. The Table of Contents appended to this Indenture and the captions included within this Indenture shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Indenture. All references herein to construction or renovation of the Facility subject to the Lease shall mean the work or type of work contemplated by the plans and specifications related thereto.

(End of Article I)

ARTICLE II.

Maturities, Form, Issuance,  
Delivery and Registration of Bonds

Section 2.01. Principal Amount: Dated Date: Denominations: Numbering: Maturities:  
Interest.

(a) The principal amount of all Bonds which may be issued and outstanding under this Indenture shall not exceed Forty-Four Million Three Hundred Seventy Thousand and no/100 Dollars (\$44,370,000) face value, except as permitted by Section 2.07 hereof. The 1996 Bonds shall be originally dated as of March 15, 1996, shall be issued in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof, and shall be numbered consecutively from 96R-1 upward.

(b) The 1996 Bonds shall mature on the dates shown below, in principal amounts and with interest at the rates per annum shown below:

<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>
July 15, 1999	\$565,000	5.625%
January, 15, 2000	\$575,000	5.625%
July 15, 2000	\$590,000	5.625%
\$590,000	5.625%	Term Bonds Due July 15, 2000
\$1,215,000	5.625%	Term Bonds Due July 15, 2001
\$1,270,000	5.625%	Term Bonds Due July 15, 2002
\$1,325,000	5.625%	Term Bonds Due July 15, 2003
\$1,395,000	5.625%	Term Bonds Due July 15, 2004
\$1,460,000	5.625%	Term Bonds Due July 15, 2005
\$1,530,000	5.700%	Term Bonds Due July 15, 2006
\$1,610,000	5.700%	Term Bonds Due July 15, 2007
\$1,690,000	5.700%	Term Bonds Due July 15, 2008
\$1,785,000	5.700%	Term Bonds Due July 15, 2009
\$1,875,000	5.700%	Term Bonds Due July 15, 2010
\$1,985,000	5.700%	Term Bonds Due July 15, 2011
\$2,095,000	5.700%	Term Bonds Due July 15, 2012
\$2,210,000	5.700%	Term Bonds Due July 15, 2013
\$10,195,000	5.700%	Term Bonds Due July 15, 2017
\$11,000,000	5.750%	Term Bonds Due January 15, 2021

The interest on all of the 1996 Bonds is payable semiannually on January 15 and July 15 of each year, beginning July 15, 1996. Interest shall be calculated from the Interest Payment Date next preceding the date of authentication to which interest has been paid unless the 1996 Bond is authenticated on or before the first day of the month in which the first interest is payable, in which case interest shall be paid from the original date specified in the 1996 Bonds, or unless the 1996

Bond is authenticated after the first day of the month in which interest is payable, in which case interest shall be paid from such Interest Payment Date. Interest shall be calculated on the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months.

**Section 2.02. Payment of Principal and Interest.** The interest on the 1996 Bonds shall be payable by check or draft mailed one business day prior to the interest payment date to the person in whose name each 1996 Bond is registered on the first day of the month in which interest is payable. Each registered owner of \$1,000,000 in principal amount of the Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Trustee fifteen days before the Record Date for such payment. The principal of, and premium on, the 1996 Bonds shall be payable in lawful money of the United States of America, at the principal corporate trust office of the Trustee, initially in Hammond, Indiana. Notwithstanding the foregoing, payment of the principal of, and premium, if any, and interest on, the 1996 Bonds shall be paid by wire transfer if the 1996 Bonds are registered in book-entry-only form and held by a central depository.

All 1996 Bonds shall be cancelled upon their payment by a Paying Agent or Trustee, and each Paying Agent shall deliver such cancelled bonds to the Trustee.

**Section 2.03. Execution of Bonds.** The Bonds shall be executed by the president or vice president of the Corporation, or a facsimile of the signature of such president or vice president may be imprinted, engraved or otherwise reproduced thereon, and attested by the secretary of the Corporation. In case the officers who have signed any of the Bonds, or whose signature appears thereon, shall cease to be such officers of the Corporation before the Bonds shall be duly issued and delivered, such Bonds shall, nevertheless, be the Bonds of the Corporation and in all respects binding and obligatory upon it to the same extent as if signed and sealed by the officers of the Corporation at the date of the actual issuance and delivery thereof.

**Section 2.04. Authentication.** Each of the Bonds shall be authenticated by a certificate of the Trustee endorsed thereon in the form hereinafter set forth. Only such Bonds as shall bear thereon the certificate of the Trustee shall be secured by this Indenture or entitled to any lien or benefit hereunder, and the certificate of the Trustee upon any such Bond executed by the Corporation shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and is entitled to the benefits of the trust hereby created.

**Section 2.05. Form of 1996 Bonds.** The form of the 1996 Bonds, the Trustee's certificate to be endorsed thereon and the registration endorsement (with appropriate insertions of amounts, distinguishing numbers, letters and other appropriate information) shall be substantially as follows:

(Form of 1996 Bond)

96R-

UNITED STATES OF AMERICA

State of Indiana  
Lake County

MUNSTER BUILDING CORPORATION  
FIRST MORTGAGE BOND, SERIES 1996

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Date</u>	<u>Authentication Date</u>	<u>CUSIP</u>
		March 15, 1996	April 23, 1996	626388

Registered Owner: CEDE & CO.

Principal Sum:

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MUNSTER SCHOOL BUILDING CORPORATION, a corporation duly organized and existing under the laws of the State of Indiana (hereinafter called the "Corporation"), for value received, hereby promises to pay to the Registered Owner (named above) or registered assigns, the Principal Sum set forth above on the Maturity Date set forth above (unless this bond is subject to and shall have been duly called for prior redemption and payment as provided for herein), and to pay interest hereon at the Interest Rate stated above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the first day of the month in which interest is payable in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before July 1, 1996, in which case it shall bear interest from the Original Date, until the principal shall be fully paid, which interest is payable on January 15 and July 15 of each year, beginning on July 15, 1996. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Interest on this bond is payable by check or draft mailed one business day prior to the interest payment date to the person in whose name this bond is registered on the first day of the month in which interest is payable (the "Record Date"). Each registered owner of \$1,000,000 or more in principal amount of bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Trustee fifteen days before the Record Date for such payment. Principal of, and premium on, this bond is payable in lawful money of the United States of America at the principal corporate trust office of Calumet National Bank in Hammond, Indiana, as trustee (the "Trustee"). Notwithstanding the foregoing, payment of the principal of, and premium, if any, and interest on, the 1996 Bonds shall be paid by wire transfer if this bond is registered in book-entry-only form and held by a central depository.

This bond is one of a duly authorized issue of bonds of the Corporation, all of like date, tenor and effect (except as to numbering, denomination, interest rates, terms of redemption and date of maturity), in the aggregate principal amount of Forty-Four Million Three Hundred Seventy Thousand and no/100 Dollars (\$44,370,000) (the "1996 Bonds"), issued under and in accordance

with, and all equally and ratably entitled to the benefits of, and ratably secured by, a Trust Indenture dated as of March 15, 1995 (the "Indenture"), executed by the Corporation and the Trustee, to which reference is hereby made for a description of the property securing the 1996 Bonds, the rights under the Indenture of the Corporation, the registered owners of the 1996 Bonds and the Trustee, to all of which the registered owners hereof, by the acceptance of this bond, agree. The Indenture permits the issuance of additional parity bonds under the conditions set out in Section 2.07 thereof and allows the Corporation to terminate the security of the Indenture the 1996 Bonds by establishing a trust fund with the Trustee under the conditions set out in Section 8.04 of the thereof.

A Continuing Disclosure Contract from the School Town of Munster, Lake County, Indiana (the "School Corporation"), as promisor, to each registered owner or holder of any of the 1996 Bonds, dated as of April 23, 1996 (the "Contract"), has been executed by the School Corporation, a copy of which is available from the Trustee and the terms of which are incorporated herein by this reference. The Contract contains certain promises of the School Corporation, as promisor, to each registered owner or holder of any of the 1996 Bonds, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond accepts and assents to the Contract and the exchange of (i) such payment and acceptance for (ii) such promises.

The 1996 Bonds, maturing on or after July 15, 2005, may be optionally redeemed prior to maturity at the option of the Corporation in whole, or in part, in any order of maturity selected by the Corporation and by lot within maturities, on any date not earlier than January 15, 2005, at face value plus interest accrued to the date fixed for redemption, plus the following premiums expressed as a percentage of principal amount to be redeemed:

- 1% if redeemed on January 15, 2005, or thereafter on or before January 14, 2006;
- 0.5% if redeemed on January 15, 2006, or thereafter on or before January 14, 2007; and
- 0% if redeemed on January 15, 2007, or thereafter until maturity;

provided notice has been given by mail to the registered owners of all 1996 Bonds to be redeemed. If this bond is so called for redemption, and payment is made to the Trustee in accordance with the terms of the Indenture, this bond shall cease to bear interest or to be entitled to the lien of the Indenture from and after the date fixed for the redemption in the notice.

The 1996 Bonds are subject to extraordinary redemption prior to maturity, without premium, from proceeds of insurance received in certain circumstances relating to damage or destruction of the property financed with the 1996 Bonds.

The 1996 Bonds of said issue maturing on July 15, 2001 (the "2001 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2001	\$600,000
July 15, 2001 (final maturity)	615,000

The 1996 Bonds of said issue maturing on July 15, 2002 (the "2002 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2002	\$630,000
July 15, 2002 (final maturity)	640,000

The 1996 Bonds of said issue maturing on July 15, 2003 (the "2003 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2003	\$655,000
July 15, 2003 (final maturity)	670,000

The 1996 Bonds of said issue maturing on July 15, 2004 (the "2004 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2004	\$690,000
July 15, 2004 (final maturity)	705,000

The 1996 Bonds of said issue maturing on July 15, 2005 (the "2005 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2005	\$720,000
July 15, 2005 (final maturity)	740,000

The 1996 Bonds of said issue maturing on July 15, 2006 (the "2006 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2006	\$755,000
July 15, 2006 (final maturity)	775,000

The 1996 Bonds of said issue maturing on July 15, 2007 (the "2007 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2007	\$795,000
July 15, 2007 (final maturity)	815,000

The 1996 Bonds of said issue maturing on July 15, 2008 (the "2008 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2008	\$835,000
July 15, 2008 (final maturity)	855,000

The 1996 Bonds of said issue maturing on July 15, 2009 (the "2009 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2009	\$880,000
July 15, 2009 (final maturity)	905,000

The 1996 Bonds of said issue maturing on July 15, 2010 (the "2010 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2010	\$925,000
July 15, 2010 (final maturity)	950,000

The 1996 Bonds of said issue maturing on July 15, 2011 (the "2011 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:



<u>Date</u>	<u>Amount</u>
January 15, 2011	\$ 980,000
July 15, 2011 (final maturity)	1,005,000

The 1996 Bonds of said issue maturing on July 15, 2012 (the "2012 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2012	\$1,035,000
July 15, 2012 (final maturity)	1,060,000

The 1996 Bonds of said issue maturing on July 15, 2013 (the "2013 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2013	\$1,090,000
July 15, 2013 (final maturity)	1,120,000

The 1996 Bonds of said issue maturing on July 15, 2017 (the "2017 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2014	\$1,155,000
July 15, 2014	1,185,000
January 15, 2015	1,220,000
July 15, 2015	1,255,000
January 15, 2016	1,290,000
July 15, 2016	1,325,000
January 15, 2017	1,365,000
July 15, 2017 (final maturity)	1,400,000

The 1996 Bonds of said issue maturing on January 15, 2021 (the "2021 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2018	\$1,440,000
July 15, 2018	1,485,000
January 15, 2019	1,525,000
July 15, 2019	1,570,000
January 15, 2020	1,615,000
July 15, 2020	1,660,000
January 15, 2021 (final maturity)	1,705,000

If there is any optional redemption or purchase for cancellation of any 2001 Term Bonds, 2002 Term Bonds, 2003 Term Bonds, 2004 Term Bonds, 2005 Term Bonds, 2006 Term Bonds, 2007 Term Bonds, 2008 Term Bonds, 2009 Term Bonds, 2010 Term Bonds, 2011 Term Bonds, 2012 Term Bonds, 2013 Term Bonds, 2017 Term Bonds or 2021 Term Bonds (collectively, the "Term Bonds"), one or more of the sinking fund installments thereafter to become due will, in any manner which the Corporation elects in writing delivered to the Trustee (such election to occur prior to the date 45 days prior to the next sinking fund date for such Term Bonds), be credited with an amount which is equal to the amount of Term Bonds as redeemed or purchased.

The Corporation covenants that at least ten days prior to January 15 and July 15 in each year, beginning with January 15, 1999, it will pay to the Trustee, an amount sufficient to pay the principal and all interest as it next becomes due until all of the 1996 Bonds shall have been retired.

If an event of default, as defined in the Indenture, occurs, the principal of this bond may become or may be declared due and payable prior to the stated maturity hereof, in the manner, and with the effect, and subject to the conditions provided in the Indenture.

This bond is transferable by the registered owner hereof at the principal corporate trust office of the Trustee, upon surrender and cancellation of this bond and on presentation of a duly executed written instrument of transfer and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. This bond may be exchanged upon surrender hereof at the principal corporate trust office of the Trustee, duly endorsed by the registered owner for the same aggregate principal amount of 1996 Bonds of the same maturity in authorized denominations as the registered owner may request.

The Corporation and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof.

This bond shall not be a valid obligation until duly authenticated by the Trustee, or its successors in trust, by the execution of the certificate endorsed hereon. The registered owner of this bond shall have no recourse for its payment against present or future stockholders, members, officers or directors of the Corporation, and such recourse is, by the acceptance of this bond, expressly waived.

### STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at Calumet National Bank, as trustee, in Hammond, Indiana.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Corporation to Calumet National Bank, Hammond, Indiana, or its successor, as paying agent (the "Paying Agent"), of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$44,370,000  
Munster School Building Corporation  
First Mortgage Bonds, Series 1996

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with State Street Bank and Trust Company, N.A., in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership or the Obligations, together with any appropriate instruments or assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to State Street Bank and

Trust Company, N.A., State Street Bank and Trust Company, N.A. shall disburse to such owners or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Corporation, or any designee of the Corporation for such purpose. The term owner shall not include the Corporation or any party whose agreement with the Corporation constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

**NOT OFFICIAL!**

**MBIA INSURANCE CORPORATION**

**IN WITNESS WHEREOF, MUNSTER SCHOOL BUILDING CORPORATION** has caused this bond to be executed in its name and on its behalf by the original or facsimile of the signature of its President, its corporate seal to be hereunto imprinted or impressed and attested by the original or facsimile signature of its Secretary.

**MUNSTER SCHOOL BUILDING CORPORATION**

By: \_\_\_\_\_  
President

(Seal)

Attest:

\_\_\_\_\_  
Secretary



### TRUSTEE'S CERTIFICATE

This bond is one of the 1996 Bonds described in the within mentioned Indenture.

**CALUMET NATIONAL BANK, as Trustee**  
**(Hammond, Indiana),**

By: \_\_\_\_\_  
Authorized Representative

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_  
(Cust) (Minor)

under Uniform Transfers to Minors Act \_\_\_\_\_

This Document is the property of \_\_\_\_\_ (State)  
the Lake County Recorder!

Additional abbreviations may also be used though not in list above.

**ASSIGNMENT**

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

(please print or typewrite name and address of assignee)

\_\_\_\_\_  
(please insert social security or other identifying number of assignee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney, to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

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

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

(End of 1996 Bond Form)

**Section 2.06. Delivery of Bonds.** The Bonds executed by the Corporation and authenticated by the Trustee shall be delivered by the Trustee to the purchaser thereof in the amount, at the times and upon the payment of the purchase price, as requested in writing by the president or treasurer of the Corporation.

**Section 2.07. Additional Bonds.**

(a) Additional Bonds may be issued on a parity with the 1996 Bonds subject to the terms and limitations of this section. So long as any contractor, subcontractor, materialman or laborer is asserting a claim against the Corporation or against the Mortgaged Property, Additional Bonds may only be issued to pay such claim or judgment based upon such claim and costs and expenses related thereto, including court costs and attorneys fees. After no such claim is asserted against the Corporation, Additional Bonds may also be issued to pay the costs of improvements to the Mortgaged Property or to finance a partial or total refunding of any of the Bonds. Additional Bonds shall be limited to amounts which can be repaid, along with the 1996 Bonds, from lease rentals paid by the School Corporation pursuant to the Lease. The lease rental pursuant to the Lease is limited as stated therein.

(b) Upon the execution and delivery of an appropriate supplement to this Indenture, the Corporation shall execute and deliver to the Trustee and the Trustee shall authenticate such Additional Bonds and deliver them as may be directed by the Corporation. The supplemental Indenture shall specify, as to the Additional Bonds, the designation, date, interest rate or rates, maturities, redemption provisions, if any, the form of bond and any other appropriate terms. Prior to the delivery by the Trustee of Additional Bonds there shall be filed with the Trustee:

- (1) an executed counterpart of the supplemental Indenture;
- (2) a copy, certified by the secretary of the Corporation, of the resolution, adopted by the board of directors of the Corporation, authorizing the execution and delivery of the supplemental Indenture and Additional Bonds;
- (3) a request and authorization to the Trustee by an officer of the Corporation to authenticate and deliver such Additional Bonds to the purchasers therein identified upon payment to the Trustee of the purchase price plus accrued interest to the date of delivery, as specified in the request and authorization;
- (4) an opinion of an independent public accountant, supported by appropriate calculations, stating that the Additional Bonds can be amortized, along with the 1996 Bonds, from lease rental payments pursuant to the Lease; and
- (5) an opinion of nationally recognized bond counsel to the effect that the issuance and sale of the Additional Bonds will not result in interest on the 1996 Bonds and any outstanding Additional Bonds becoming includable in the gross income of the owners thereof for federal income tax purposes.

**Section 2.08. Mutilated, Destroyed, Stolen or Lost Bonds.** In case any Bond issued under this Indenture becomes mutilated or is destroyed, stolen or lost, the Corporation, in its discretion, may issue, and thereupon the Trustee shall certify and deliver in exchange for and in place and upon cancellation of the mutilated Bond, or in lieu of and substitution for the same if destroyed, stolen or lost, a new Bond of like denomination and tenor, but which, in the discretion of the Corporation or the Trustee, may bear the same or a different serial number, and be marked "Duplicate" or otherwise distinguished. In case of destruction, theft or loss, the applicant for a substituted Bond shall furnish to the Corporation and the Trustee evidence of the destruction of such Bond so destroyed (if applicable), which evidence must be satisfactory to the Corporation and the Trustee, in their discretion, and said applicant shall also furnish indemnity satisfactory to both of them in their discretion. The Corporation shall have the right to require the payment of the expense of making such replacement prior to the delivery of a new Bond.

**Section 2.09. Registration of Bonds.**

(a) The Trustee shall keep, at its principal corporate trust office, a record for the registration of Bonds which shall, at all reasonable times, be open for inspection by the Corporation.

(b) Each registered Bond shall be exchangeable or transferable only on such record at the principal corporate trust office of the Trustee, at the written request of the registered owner thereof or his attorney duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney.

**Section 2.10. Registered Owners of Bonds.** The Corporation, the Trustee and any Paying Agent may deem and treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of receiving payment of or on account of the principal of said Bond, and for all other purposes whatsoever.

**Section 2.11. Exchange or Transfer of Bonds.** Registered owners of Bonds may, upon surrender thereof at the principal corporate trust office of the Trustee, exchange or transfer a Bond or Bonds for a Bond or Bonds of equal aggregate principal amount of the same maturity and interest rate of any authorized denominations. For every exchange or transfer of Bonds, the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Trustee incurred in connection therewith (except any applicable tax, fee or other governmental charge) shall be paid by the Corporation. The Trustee shall not be obliged to make any transfer or exchange of any Bond called for redemption within forty-five (45) days of the redemption date.

(End of Article II)

ARTICLE III.

Funds and Investments

Section 3.01. Project Fund.

(a) There is hereby established and created a fund designated as the "Munster School Building Corporation Project Fund" (the "Project Fund"), consisting of a Bond Interest Account, a Refunding Account and a Construction Account. An amount equal to \$2,174,893.34 from proceeds of the 1996 Bonds shall be deposited and held in the Refunding Account. The Trustee shall use such funds, together with any other moneys deposited into the Refunding Account by the Corporation, to pay on April 23, 1996, (i) the principal of the Series 1995 A BANs and the Series 1995 B BANs, and (ii) the interest payable on the Series 1995 A BANs and the Series 1995 B BANs on April 23, 1996. An amount equal to \$7,163,498.98 from the proceeds of the 1996 Bonds shall be deposited and held in the Bond Interest Account of the Project Fund. All of the 1996 Bond proceeds not required to be otherwise spent or deposited or deposited into the Sinking Fund as set forth in Section 3.02 hereof shall be deposited in the Construction Account of the Project Fund. The Trustee shall apply said Construction Account to the costs of renovating the Facility, and the acquisition of certain land in connection therewith, including, but not limited to, the following items:

- (1) Obligations incurred for labor and to contractors, builders and materialmen in connection with the renovation of the Facility;
- (2) The cost of acquiring the real estate described in Exhibit A attached hereto;
- (3) Interest accruing on all the 1996 Bonds during the period of construction to the extent that funds in the Bond Interest Account of the Project Fund are insufficient;
- (4) The cost of equipment for the Facility;
- (5) The cost of all indemnity and surety bonds required by this Indenture, the fees and expenses of the Trustee and any Paying Agent during construction, and premiums on insurance during construction;
- (6) Expenses and fees of architects, engineers and construction managers;
- (7) All costs and expenses incurred in connection with the issuance and sale of the 1996 Bonds and any Additional Bonds, including without limitation attorneys' fees and expenses, printing costs, and recording and filing fees;
- (8) All other incidental costs incurred in connection with the cost of acquisition, renovation and equipment of the Facility, including the accounting referred to in Section 5.07(a)(3) hereof; and
- (9) Any amount required to be deposited in the Rebate Fund, established pursuant to Section 3.03 hereof.



(b) It shall be the duty of the Trustee, without other or further authority than is hereby given, that to the extent the rental payments received by the Trustee pursuant to the Lease are insufficient to pay interest on the 1996 Bonds as it becomes due, the Trustee shall pay such insufficiency from the Bond Interest Account (or if the Bond Interest Account is not sufficient then from the Construction Account) until the later of (i) the filing of the Affidavit of Completion, as hereinafter provided, or (ii) January 15, 1999. On each Interest Payment Date and for so long as money is on deposit in the Bond Interest Account, the Trustee shall transfer from the Bond Interest Account, without other or further authority that is hereby given, to the Construction Account an amount equal to the interest due on the 1996 Bonds on such Interest Payment Date, if there is on deposit in the Sinking Fund on such Interest Payment Date an amount sufficient to pay the interest on the 1996 Bonds on such Interest Payment Date. All other payments from the Project Fund shall be made by the Trustee upon presentation of architect's or engineer's certificates of work completed and materials furnished, approved in writing by any Authorized Officer of the Corporation, or in the case of any items not subject to certification by the architect or engineer, then upon the presentation of an affidavit executed by any Authorized Officer of the Corporation, stating the character of the expenditure, the amount thereof, and to whom due, together with the statement of the creditor (if not a corporation) as to the amount owing and the creditor's taxpayer identification number.

(c) The Corporation shall furnish to the Trustee at the time the Facility is complete and ready for occupancy, and the Lease is endorsed to that effect, an affidavit (the "Affidavit of Completion") executed by the president or vice president and secretary of the Corporation, the architect or engineer, and an officer of the Board of School Trustees of the School Corporation, to the effect that the Facility has been completed and is ready for occupancy and an affidavit executed by the president or vice president and secretary of the Corporation to the effect that the Mortgaged Property of the Corporation is free of all liens, encumbrances and claims whatsoever, excepting only current taxes not in default, this Indenture, the Lease and liens or potential liens arising from disputed claims of contractors and work to be repaired as set out therein. Upon the later of (i) January 15, 1999, or (ii) the filing with the Trustee of the Affidavit of Completion, the Trustee shall:

(1) Transfer from the Bond Interest Account of the Project Fund to the Sinking Fund, established pursuant to Section 3.02 hereof, an amount sufficient to pay principal and interest on the 1996 Bonds which the lease rental received pursuant to the Lease will not be sufficient to pay when due; and

(2) Transfer the balance, if any, in the Bond Interest Account of the Project Fund to the Construction Account of the Project Fund.

(d) One year after the filing of the Affidavit of Completion, the Trustee shall hold in the Construction Account one hundred fifty percent (150%) of the amount of any disputed claims of contractors and work to be repaired, or if less shall hold the entire balance of the Construction Account, and shall transfer the unobligated balance of the Construction Account, if any, to the Redemption Fund, established pursuant to Section 3.05 hereof. Any balance remaining in the Construction Account, after payment of all disputed claims, claims for repair work and obligations for additional improvements or equipment authorized by Subsection (Third) of Section 5.11 hereof shall be transferred to the Redemption Fund within ten (10) days after the last payment of such

obligations. The Trustee shall have no responsibility to see that the Project Fund is properly applied, except as herein specifically provided.

**Section 3.02. Sinking Fund.**

(a) There is hereby established and created a fund designated as the "Munster School Building Corporation Sinking Fund" (the "Sinking Fund"). An amount equal to \$266,875.45 from the proceeds of the 1996 Bonds shall be deposited in the Sinking Fund to pay accrued interest on the 1996 Bonds from March 15, 1996, to the date of delivery of the 1996 Bonds. In addition, the Trustee shall deposit in the Sinking Fund from each rental payment, and from proceeds of rental value insurance which represents lease rental payments under the Lease, received by the Trustee pursuant to the Lease, an amount equal to the following, whichever is less:

(1) All of such rental payment; or

(2) An amount which, when added to the amount in the Sinking Fund on the deposit date, equals the sum of (i) the principal due on the Bonds on the next principal payment date or sinking fund redemption date, and (ii) interest on the Bonds due within twenty (20) days after the date such rental payment becomes due.

(b) Any portion of a rental payment remaining after such deposit and any receipts from sales of personal property shall be deposited by the Trustee in the Operation and Reserve Fund, established pursuant to Section 3.04 hereof. The Trustee shall from time to time withdraw from the Sinking Fund and shall deposit in a special trust fund and make available to itself, as Trustee, or to any Paying Agent, sufficient moneys for paying the principal of the Bonds at maturity or upon mandatory sinking fund redemption and to pay the interest on the Bonds as the same falls due. Investment earnings may be used for deposits in the Rebate Fund.

**Section 3.03. Rebate Fund.** There is hereby established and created a fund designated as the "Munster School Building Corporation Rebate Fund" (the "Rebate Fund"). If, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Corporation is required to rebate portions of investment earnings to the United States government, the Corporation shall annually cause to be computed the amount required to be so rebated, or, if the provisions of Section 148(f)(4)(C)(vii) of the Code apply, the Corporation shall semi-annually cause to be computed the amount of the penalty to be paid in lieu of rebate. Upon receipt of such computation, the Trustee shall at the direction of the Corporation deposit such amount in the Rebate Fund from the Project Fund, the Operation and Reserve Fund or investment earnings on the Sinking Fund. The Trustee shall pay required rebates or penalties from the Rebate Fund as required by Section 148 of the Code. Such payments shall be made by the Trustee without any further authorization or direction other than stated herein.

**Section 3.04. Operation and Reserve Fund.** There is hereby established and created a fund designated as the "Munster School Building Corporation Operation and Reserve Fund" (the "Operation and Reserve Fund"). The Operation and Reserve Fund shall be used only to pay necessary incidental expenses of the Corporation (e.g. Trustee's fees, required audits, appraisals, meetings, legal fees and expenses, expenses incurred by the Corporation or the School Corporation

for any continuing disclosure obligations, reports and deposits in the Rebate Fund), the payment of any amounts as authorized by Section 3.03 hereof, the payment of principal of and interest on the Bonds upon redemption as authorized in Article IV hereof or the purchase price of Bonds purchased as authorized by Section 3.08 hereof, and if the amount in the Sinking Fund at any time is less than the required amount, the Trustee shall, without any further authorization, transfer available funds from the Operation and Reserve Fund to the Sinking Fund in an amount sufficient to raise the amount in the Sinking Fund to the required amount. Such action by the Trustee shall not constitute a waiver of any other right or remedy the Trustee may have under this Indenture. Incidental expenses shall be paid by the Trustee upon the presentation of an affidavit executed by any Authorized Officer of the Corporation stating the character of the expenditure, the amount thereof and to whom due, together with the statement of the creditor (if not a corporation) as to the amount owing and the creditor's taxpayer identification number, provided, amounts owing to the Trustee may be withdrawn from the Operation and Reserve Fund when due without presentation of an affidavit.

Section 3.05. Redemption Fund. There is hereby established and created a fund designated as the "Munster School Building Corporation Redemption Fund" (the "Redemption Fund"). The Trustee shall deposit in the Redemption Fund funds remaining in the Project Fund as stated in Section 3.01 hereof. The Redemption Fund may be used to call Bonds for redemption or to purchase Bonds as stated in Section 3.08 hereof. The Trustee and the Corporation shall use funds in the Redemption Fund, to the extent otherwise permitted hereunder, to call for redemption Bonds as soon as may be done without premium or penalty.

Section 3.06. Investment of Funds. All funds shall be invested by the Trustee without further direction from any Authorized Officer of the Corporation in Qualified Investments, or as any Authorized Officer of the Corporation directs. During construction, all investment earnings shall be deposited in the Construction Account of the Project Fund. After the filing of the Affidavit of Completion, the Trustee shall allocate interest earnings to the fund or account to which the earnings are allocable. Funds invested for the Sinking Fund and Rebate Fund shall mature prior to the time the funds invested will be needed for payment of principal of and interest on the Bonds or rebate to the United States government. The Trustee is authorized to sell any securities so acquired from time to time in order to make required payments from a particular fund or account.

Section 3.07. Redemption of Bonds. Whenever the amounts contained in the Sinking Fund, Redemption Fund and Operation and Reserve Fund are sufficient, together with any other funds deposited with the Trustee by the Corporation (other than amounts deposited into the Rebate Fund), to redeem, upon the next redemption date, all Bonds secured thereby then outstanding, the Trustee shall apply the amounts in such Funds to the redemption of such Bonds pursuant to Article IV hereof.

Section 3.08. Purchase of Bonds. At the request of the Corporation expressed by a certified resolution of its board of directors, the Trustee may remove funds from the Operation and Reserve Fund or the Redemption Fund to be used for the redemption of Bonds, or for the purchase of Bonds.

(End of Article III)

ARTICLE IV.

Redemption of Bonds

Section 4.01. Redemption.

(a) The Corporation shall have the right, at its option, to redeem, according to the procedure hereinafter provided, all or any part of the 1996 Bonds secured by this Indenture maturing on or after July 15, 2005, in any order of maturity selected by the Corporation and by lot within maturities, on any date not earlier than January 15, 2005, at face value plus interest accrued to the date fixed for redemption, plus the following premiums expressed as a percentage of principal amount to be redeemed:

- 1% if redeemed on January 15, 2005, or thereafter on or before January 14, 2006;
- 0.5% if redeemed on January 15, 2006, or thereafter on or before January 14, 2007; and
- 0% if redeemed on January 15, 2007 or thereafter until maturity.

(b) The 1996 Bonds are subject to extraordinary redemption prior to maturity, without premium, from proceeds of insurance in certain circumstances as described in Article VI.

(c) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2001 (the "2001 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2001	\$600,000
July 15, 2001 (final maturity)	615,000

(d) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2002 (the "2002 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2002	\$630,000
July 15, 2002 (final maturity)	640,000

(e) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2003 (the "2003 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2003	\$655,000
July 15, 2003 (final maturity)	670,000

(f) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2004 (the "2004 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2004	\$690,000
July 15, 2004 (final maturity)	705,000

(g) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2005 (the "2005 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2005	\$720,000
July 15, 2005 (final maturity)	740,000

(h) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2006 (the "2006 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2006	\$755,000
July 15, 2006 (final maturity)	775,000

(i) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2007 (the "2007 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2007	\$795,000
July 15, 2007 (final maturity)	815,000

(j) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2008 (the "2008 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2008	\$835,000
July 15, 2008 (final maturity)	855,000

(k) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2009 (the "2009 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2009	\$880,000
July 15, 2009 (final maturity)	905,000

(l) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2010 (the "2010 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2010	\$925,000
July 15, 2010 (final maturity)	950,000

(m) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2011 (the "2011 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2011	\$ 980,000
July 15, 2011 (final maturity)	1,005,000

(n) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2012 (the "2012 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2012	\$1,035,000
July 15, 2012 (final maturity)	1,060,000

(o) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2013 (the "2013 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2013	\$1,090,000
July 15, 2013 (final maturity)	1,120,000

(p) From moneys held in the Sinking Fund, the 1996 Bonds maturing on July 15, 2017 (the "2017 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2014	\$1,155,000
July 15, 2014	1,185,000
January 15, 2015	1,220,000
July 15, 2015	1,255,000
January 15, 2016	1,290,000
July 15, 2016	1,325,000
January 15, 2017	1,365,000
July 15, 2017 (final maturity)	1,400,000

(q) From moneys held in the Sinking Fund, the 1996 Bonds maturing on January 15, 2021 (the "2021 Term Bonds"), are subject to mandatory sinking fund redemption on the dates shown below, in the principal amounts shown below, plus accrued interest and without premium:

<u>Date</u>	<u>Amount</u>
January 15, 2018	\$1,440,000
July 15, 2018	1,485,000
January 15, 2019	1,525,000
July 15, 2019	1,570,000
January 15, 2020	1,615,000
July 15, 2020	1,660,000
January 15, 2021 (final maturity)	1,705,000

(r) If more than one 1996 Bond of such maturity is outstanding, sinking fund redemption of such maturity shall be made by lot in the manner prescribed by Section 4.02.

**Section 4.02. Notice to Trustee.** To evidence its intention to exercise the right of redemption of any Bonds, the Corporation shall, not less than forty-five (45) days prior to the date selected for redemption, file with the Trustee written notice of its intention to redeem, designating

the date fixed for redemption, and if less than all of the outstanding Bonds are to be redeemed stating the aggregate principal amount of Bonds which the Corporation desires to redeem. If less than all of the outstanding Bonds are to be redeemed, then the Bonds shall be redeemed in the order of maturity described above and by lot within maturities (which lottery shall be conducted by the Trustee). No failure or defect in such notice by the Corporation to the Trustee shall affect the validity of the redemption of any Bonds.

**Section 4.03. Notice of Redemption.**

(a)(1) Official notice of such redemption shall be mailed by first class mail by the Trustee to the registered owners of all Bonds to be redeemed not less than thirty (30) days nor more than sixty (60) days prior to the date selected for redemption. Said notice shall, with substantial accuracy:

(i) Designate the time and places of redemption, said places to be the offices of the Trustee or any other Paying Agent;

(ii) If the Bonds to be redeemed are less than the whole amount outstanding, designate the Bonds to be redeemed;

(iii) State that on the designated date fixed for said redemption said Bonds shall be redeemed by the payment of the applicable redemption price hereinbefore set forth, and that from and after the date so fixed for such redemption interest on the Bonds so called for redemption shall cease; and

(iv) Comply with the requirements of any securities depository which has entered into an agreement with the Corporation with respect to the Bonds.

(2) The cost and expenses of the preparation and mailing of said notices of redemption shall be paid by the Corporation. No failure or defect in the notice of redemption by the Trustee with respect to a particular Bond shall affect the validity of the redemption of any other Bond for which notice has been properly given.

(b) In addition to the notice required by Section 4.03(a) above, further notice shall be given by the Trustee as set out in this Section 4.03(b), but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed by Section 4.03(a).

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus: (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

Each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types



comprising the Bonds (such depositories now being The Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, Pacific Securities Depository of San Francisco, California, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds (such as Standard & Poor's Ratings Group or Moody's Investors Service).

Each such further notice relating to an optional redemption shall be published one (1) time in a newspaper or financial journal published in Indianapolis, Indiana, such publication to be made at least thirty (30) days prior to the date fixed for redemption.

**Section 4.04. Payment of Redeemed Bonds.** Such notice having been mailed as above provided, the Bonds designated for redemption shall, on the date specified in such notice, become due and payable at the then applicable redemption price, and on presentation and surrender of such Bonds in accordance with such notice, at the place at which the same are expressed in such notice to be redeemable, such Bonds shall be redeemed by the Paying Agent on behalf of the Corporation by the payment of such redemption price to the registered owners out of funds held by the Paying Agent for that purpose.

Upon the payment of the redemption price of Bonds redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

**Section 4.05. Cancellation of Redeemed Bonds.** All Bonds so redeemed (or purchased as authorized by Section 3.08 hereof) shall be cancelled as provided in Section 2.02 hereof and shall not be reissued, nor shall any Bonds be issued in lieu thereof.

**Section 4.06. Effect of Redemption.** If the amount necessary to redeem any Bonds called for redemption, as aforesaid, has been deposited with the Paying Agent for the account of the registered owner or registered owners of such Bonds on or before the date specified for such redemption, and if the notice hereinbefore mentioned has been duly mailed or provision satisfactory to the Trustee has been made for the giving and mailing of such notice, and if all proper charges and expenses of such redemption have been paid or provided for, the Corporation shall be released from all liability on such Bonds and such Bonds shall no longer be deemed to be outstanding hereunder, and interest thereon shall cease at the date specified for such redemption; and thereafter such Bonds shall not be secured by the lien of this Indenture. The Trustee shall be privileged to give notice of any call for redemption, but shall not be required to do so unless the amount necessary to redeem the Bonds called and to pay all proper charges and expenses of such redemption have been deposited, as aforesaid. In case any question arises as to whether any such notice has been sufficiently given or any such redemption is effective, such question shall be decided by the Trustee, and decision of the Trustee shall be final and binding upon all parties in interest.

(End of Article IV)

## ARTICLE V.

### Covenants of the Corporation

Section 5.01. Observance of Provisions Contained in and Payment of Bonds. The Corporation covenants that it will observe any and all covenants, undertakings, stipulations and provisions contained in this Indenture and in each and every Bond issued hereunder, and will duly and punctually pay or cause to be paid the principal of said Bonds and the interest thereon, at the times and places, and in the manner mentioned in said Bonds, according to the true intent and meaning thereof.

Section 5.02. Further Security. The Corporation covenants that it will promptly make, execute and deliver all indentures supplemental hereto, or otherwise, and take all such action as may reasonably be deemed, by the Trustee or by its counsel, necessary or advisable for the better securing of any Bonds issued hereunder, or for better assuring and confirming to the Trustee the Mortgaged Property or any part thereof. The Corporation covenants that it will cause this Indenture and any indenture supplemental hereto to be duly recorded, re-recorded, filed and re-filed, at the times and places now or hereafter required by law for the proper maintenance of the priority of the lien hereof.

Section 5.03. Title to Mortgaged Property. The Corporation covenants that, except as to that part of the Mortgaged Property which may hereafter be acquired by it, the Corporation is now well seized of the Mortgaged Property, subject only to current taxes, and has good right, full power and lawful authority to make this Indenture and subject all of the Mortgaged Property to the lien hereof, in the manner and form herein respectively contained or intended, and that it has and will preserve good and indefeasible title to all such property, and will warrant and defend the same to the Trustee against the claims of all persons whatsoever.

Section 5.04. Payment of Taxes on Mortgaged Property. The Corporation covenants that by the Lease it has required the School Corporation to pay promptly and before they shall become delinquent, all lawful taxes, charges and assessments at any time levied or assessed upon or against the Mortgaged Property, or any part thereof, or upon the use of the same, or upon the income or profits thereof, and that it will pay before they shall become delinquent all license fees, franchise and corporation taxes and other like statutory charges, provided, however, that no such tax, charge or assessment shall be required to be paid so long as the validity of the same shall be in good faith contested by the School Corporation; that it will not suffer any lien or charge equal or prior to the lien hereby created to be enforced or to exist against the Mortgaged Property or any part thereof, except the lien of current taxes not yet due; and that it will not commit or suffer any waste of said property.

Section 5.05. Corporate Existence; Compliance with Laws. The Corporation covenants that it will maintain its corporate existence, paying all license or other fees and making all returns necessary for that purpose; that it will not do or suffer to be done anything whereby its corporate existence or its right to hold the Mortgaged Property might in any way be questioned; and that it will observe and comply with the terms of all applicable laws and ordinances of the State of Indiana and any political or municipal subdivision thereof.

**Section 5.06. Payment of Taxes by Trustee.** If the School Corporation should at any time fail to pay any tax, assessment or other charge upon the Mortgaged Property, or any part thereof, or any license fee, franchise or corporation tax, or like statutory charge, as required by Section 5.04, the Trustee may, without obligation to inquire into the validity thereof, pay such tax, assessment, fee or other charge, but without prejudice to the rights of the Trustee arising hereunder in consequence of such default, and the amount of every payment so made at any time by the Trustee, with interest thereon at the highest rate of interest of any of the Bonds when sold, whether or not then outstanding, from the date of payment, shall constitute an additional indebtedness of the Corporation secured by the lien of this Indenture, prior or paramount to the lien hereunder of any said Bonds and the interest thereon.

**Section 5.07. Books of Record and Account.**

(a) The Corporation covenants that proper books of record and account will be kept in which full, true and correct entries will be made of all dealings or transactions of or in relation to the properties, business and affairs of the Corporation, and that it will:

- (1) At such times as the Trustee shall reasonably request, furnish statements in reasonable detail showing the earnings, expenses and financial condition of the Corporation.
- (2) From time to time furnish the Trustee such information as to the property of the Corporation as the Trustee shall reasonably request.
- (3) On or before the expiration of one hundred twenty (120) days after the completion of the Facility, furnish to the Trustee a detailed accounting, certified by one of its officers, any Authorized Officer of the Corporation, or an independent accountant, covering the operations of the Corporation to the completion of the construction, and showing the earnings and expenses for such period, and the assets, liabilities and financial condition of the Corporation at the expiration of such period. Such financial statements and reports shall be available at all reasonable times for the inspection of any registered owner or his authorized agent.

If the Corporation fails to obtain and furnish such accounting, the Trustee may, in its discretion, procure such detailed accounting, and pay for the same from the Operation and Reserve Fund, unless there are not sufficient funds in said Fund, in which case all monies paid by the Trustee for such audit and report, together with interest thereon at the highest rate of interest on any of the Bonds when sold, whether or not then outstanding, shall be repaid by the Corporation upon demand, and shall constitute an additional indebtedness of the Corporation secured by the lien of this Indenture, prior and paramount to the lien hereunder of said Bonds and interest thereon. The Trustee, however, shall not be obligated to obtain such detailed accounting unless fully indemnified against the expense thereof and furnished with means therefor.

(4) Direct the School Corporation to file each year with the Trustee a certificate signed by the School Corporation's fiscal officer, stating that all taxes then due on the Mortgaged Property have been duly paid (unless the School Corporation shall, in good faith,

contest any of said taxes, in which event the facts concerning such contest shall be set forth); also stating that all insurance premiums required by the terms of the Lease to be paid by the School Corporation upon the Mortgaged Property have been duly paid.

(b) The Corporation further covenants that all books, documents and vouchers relating to the properties, business and affairs of the Corporation shall at all times be open to the inspection of such accountants or other agents as the Trustee may from time to time designate.

**Section 5.08. Guarantor, Endorsor or Surety.** The Corporation covenants that it will not guarantee, endorse or otherwise become surety for or upon the indebtedness of others except by endorsement of negotiable instruments for deposit or collection in the ordinary course of business, and that it will not sell its accounts receivable.

**Section 5.09. Acquisition of Encumbered Property.** The Corporation covenants that it will not acquire any property, real or personal, subject to an existing mortgage or other encumbrance, except as permitted by Section 5.11 hereof.

**Section 5.10. Incurring Indebtedness.** The Corporation covenants that it will not incur any indebtedness other than the 1996 Bonds except as permitted by Section 2.07 hereof or indebtedness payable from income of the Corporation from some source other than the rental payments under the Lease pledged hereunder as long as any Bonds are outstanding hereunder.

**Section 5.11. Use of Proceeds of Bonds.** The Corporation covenants that the proceeds of the Bonds held in the Construction Account of the Project Fund shall be used for the following purposes:

(First) The payment of the balance, if any, of the purchase price of the real estate herein specifically described;

(Second) To the payment of the cost of construction on said real estate in accordance with the provisions of Section 5.12 hereof. The costs of construction shall include but not be limited to the items set forth in Section 3.01 hereof.

(Third) Any balance in excess of one hundred fifty percent (150%) of the amount of any disputed claims of contractors and work to be repaired remaining after the completion of the Facility may be obligated within a period of one (1) year thereafter for any one or more of the following purposes upon written request of the lessee under the Lease:

- (a) For the purchase of equipment for the Facility;
- (b) For the purchase of real estate adjacent to the real estate hereinbefore described; or
- (c) For the improvement of the Facility or for the improvement of any real estate which is subject to the mortgage hereof.

(Fourth) Any balance in excess of one hundred fifty percent (150%) of the amount of any disputed claims of construction and work to be repaired remaining unobligated after one (1) year from the filing of the Affidavit of Completion shall be transferred to the Redemption Fund as provided in Section 3.01 hereof.

(Fifth) Any balance remaining after payment of all obligations authorized by Subsection (Third) above, shall be transferred to the Redemption Fund within ten (10) days after the last payment of such obligations as provided in Section 3.01 hereof.

**Section 5.12. Lease: Renovation of the Facility.**

(a) The Corporation covenants that it has entered into a valid and binding Lease of the Mortgaged Property to the School Corporation, and that a full, true and correct copy of the Lease is on file with the Trustee. The Corporation further covenants that, upon the receipt by the Trustee of the proceeds of the 1996 Bonds secured hereby, it will forthwith proceed to renovate the Facility on the Mortgaged Property in accordance with the plans and specifications referred to in the Lease, and will complete such renovation with all expedition practicable in accordance with such plans and specifications, together with such changes therein as may be authorized by the Corporation pursuant to this Section 5.12. The Corporation further covenants that it will not authorize, approve or permit any changes to be made in such plans and specifications unless all of the following conditions exist:

(1) The proposed changes in the plans and specifications are approved in writing by the School Corporation, as lessee;

(2) The proposed changes in the plans and specifications will not alter the character of the Facility nor reduce the value thereof; and

(3) The proposed changes in the plans and specifications will not result in an increase in the cost of the project exceeding the amount of the uncommitted funds of the Corporation on hand which are not required for the completion of the Facility in accordance with the plans and specifications adopted prior to the execution of the Lease, interest on the Bonds during the construction period and the payment of the incidental expenses incurred in connection with the construction of the Facility.

(b) Prior to the completion of the Facility in accordance with the provisions of this Section 5.12, performance of additional construction work or the purchase of equipment not specified in the Lease or incorporated therein by reference to the plans and specifications shall be deemed a change or modification in the plans and specifications subject to the requirements in this Section 5.12.

(c) Except for changes made in the plans and specifications pursuant to this Section 5.12, the Corporation covenants that it will not agree to any modification of the terms of the Lease which would substantially impair or reduce the security of the owners of the Bonds described herein or agree to a reduction of the lease rental provided for therein other than in connection with a partial or total refunding of any of the Bonds, except upon compliance with the provisions of Section 11.02

hereof. The Corporation further covenants that any modification permitted by this Section 5.12(c) will be made only after a copy thereof has been filed with the Trustee.

**Section 5.13. Pursuit of Remedies upon Default.** The Corporation covenants that upon any default in the payment of lease rental as provided in the Lease, it will file a suit to mandate the appropriation of sufficient funds and the levy of a tax sufficient to raise sufficient funds, and pursue any other remedy permitted by law and necessary to collect and enforce the payment of such rentals. The Corporation further appoints the Trustee and each registered owner (subject to Section 7.14 hereof) its attorney-in-fact, each authorized, acting alone, jointly or severally, to file such claims in its name, or provided the Trustee consents thereto, in the name of the Trustee, or in both such manners, to file such suits and to pursue such remedies.

**Section 5.14. Tax Covenants.** In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Bonds, the Corporation represents, covenants and agrees that unless the Corporation receives an opinion of nationally recognized bond counsel that compliance with any one or more of the following (as specified in such opinion) is not needed to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds:

(a) No Bond proceeds will be loaned to any entity or person. No Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond proceeds.

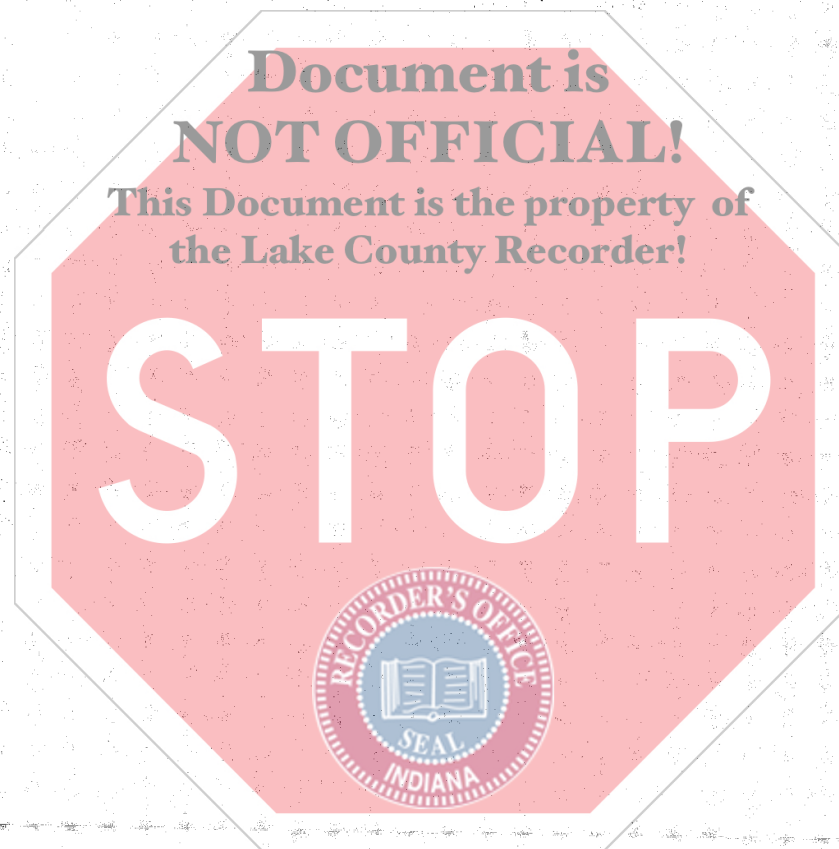
(b) No person or entity, other than the Corporation, the School Corporation or another governmental unit, will use proceeds of the Bonds or property financed by the Bond proceeds other than as a member of the general public. No person or entity other than the Corporation, the School Corporation or another governmental unit will own property financed by Bond proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract or any other type of arrangement (other than a qualified management contract satisfying the requirements of Rev. Proc. 93-19 of the Internal Revenue Service) that differentiates that person's or entity's use of such property from the use by the public at large.

(c) The proceeds from the sale of the Bonds, proceeds received from lease rentals payable according to the Lease, any other amounts received by the Corporation in respect to property directly or indirectly financed with any proceeds of such Bonds, and proceeds from interest earned on the investment and reinvestment of such proceeds and amounts, shall not be invested or otherwise used in a manner which would cause such Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or any of the regulations or rules pertaining to said Section 148. Any such investment or other use shall comply with Section 148 of the Code and such regulations or rules pertaining to said Section 148, as may be applicable, and any restrictions of the arbitrage certificate of the Corporation.

(d) The Corporation will rebate all required arbitrage profits on Bond proceeds or other moneys treated as Bond proceeds, or pay penalty in lieu of rebate, as the case may be, to the United States government and will set aside such moneys in the Rebate Fund to be held by the Trustee in trust for such purpose.

(e) The Corporation will not take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code, nor will the Corporation act in any other manner which would adversely affect such exclusion.

(End of Article V)



## ARTICLE VI.

### Insurance

#### Section 6.01. Insurance During Construction.

(a) The Corporation covenants that during the renovation of the Facility, it will carry or will cause other persons to carry for its benefit the following kinds of insurance:

(1) Builder's risk insurance in the amount of one hundred percent (100%) of the insurable value of the Facility against physical loss or damage thereto, however caused, with such exceptions as are ordinarily required by insurers of buildings or facilities of a similar type. Such insurance shall be carried in completed value form.

(2) Bodily injury and property damage insurance naming the Corporation as an insured against claims for damages for bodily injury, including accidental death, as well as claims for property damages which may arise from such construction. Such insurance shall be carried for not less than the following limits of liability for the policies indicated:

(A) Combined bodily injury insurance, including accidental death, and property damage insurance in an amount not less than One Million Dollars (\$1,000,000) on account of one occurrence; or, in the alternative,

(B) Bodily injury insurance in an amount not less than One Million Dollars (\$1,000,000) for injuries, including accidental death, to any one (1) person, and in any amount not less than One Million Dollars (\$1,000,000) on account of one (1) accident; and

(C) Property damage insurance in an amount not less than Five Hundred Thousand Dollars (\$500,000) on account of any one (1) accident and in an amount not less than Five Hundred Thousand Dollars (\$500,000) in the aggregate during each policy period, each of which shall not be longer than one (1) year.

(b) The Corporation further covenants that all contracts for the renovation of the Facility will or do require the contractor to carry such insurance as will protect the contractor from liability under Indiana Worker's Compensation and Worker's Occupations Diseases Acts.

Section 6.02. Insurance After Completion. The Corporation covenants that by the Lease it has required the School Corporation to carry:

(a) Insurance on the Mortgaged Property against physical loss or damage thereto, however caused, with such exceptions as are ordinarily required by insurers of buildings or facilities of a similar type, which insurance shall be in an amount at least equal to the greater of (i) the option to purchase price set forth in the Lease, and (ii) one hundred five percent (105%) of the full replacement cost of the Mortgaged Property as certified by an architect or engineer in accord with the Lease; and



(b) Rent or rental value insurance in an amount equal to the full rental value of the Mortgaged Property for a period of two (2) years against physical loss or damage of the type insured against under Section 6.02(a) hereof.

**Section 6.03. Evidence of Insurance.** Such insurance policies shall be maintained in good and responsible insurance companies, and shall be countersigned by an agent of the insurer who is a resident of the State of Indiana. A copy of such policies, together with a certificate of the Insurance Commissioner certifying that the persons countersigning such policies are duly qualified in the State of Indiana as resident agents of the insurers on whose behalf they have signed, and the architect's or engineer's certificates referred to in Section 6.02(a) hereof, shall be deposited with the Trustee. Upon the request of the Trustee or the original purchaser of the Bonds issued hereunder, the Corporation shall furnish to the original purchaser of the Bonds issued hereunder a copy of each certificate deposited with the Trustee and, on or before April 1 of each year, the Corporation shall furnish to the Trustee and the original purchaser, whichever is applicable, a schedule of all such policies which were in force on the first day of such year. Such schedule shall contain the names of the insurers, the amounts of each policy, the character of the risk insured against, the expiration date of each policy, the premium paid thereon, and any other pertinent data.

**Section 6.04. Insurance by Trustee.** In case the Corporation at any time refuses, the Trustee may, in its discretion, procure such certificate or insurance, and all moneys paid by the Trustee for such certificate or insurance, together with interest thereon at the highest rate of interest on any of the Bonds when sold, whether or not then outstanding, shall be repaid by the Corporation upon demand, and shall constitute an additional indebtedness of the Corporation secured by the lien of this Indenture, prior and paramount to the lien hereunder of said Bonds and interest thereon. The Trustee, however, shall not be obligated to effect such insurance unless fully indemnified against the expense thereof and furnished with means therefor.

**Section 6.05. Beneficiary of Insurance.** The insurance policies required by Sections 6.01(a) and 6.02 hereof shall be for the benefit, as their interests shall appear, of the Trustee, the Corporation and other persons having an insurable interest in the insured property. Such policies shall clearly indicate that any proceeds under the policies relative to the Mortgaged Property shall be payable to the Trustee, and the Trustee is hereby authorized to demand, collect and receipt for and recover any and all insurance moneys which may become due and payable under any of said policies of insurance and to prosecute all necessary actions in the courts to recover any such insurance moneys. The Trustee may, however, accept any settlement or adjustment which the officers of the Corporation may deem it advisable to make with the insurance companies.

**Section 6.06. Repair, Replacement or Reconstruction of Property.** Subject to the terms of the Lease, the proceeds of such insurance (other than rental value insurance received by the Trustee which represents lease rental payments under the Lease) received by the Trustee shall be applied to the repair, replacement or reconstruction of the damaged or destroyed property. Such proceeds shall be held and disbursed by the Trustee in the manner and upon the showings provided for in Section 3.01 hereof, except that the Trustee may release such proceeds, or a part thereof, upon a showing satisfactory to the Trustee that repairs, replacements or reconstructions have been made and paid for.

**Section 6.07. Trustee's Repair, Replacement or Reconstruction of Property.** In the event the Corporation does not commence to repair, replace or reconstruct the Mortgaged Property so damaged or destroyed as contemplated by Section 6.06 hereof, within ninety (90) days after any such damage or destruction, or the Corporation, having commenced such work of repair, replacement or reconstruction, abandons or fails diligently to prosecute the same, the Trustee may, in its discretion, make or complete such repairs, replacements or reconstructions, and if it shall elect to do so, may enter upon said premises to any extent necessary for the accomplishment of such purposes, provided, nothing contained herein shall obligate the Trustee to make or complete any such repairs, replacements or reconstructions, and provided further, the Trustee may not make or complete such repairs, replacements or reconstructions if the School Corporation has instructed the Corporation not to undertake such work in accordance with Section 4 of the Lease.

**Section 6.08. Use of Insurance Proceeds upon Failure to Repair, Replace or Reconstruct Property.** In case the Corporation neglects, fails or refuses to proceed forthwith in good faith with the repair, replacement or reconstruction of the Mortgaged Property which has been so damaged or destroyed, and such negligence, failure or refusal continues for one hundred twenty (120) days, the Trustee, upon receipt of the insurance moneys, shall (unless the Trustee proceeds to make the repairs, replacements or reconstructions of the destroyed or damaged property as above provided) apply such proceeds in the following manner:

(a) If the proceeds are sufficient to redeem all of the then outstanding Bonds, the Trustee shall apply the proceeds to the redemption of such Bonds at any time, without premium or penalty, in the manner provided in Article IV of this Indenture and with the same force and effect as if such redemption had been made at the option of the Corporation.

(b) If the proceeds are not sufficient to redeem all of the then outstanding Bonds, the Trustee shall apply the proceeds to the partial redemption of outstanding Bonds at any time, without premium or penalty, in the manner provided by Section 7.11 hereof in the case of proceeds from the sale of the Mortgaged Property.

**Section 6.09. Redemption.** Notwithstanding the provisions of Section 6.06 hereof, if, at any time, the Mortgaged Property is totally or substantially destroyed and the amount of insurance money received on account thereof by the Trustee is sufficient to redeem all of the then outstanding Bonds hereunder and such Bonds are then subject to redemption, the Corporation, at the written request of the lessee of such property, shall direct the Trustee to use said moneys for the purpose of calling for redemption all of the Bonds issued and then outstanding under this Indenture at the then current redemption price.

**Section 6.10. Construction of New Building.** In the event of any reconstruction of any building constituting part of the Mortgaged Property after substantially total destruction thereof, a new building or buildings on the mortgaged premises may be constructed by the Corporation in accordance with plans and specifications which must be satisfactory to the Trustee and the lessee thereof, and such new building or buildings may be wholly different in design or construction or designed for a different municipal purpose, but in no event shall any actions taken pursuant to this Section 6.10 impair any of the obligations of the Corporation or the School Corporation under the Lease.

**Section 6.11. Evidence of Facts.** The Trustee may accept the statements, affidavits and certificates hereinabove in this Article VI provided to be filed with the Trustee, as evidence of the facts therein stated, but the Trustee (although under no obligation so to do) may, at the expense of the Corporation, require further or other evidence of such matters and may rely on the report or opinion of such architect, engineer other person, or counsel, as it may select for the purpose of making an investigation thereof.

**Section 6.12. Condemnation.** In the event all or part of the Mortgaged Property is taken by exercise of the power of eminent domain, the net proceeds of any condemnation award shall be deposited with the Trustee and disbursed in the same manner that insurance proceeds are disbursed pursuant to Sections 6.06 through 6.10 hereof.

(End of Article VI)



## ARTICLE VII.

### Remedies in Case of Default

Section 7.01. Event of Default. If any of the following events occurs, it is hereby defined as and is declared to be and to constitute an "event of default":

(a) Default in the payment on the due date of the interest on any Bonds hereby secured and outstanding;

(b) Default in the payment on the due date of the principal of or premium on any Bonds hereby secured, whether at the stated maturity thereof, or upon proceedings for the redemption thereof, or upon the maturity thereof by declaration as hereinafter provided;

(c) Default in the performance or observance of any other of the covenants or agreements of the Corporation in this Indenture or in the Bonds, and the continuance thereof for a period of sixty (60) days after written notice thereof to the Corporation by the Trustee;

(d) The Corporation: (1) admits in writing its inability to pay its debts generally as they become due; (2) files a petition in bankruptcy; (3) makes an assignment for the benefit of its creditors; or (4) consents to or fails to contest the appointment of a receiver or trustee for itself or of the whole or any substantial part of the Mortgaged Property;

(e) (1) The Corporation is adjudged insolvent by a court of competent jurisdiction; (2) the Corporation, on a petition in bankruptcy filed against the Corporation, is adjudged a bankrupt; or (3) an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Corporation, a receiver or trustee of the Corporation or of the whole or any substantial part of the Mortgaged Property, and any of the aforesaid adjudications, orders, judgments or decrees is not vacated, set aside or stayed within sixty (60) days from the date of entry thereof;

(f) Any judgment is recovered against the Corporation or any attachment or other court process issues that becomes or creates a lien upon any of its property, and such judgment, attachment or court process is not discharged or effectually secured within sixty (60) days;

(g) The Corporation files a petition under the provisions of the United States Bankruptcy Code, or files an answer seeking the relief provided in said Bankruptcy Code;

(h) A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against the Corporation under the provisions of said Bankruptcy Code, and such judgment, order or decree is not vacated, set aside or stayed within one hundred twenty (120) days from the date of the entry thereof;

(i) Under the provisions of any other law now or hereafter existing for the relief of aid of debtors, any court of competent jurisdiction assumes custody or control of the Corporation or of the whole or any substantial part of the Mortgaged Property, and such custody or control is not terminated within one hundred twenty (120) days from the date of assumption of such custody or control;

(j) Failure of the Corporation to bring suit to mandate the governing board or officials of the lessee to levy a tax to pay the rental provided in the Lease, or such other action to enforce the Lease as is reasonably requested by the Trustee, if such rental is more than sixty (60) days in default; or

(k) The lease rental provided for in the Lease is not paid when due.

Section 7.02. Acceleration of Bonds. In the case of the happening and continuance of any of the events of default specified in Section 7.01 hereof, then in any such case the Trustee, by notice in writing mailed to the Corporation, may, and upon written request of the registered owners of twenty-five percent (25%) in principal amount of the Bonds then outstanding hereunder shall, declare the principal of all Bonds hereby secured and then outstanding, and the interest accrued thereon, immediately due and payable, and upon such declaration such principal and interest shall become and be immediately due and payable; subject, however, to the right of the registered owners of a majority in principal amount of all such outstanding Bonds, by written notice to the Corporation and to the Trustee, to annul each declaration and destroy its effect at any time before any sale hereunder if, before any such sale, all agreements with respect to which default has been made are fully performed and all such defaults are cured, and all arrears of interest upon all Bonds outstanding hereunder and the reasonable expenses and charges of the Trustee, its agents and attorneys, and all other indebtedness secured hereby, except the principal of any Bonds not then due by their terms and interest accrued thereon since the then last interest payment date, are paid or the amount thereof is paid to the Trustee for the benefit of those entitled thereto.

Section 7.03. Default Rate of Interest. If default occurs with respect to the payment of principal or interest due hereunder, interest shall be payable on overdue principal at the rate of interest set forth in each Bond.

Section 7.04. Possession of Mortgaged Property. Upon the occurrence of one (1) or more events of default, the Corporation, upon demand of the Trustee, shall forthwith surrender to the Trustee the actual possession of, and it shall be lawful for the Trustee by such officer or agent as it may appoint with or without process of law to take possession of, all the Mortgaged Property and to hold, operate and manage the same, and from time to time to make all needed repairs and such extensions, additions or improvements as the Trustee deems wise; and to receive the rents, revenues, issues, earnings, income, profits and proceeds thereof and out of the same to pay all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Trustee, its agents and counsel, any charges of the Trustee hereunder, any taxes and assessments and other charges prior to the lien of this Indenture which the Trustee may deem it wise to pay, and all expenses in connection therewith; and to apply the remainder of the moneys so received by the Trustee, first, to the payment of the installments of interest which are due and unpaid in the order of their maturity, and next, if the principal of said Bonds is due, to the payment of the principal

thereof and the accrued interest thereon pro rata, without any preference or priority whatsoever except as aforesaid. Whenever all that is due upon such Bonds and installments of interest and under any of the terms of this Indenture have been paid, and all defaults made good, the Trustee shall surrender possession of the Mortgaged Property to the Corporation, its successors or assigns, but the same right of entry shall exist upon any subsequent default. The Trustee shall be under no obligation, however, to act under this Section 7.04 unless, in the exercise of its discretion, it is willing to do so.

**Section 7.05. Sale of Mortgaged Property.** Upon the occurrence of any one (1) or more events of default, the Trustee, by such officer or agent as it may appoint, with or without entry, may, if at the time such action shall be lawful, sell all the Mortgaged Property as an entirety, or in such parts or parcels as the registered owners of a majority in principal amount of the Bonds outstanding hereunder shall in writing request, or in the absence of such request as the Trustee may determine, at public auction at some convenient place in the county where the Mortgaged Property is located, or at such other place or places as may be required by law, after having first given notice of such sale by publication in at least one (1) daily newspaper of general circulation published in such county, at least once a week for four (4) weeks next preceding such sale, and any other notice which may be required by law. The Trustee may from time to time adjourn such sale in its discretion by announcement at the time and place fixed for such sale without further notice, and upon such sale the Trustee may make and deliver to the purchaser or purchasers good and sufficient deeds or other instruments of conveyance or transfer of the property sold.

**Section 7.06. Other Remedies.**

(a) In case of the happening and continuance of any of the events of default specified in Section 7.01 hereof, the Trustee may, and shall upon the written request of the registered owners of at least twenty-five percent (25%) in principal amount of the Bonds then outstanding hereunder and upon being indemnified to its reasonable satisfaction, proceed to protect and enforce its rights and the rights of the registered owners of the Bonds by suit or suits in equity or at law, in any court of competent jurisdiction, whether for specific performance of any covenant or agreement contained herein or in aid of any power herein granted, or for any foreclosure hereof or hereunder, or for the enforcement of any other appropriate legal or equitable remedy, including, but not limited to, immediately making or causing to be made demand upon the Treasurer of the State of Indiana pursuant to IND. CODE § 20-5-4-10, as amended.

(b) No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the registered owners 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 hereunder or now or hereafter existing at law or in equity or by statute.

(c) No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein; and every such right or power may be exercised from time to time and as often as may be deemed expedient.

**Section 7.07. Appointment of Receiver.** In case of an event of default hereunder and upon the filing of judicial proceedings to enforce the rights of the Trustee and of the registered owners hereunder, the Trustee shall be entitled to the appointment of a receiver of the Mortgaged Property and of the rents, revenues, issues, earnings, income and proceeds thereof pending such proceedings, with such powers as the court making such appointment shall confer, whether or not the Mortgaged Property shall be deemed sufficient ultimately to satisfy the indebtedness hereby secured.

**Section 7.08. Purchase of Mortgaged Property by Bondholders or Trustee.** Upon any sale made either under the power of sale hereby given, or under judgment or decree in any judicial proceedings for foreclosure, or otherwise for the enforcement of this Indenture, any registered owner or registered owners or the Trustee may bid for and purchase the Mortgaged Property or any part thereof, and upon compliance with the terms of sale, may hold, retain, possess and dispose of such property in his, their or its absolute right, without further accountability, and any purchaser at any such sale may, in paying the purchase money, turn in any of the Bonds or claims for interest or other indebtedness outstanding hereunder in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon. Said Bonds, in case the amount so payable thereon shall be less than the amount due thereon, shall be returned to the registered owners thereof after being appropriately stamped to show partial payment.

**Section 7.09. Discharge to Purchaser.** Upon any sale made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for the foreclosure or other enforcement of this Indenture, the receipt of the Trustee or of the officer making such sale shall be sufficient discharge to the purchaser or purchasers for the purchase money, and such purchase or purchasers shall not, after paying such purchase money and receiving such receipt, be obliged to see to the application of such purchase money.

**Section 7.10. Effect of Sale.** Any sale made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for foreclosure or other enforcement of this Indenture shall, to the extent then permitted by law, operate to divest all right, title and interest, either at law or in equity of the Corporation of, in and to the property so sold, and be a perpetual bar both at law and in equity against the Corporation, its successors and assigns, and all persons claiming from, through or under the Corporation.

**Section 7.11. Application of Proceeds from Sale.** The proceeds of any sale made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for the foreclosure or other enforcement of this Indenture, together with any other amounts of cash which may then be held by the Trustee as a part of the Mortgaged Property, shall be applied as follows:

- (a) To the payment of all costs and expenses of sale, and of all costs of the suit or suits wherein such sale may have been ordered, including all reasonable fees and expenses of the Trustee, and of any receiver or receivers appointed therein, together with reasonable attorneys' and agents' fees of the Trustee, and all costs of advertising and conveyance;

(b) To the payment of all other expenses of the trust hereby created, including all moneys paid or advanced by the Trustee, or the registered owners of any Bonds secured hereby, for taxes, tax deeds, assessments, abstracts, repairs, insurance, mechanic's and other liens on the Mortgaged Property, or otherwise, in connection with the management or administration of the trusts hereby created, with interest thereon at the highest rate of interest on any of the Bonds when sold, whether or not then outstanding, from the date or dates paid or advanced;

(c) To the payment of all the principal and accumulated and unpaid interest on the Bonds then outstanding in full, if said proceeds are sufficient, but if not sufficient, then to the payment thereof ratably without preference or priority of any one Bond over any other or of interest over principal, or of principal over interest, or of any installment of interest over any other installment of interest; and

(d) Any surplus thereof remaining, to the Corporation, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

**Section 7.12. Waiver of Valuation Laws.** In case of a default on its part, as aforesaid, to the extent that such rights may then lawfully be waived, neither the Corporation, nor anyone claiming through or under it, shall or will set up, claim or seek to take advantage of any appraisement, stay or valuation laws now or hereafter in force in any locality where any of the Mortgaged Property may be situated, in order to prevent or hinder the enforcement or foreclosure of this Indenture, or the absolute sale of the Mortgaged Property, or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser or purchasers thereat, but the Corporation, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may so do, the benefit of such laws and all rights of appraisement to which it may be entitled under the laws of the State of Indiana. The Corporation, for itself and all who may claim through or under it, hereby waives any and all rights to have the estates comprised in the security intended to be created hereby marshalled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may order the sale of the Mortgaged Property as an entirety or otherwise.

**Section 7.13. Enforcement of Rights.** All rights of action under this Indenture or under any of the Bonds, including the right to file and prove a claim in any receivership, insolvency, bankruptcy or other similar proceeds for the entire amount due and payable by the Corporation under this Indenture, may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto, and any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, and any recovery shall be for the equal benefit of the registered owners of the outstanding Bonds.

**Section 7.14. Limitation of Rights.** It is hereby declared and agreed, as a condition upon which each successive registered owner of all or any such Bonds receives and holds the same, that no registered owner or registered owners of any such Bond shall have the right to institute any proceeding at law or in equity for the foreclosure of this Indenture, or for the appointment of a receiver, or for any other remedy under this Indenture, without first giving notice in writing to the Trustee of the occurrence and continuance of an event of default, and unless the registered owners



of at least twenty-five percent (25%) in principal amount of the then outstanding Bonds shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and without also having offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred by the Trustee therein or thereby; and such notice, request and offer of indemnity may be required by the Trustee as conditions precedent to the execution of the powers and trusts of this Indenture or to the institution of any suit, action or proceeding at law or in equity for the foreclosure hereof, for the appointment of a receiver, or for any other remedy hereunder, or otherwise, in case of any such default as aforesaid; it being understood and intended that no one or more registered owners of the Bonds shall have any right in any manner whatsoever, to affect, disturb or prejudice the lien of this Indenture by such owner's or owners' 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 all registered owners of outstanding Bonds. Notwithstanding any other provisions of this Indenture, the right of any registered owner of any Bond to receive payment of the principal of and interest on such Bond on or after the respective due dates therein expressed, or to institute suit for the recovery of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such registered owner.

**Section 7.15. Use of Mortgaged Property.** At any time hereafter, before full payment of the Bonds secured hereby, and whenever it shall deem it to be expedient for the better protection or security of such Bonds (even though there shall then be no default existing), the Corporation, with the consent of the Trustee, may surrender and deliver to the Trustee full possession of the whole or any part of the Mortgaged Property for any period, fixed or indefinite. In such event the Trustee shall enter into and upon the premises so surrendered and delivered, and shall take and receive possession thereof for such period, fixed or indefinite, as aforesaid, without prejudice, however, to its rights, at any time subsequently when entitled thereto by any provision hereof, to insist upon and maintain such possession thereof beyond the expiration of such prescribed period, and the Trustee, from the time of its entry, shall maintain, use, manage, control and employ such property in accordance with the provisions of this Indenture, and shall receive and apply the income and revenues thereof as provided in Section 7.04 hereof.

**Section 7.16. Limitation of Liability.** No recourse under or upon any obligation, covenant or agreement contained in this Indenture or in any Bond hereby secured, or because of the creation of any indebtedness hereby secured, shall be had against any incorporator, member, stockholder, officer, director or employee, present or future, of the Corporation or of any successor corporation, either directly or through the Corporation, by the enforcement of any assessment or by any legal or equitable proceeding or by virtue of any statute or otherwise; it being expressly agreed and understood that this Indenture and the obligations hereby secured are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by such incorporators, members, stockholders, officers, directors or employees of the Corporation, or of any successor corporation, or any of them, because of the incurring of the indebtedness hereby authorized, or under or by reason of any of the obligations, covenants or agreements contained in this Indenture, or in any of the Bonds hereby secured, or implied therefrom; and that any and all personal liability of every name and nature, and any and all rights and claims against every such incorporator, member, officer, director or employee, whether arising at common law, or in equity, or created by statute or

constitution, are hereby expressly released and waived as a condition of, and as a part of the consideration for, the execution of this Indenture and the issuance of Bonds and interest obligations secured hereby.

(End of Article VII)



## ARTICLE VIII.

### Possession Until Default, Defeasance, Payment, Release

**Section 8.01. Possession of Mortgaged Property until Default.** Unless an event of default as in Article VII hereof defined shall have occurred, and unless such default shall have continued beyond the period of grace, if any, therein provided, the Corporation shall be suffered and permitted to remain in full possession, enjoyment and control of all of the Mortgaged Property, except money which is expressly required to be deposited or pledged with the Trustee or any Paying Agent hereunder, and shall be permitted to manage, operate and lease the same, and, subject always to the provisions hereof, to receive, receipt for, take, use and dispose of all income, revenues, rents, issues and profits thereof.

**Section 8.02. Preservation of Mortgaged Property.** While in possession of the Mortgaged Property and not in default hereunder, the Corporation shall have the right at all times, as proper management of the business of the Corporation may require, to alter, change, add to, repair or replace any of the property constituting a part of the Mortgaged Property, provided that the Corporation shall, and hereby covenants at all times to, maintain and preserve the value of the Mortgaged Property from substantial impairment or reduction so that the security of the Bonds issued hereunder shall not thereby be substantially impaired or reduced.

**Section 8.03. Release of Mortgaged Property.** The Trustee shall at all times have full power and authority, to be exercised in its own discretion and not otherwise, to release from the lien and operation of this Indenture, in such manner and subject to such conditions as the Trustee shall deem proper, such portion of the Mortgaged Property now owned, or which shall at any time be acquired or held for the use of the Corporation, as shall have become unfit or unnecessary for use, but any and all new or other property of the classes covered by this Indenture, which may be acquired in substitution for Mortgaged Property so released, shall by virtue and force hereof become and be, immediately upon the acquisition thereof, subject to the lien and operation of these presents, without any new conveyance or transfer or other act or proceeding whatsoever; and the proceeds from all such sales of Mortgaged Property which shall not be invested in other property subject to the lien of this Indenture, within ninety (90) days after the receipt thereof, shall be deposited in the Operation and Reserve Fund. Transactions under the provisions of this Section 8.03 shall be covered by such requests and reports in writing as the Trustee may require. All releases granted and consents given by the Trustee under this Section 8.03 shall be in writing, and copies of the same shall be retained by the Trustee and be open to inspection by registered owners of the Bonds secured hereby. A certified copy of the resolution adopted by the board of directors of the Corporation relative to the disposal of Mortgaged Property found to be unfit or unnecessary for use shall be conclusive in favor of the Trustee as to the truth of the matters therein recited.

### **Section 8.04. Defeasance.**

(a) If, when the Bonds or any portion thereof secured hereby shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call such Bonds for redemption shall have been given by the Corporation to the

Trustee, and the whole amount of the principal and the interest and premium, if any, so due and payable upon all of such Bonds then outstanding shall be paid or (1) sufficient money, or (2) Government Obligations which are noncallable by the issuer thereof, the principal of and the interest on which when due, without reinvestment, will provide sufficient money, or (3) a combination of sufficient money and such Governmental Obligations, shall be held by the Trustee (or any Paying Agent) for such purpose under the provisions of this Indenture, and provision shall also be made for paying all Trustee's and Paying Agents' fees and expenses and other sums payable hereunder by the Corporation, then and in that case such Bonds shall no longer be deemed to be outstanding under this Indenture, and in the event the foregoing shall apply to all Bonds secured hereby, the right, title and interest of the Trustee shall thereupon cease, determine and become void. Upon any such termination of the Trustee's title, on demand of the Corporation, the Trustee shall release this Indenture and shall execute such documents to evidence such release as may be reasonably required by the Corporation, and shall turn over to the Corporation or to such officer, board or body as may then be entitled by law to receive the same any surplus in the Sinking Fund created by Section 3.02 hereof and in the Operation and Reserve Fund created by Section 3.04 hereof and all balances remaining in any other funds or accounts other than moneys and obligations held for the redemption or payment of Bonds. In the event money and/or Government Obligations shall be deposited with and held by the Trustee (or any Paying Agent) as hereinabove provided, in addition to the requirements set forth in Article IV of this Indenture, the Trustee shall, within thirty (30) days after such money and/or obligations have been deposited, cause a notice signed by the Trustee to be published once in a newspaper or financial journal published in Indianapolis, Indiana, setting forth the date designated for the redemption of such Bonds, a description of the obligations so held by it and, in the event the redemption applies to all Bonds secured hereby, that this Indenture has been released in accordance with the provisions of this Section 8.04.

(b) If (1) sufficient money, or (2) Government Obligations which are noncallable by the issuer thereof, the principal of and interest on which when due, without reinvestment, will provide sufficient money, or (3) a combination of sufficient money and such Governmental Obligations, are held by the Trustee (or any Paying Agent) for the payment of the whole amount of the principal and the interest upon the Bonds under the provisions of this Indenture, and provision is made for paying all Trustee's and Paying Agents' fees and expenses related thereto and other sums payable hereunder by the Corporation, such Bonds shall not be deemed outstanding hereunder and the registered owners of the Bonds shall be entitled to payment of principal and interest from such funds and income of such obligations and not from the Sinking Fund or the Corporation. The Trustee shall, within thirty (30) days after such money and/or obligations have been deposited, cause a notice signed by the Trustee to be published once in a newspaper or financial journal published in Indianapolis, Indiana, setting forth a description of the obligations so held by it, a description of the Bonds payable from such deposited obligations and that the registered owners are entitled to be paid principal and interest from such funds and income of such securities held by Trustee and not from the Sinking Fund or the Corporation.

(c) All money and obligations held by the Trustee (or any Paying Agent) pursuant to this Section 8.04 shall be held irrevocably in trust and said money and the principal and interest of said obligations when received, shall be applied to the payment, when due, of the principal of and the interest and premium, if any, on the Bonds so called for redemption.

**Section 8.05. Effect of Defeasance.** Any Bond not presented at the proper time and place for payment shall, within the meaning of this Indenture, be deemed to be fully paid when due if the money necessary to discharge the principal amount thereof and all interest then accrued and unpaid thereon and any premium is held by the Trustee or any Paying Agent when or before the same become due. The registered owner of any such Bond shall not be entitled to any interest thereon after the maturity thereof nor to any interest upon money so held by the Trustee or any Paying Agent.

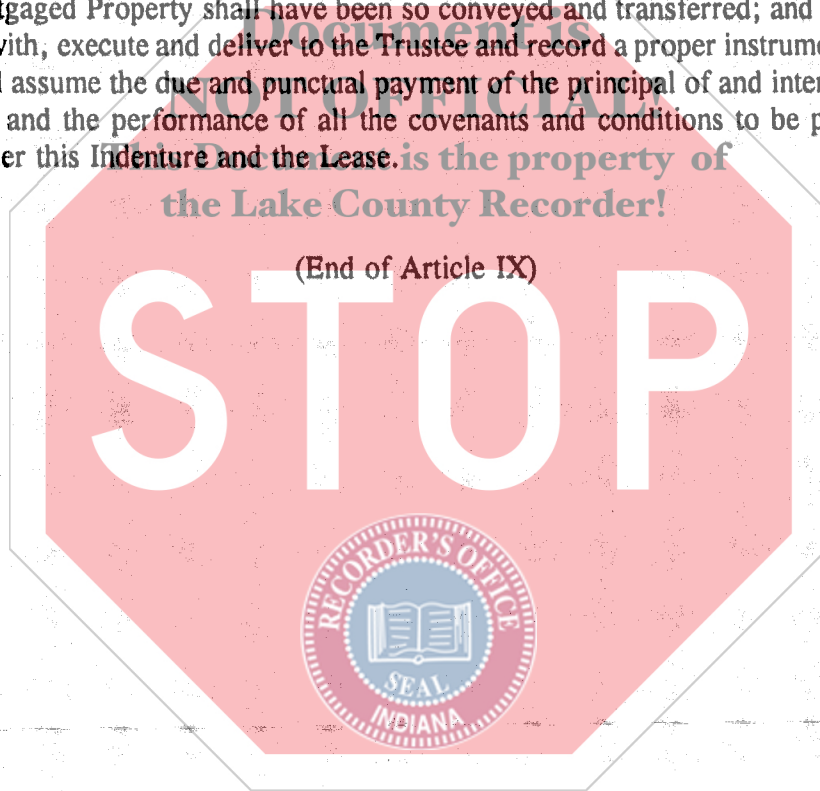
(End of Article VIII)



ARTICLE IX.

Merger, Consolidation or Sale

Nothing in this Indenture contained shall prevent any consolidation or merger of the Corporation with or into, or any conveyance or transfer subject to this Indenture of all the Mortgaged Property as an entirety to, any other corporation; provided, however, that such consolidation, merger, conveyance or transfer shall be upon such terms as in no respect impair the lien of this Indenture or any of the rights or powers of the Trustee or the registered owners hereunder; and provided, further, that upon any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal of and interest on all such Bonds, according to their tenor, and the due and punctual performance and observance of all the terms and covenants and conditions of this Indenture and of the Lease to be kept or performed by the Corporation shall be assumed by the corporation formed by such consolidation or into which such merger shall have been made, or to which such Mortgaged Property shall have been so conveyed and transferred; and such corporation shall also, forthwith, execute and deliver to the Trustee and record a proper instrument whereby such corporation shall assume the due and punctual payment of the principal of and interest on the Bonds secured hereby, and the performance of all the covenants and conditions to be performed by the Corporation under this Indenture and the Lease.



(End of Article IX)

ARTICLE X.

Concerning the Trustee

Section 10.01. Acceptance of Trust. The Trustee hereby accepts the trust of this Indenture and the duties of Paying Agent upon the following terms and conditions, to which the parties and the registered owners of the Bonds agree:

(a) After completion of renovation of the Facility, the Trustee shall annually prepare a financial report covering all funds of the Corporation held by the Trustee hereunder and shall furnish a copy to the Corporation and to the original purchaser of the 1996 Bonds.

(b) The Trustee shall be under no obligation to see to the filing or recording of this Indenture or any indenture supplemental hereto, and may authenticate and deliver the Bonds in accordance with the provisions hereof prior to the filing or recording of this Indenture.

(c) The Trustee shall be entitled to reasonable compensation for all services rendered in the execution of the trusts hereby created, and may employ agents, attorneys and counsel in the execution of such trusts; and the compensation of the Trustee, as well as the reasonable compensation of its attorneys and counsel and of such persons as it may employ in the administration or management of the trust hereunder, and all other reasonable expenses necessarily incurred or actually disbursed hereunder, the Corporation agrees to pay to the Trustee on demand. In the event of a default in the payment of principal or interest on the Bonds, the Trustee shall have in order to secure the payment of any and all such compensation and expenses, a lien on the Mortgaged Property and on all funds in the hands of the Trustee pledged hereunder superior in priority to the rights and claims of the registered owners of said Bonds, which claims and rights of the registered owners of said Bonds shall be subordinate to: (1) the right of the Trustee to receive payment of any and all such compensation and expenses and (2) such lien of the Trustee.

(d) The Trustee shall not be responsible in any manner for:

(1) The validity, execution, acknowledgment, filing or recording of this Indenture or any indenture supplemental hereto, or the refiling or recording thereof;

(2) Any recitals, covenants or agreements of the Corporation in the Bonds or herein contained, except to pay from the Operation and Reserve Fund expenses incurred by the Corporation to enable it to comply with its covenants contained herein;

(3) The amount, value or description of the Mortgaged Property, or the fixing or continuance thereof of the lien hereof;

(4) The default or misconduct of any agent or employee appointed by it, if such agent or employee has been selected with reasonable care, or for anything done by it in connection with this trust, except for its willful misconduct or gross negligence;

(5) The consequence of any act done in good faith;

(6) Any actions taken by the Trustee in accordance with the opinion of counsel; or

(7) The loss of any money caused by the insolvency, act, default or omission of any Paying Agent other than Trustee.

(e) The Trustee shall be under no obligation to keep advised or informed of, or to take notice or be deemed to have notice of, any event of default hereunder (other than nonpayment of principal, interest and premium on the Bonds), and unless and until the Trustee has received written notice to the contrary from the registered owners of at least five percent (5%) in principal amount of the Bonds then outstanding hereunder, the Trustee may, for all purposes of this Indenture, assume that none of the events hereinbefore defined as "events of default" (other than nonpayment of principal, interest and premium on the Bonds) has happened.

(f) The Trustee shall not be required to appear in or defend any suit which may be brought against it respecting the Mortgaged Property, or by reason of being Trustee hereunder, or to institute any suit or proceeding to enforce any covenant or remedy herein provided, or to take any action toward the execution or enforcement of the trusts hereby created, which, in the opinion of the Trustee, will be likely to involve the Trustee in expense or liability, or to foreclose this Indenture, unless the registered owners of the Bonds or some part thereof shall furnish the Trustee with reasonable security and indemnity against such expense or liability.

(g) The Trustee shall be fully protected in acting upon or in accordance with any notice or request, consent, certificate, demand, resolution or other instrument or document believed by the Trustee to be genuine and to have been signed, authorized, executed, certified or sealed by the proper person or persons; and the Trustee is authorized to accept the certificate of the secretary of the Corporation to any resolution of the board of directors or member of the Corporation as conclusive evidence that such resolution was duly and lawfully adopted and is binding upon the Corporation.

(h) The Trustee, or any officer or director of the Trustee, may acquire and hold Bonds issued hereunder or may engage in or be interested in any financial or other transaction in which the Corporation may be interested, and the Trustee may be depository, trustee, transfer agent, registrar or agent of the Corporation, or for any committee or other body in respect to the bonds, notes, debentures, obligations or securities of the Corporation, whether or not issued pursuant hereto.



(i) The Trustee may, in relation to any powers or duties imposed upon it by this Indenture, act upon the opinion or advice of an attorney, surveyor, engineer, accountant, or other consultant, whether retained by the Trustee or by the Corporation, and shall not be responsible for any loss resulting from any action or non-action in accordance with any such opinion or advice.

(j) The Trustee is relieved from filing any inventory, or qualifying under the jurisdiction of any court or otherwise complying with the provisions of Indiana Code 30-4-5, or with any laws amendatory thereof or supplemental thereto, and the provisions of said law are hereby waived.

Section 10.02. No Liability for Interest. The Trustee agrees to invest funds (subject to Section 5.14 hereof) from time to time held by it as Trustee under this Indenture, and apply the interest earned thereon as provided in Articles II and III hereof, but shall not be under any duty or obligation to pay interest on any funds held by it which cannot practicably be so invested either to the Corporation or to the registered owner of any Bond, or to any other person; any and all such liability for the payment of such interest being hereby expressly waived.

Section 10.03. Consolidation or Merger of Trustee. In the event that the Trustee, or any successor trustee, shall become legally consolidated or merge with another banking association or corporation, the banking association or corporation resulting from such consolidation or merger shall thereupon become and be the Trustee hereunder with the same titles, rights, powers, benefits, duties and limitations, without the execution or filing or recording of any instrument, and without any action on the part of the Corporation or the registered owners Bonds hereunder. A purchase of the assets and assumption of the liabilities of the Trustee by another banking association or corporation shall be deemed to be a consolidation or merger for the purposes of this section.

Section 10.04. Removal of Trustee or Paying Agent. The Trustee, or any successor trustee, or any Paying Agent may be removed at any time by an instrument or concurrent instruments in writing filed with the Trustee and signed by the registered owners of a majority in principal amount of the Bonds then outstanding hereunder, or by their attorneys-in-fact thereunto duly authorized, or signed by the Corporation if no event of default has occurred and is continuing unremedied or unwaived.

Section 10.05. Resignation of Trustee or Paying Agent. The Trustee, or any successor trustee, or any Paying Agent may resign the trust created by this Indenture upon first giving notice of such proposed resignation and specifying the date when such resignation shall take effect, which notice shall be given to the Corporation in writing at least twenty (20) days prior to the date when such resignation shall take effect on the day so designated in such notice, unless previously a successor trustee shall be appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor trustee.

Section 10.06. Appointment of Successor Trustee. In case at any time the Trustee becomes incapable of acting, resigns or is removed, a successor trustee may be appointed by the registered owners of at least a majority in principal amount of the Bonds hereby secured and then outstanding, by an instrument or instruments in writing signed by such registered owners or by their duly

constituted attorneys-in-fact; but until a new trustee is so appointed by the registered owners, the Corporation, by an instrument executed by order of its board of directors, may appoint a trustee to fill such vacancy until a new trustee shall be appointed by the registered owners as aforesaid, and when any such new trustee shall be appointed by the registered owners, any trustee theretofore appointed by the Corporation shall thereupon and thereby be superseded and retired. Each such successor trustee appointed by any of such methods shall be a bank or trust company authorized by law so to act, and having a capital and surplus of not less than Fifty Million Dollars (\$50,000,000).

Section 10.07. Vesting of Assets, Powers, Rights, Duties, Trusts and Obligations in Successor Trustee. Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Corporation, and to its predecessor, an instrument accepting such appointment; and thereupon, upon the execution and filing for record of the same in the public recording office where this Indenture shall have been recorded, such successor trustee, without any further act or instruments or deeds of conveyance, shall become vested with all of the assets, powers, rights, duties, trusts and obligations of its predecessor in trust hereunder with like effect as if originally named as trustee herein; but nevertheless, on the written request of the successor trustee, the trustee ceasing to act shall execute and deliver to such successor trustee all conveyances and instruments proper to evidence the vesting in the new trustee of the interest and title of the retiring trustee in the Mortgaged Property and in the trust hereby created, subject, however, to any lien which the retiring trustee may have pursuant to any provision hereof; and upon request in writing of any successor trustee, the Corporation covenants to make, execute, acknowledge and deliver any and all deeds, conveyances, assignments or instruments in writing for the more fully and certainly vesting in and confirming to such successor trustee all such assets, property, rights, powers and trust.

(End of Article X)



## ARTICLE XI.

### Supplemental Indentures

**Section 11.01. Supplemental Indentures Without Consent of Bondholders.** The Corporation and the Trustee, without notice to or consent of any Bondholders, may, from time to time and at any time, enter into such indentures supplemental hereto as is not inconsistent with the terms and provisions hereof (which supplemental indentures shall thereafter form a part hereof):

(a) To cure any ambiguity or formal defect or omission in this Indenture, or in any supplemental indenture, which does not adversely affect the rights of the registered owners;

(b) To grant to or confer upon the Trustee, for the benefit of the registered owners, any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the registered owners or the Trustee;

(c) To make any modification or amendment of the Indenture which the Trustee, in its sole discretion, determines will not have a material adverse effect on the interest of the Bondholders;

(d) To modify, amend, or supplement this Indenture or any supplemental indenture in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to this Indenture or any supplemental indenture such other terms, conditions and provisions as may be permitted by the Trust Indenture Act of 1939 or similar federal statute which the Trustee in its sole discretion determines will not have a material adverse effect on the interest of the owners of the Bonds;

(e) To evidence the appointment of a separate or co-trustee or the secession of a new Trustee hereunder or the secession of a new Registrar or Paying Agent;

(f) To provide for the issuance of Additional Bonds as provided in Section 2.07 hereof; or

(g) To amend the Indenture to permit the Corporation to comply with any covenants contained in any supplemental indenture with respect to compliance with future federal tax law.

**Section 11.02. Supplemental Indenture With Consent of Two-thirds of Bondholders.**

(a) Subject to the terms and provisions contained in this Section, and not otherwise, the registered owners of not less than sixty-six and two-thirds percent (66-2/3%) 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 Corporation and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Corporation 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 herein contained shall permit or be construed as permitting, without the consent of the holders of all Bonds then outstanding:

- (1) an extension of the maturity of the principal of or interest on any Bond issued hereunder; or
- (2) a reduction in the principal amount of any Bond or the rate of interest or the applicable redemption premium, if any, thereon; or
- (3) the creation of a lien upon the Mortgaged Property ranking prior to or on a parity with the lien created by this Indenture; or
- (4) a preference or priority of any Bond or Bonds over any other Bond or Bonds; or
- (5) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture.

Nothing herein contained, however, shall be construed as making necessary the approval by the registered owners of the execution of any supplemental indenture or indentures as authorized in Section 11.01 hereof.

(b) If at any time the Corporation requests the Trustee to enter into any supplemental indenture for any of the purposes of this Section, the Trustee shall, at the expense of the Corporation, give notice by mail, postage prepaid, to all registered owners of Bonds. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that a copy thereof is on file at the office of the Trustee for inspection by all registered owners. The Trustee shall not, however, be subject to any liability to any registered owner by reason of its failure to mail the notice required by this Section 11.02(b), and any such failure shall not affect the validity of such supplemental indenture when consented to and approved as provided in this Section 11.02.

(c) Whenever, at any time within one (1) year after mailing of such notice, the Corporation delivers to the Trustee an instrument or instruments purporting to be executed by the registered owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds then outstanding, which instrument or instruments refers to the proposed supplemental indenture described in such notice and specifically consents to and approves the execution thereof in substantially the form of the copy thereof referred to in such notice as on file with the Trustee, thereupon, but not otherwise, the Trustee may execute such supplemental indenture in substantially such form, without liability or responsibility to any registered owner of any Bond, whether or not such registered owner has consented thereto.

(d) If the registered owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds outstanding at the time of the execution of such supplemental indenture have consented to and approved the execution thereof as herein provided, no registered owner of any Bond shall have any right to object to the execution of such supplemental indenture or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Corporation from executing the same, or from taking any action pursuant to the provisions thereof.

(e) Upon the execution of any supplemental indenture pursuant to the provisions of this Section 11.02, the Indenture shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Corporation, the Trustee and all registered owners of Bonds then outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Section 11.03. Effect of Supplemental Indenture. The Trustee is authorized to join with the Corporation in the execution of any such supplemental indenture and to make the further agreements and stipulations which may be contained therein. Any supplemental indenture executed in accordance with the provisions of this Article XI shall thereafter form a part of this Indenture, and all the terms and conditions contained in any such supplemental indenture as to any provision authorized to be contained therein shall be, and shall be deemed to be, part of the terms and conditions of this Indenture for any and all purposes.

Section 11.04. Opinion of Counsel. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it who may be counsel for the Corporation, as conclusive evidence that any such proposed supplemental indenture complies with the provisions of this Indenture, and that it is proper for the Trustee, under the provisions of this Article XI, to join in the execution of such supplemental indenture.

Section 11.05. Supplemental Indenture With Unanimous Consent of Bondholders. Notwithstanding anything contained in the foregoing provisions of this Indenture, the rights and obligations of the Corporation and of the registered owners of the Bonds, and the terms and provisions of the Bonds and this Indenture, or any supplemental indenture, may be modified or altered in any respect with the consent of the Corporation and the consent of the registered owners of all the Bonds then outstanding.

(End of Article XI)

## ARTICLE XII.

### Miscellaneous Provisions

**Section 12.01. Successor Paying Agent.** Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets or business of such Paying Agent may be sold, shall be deemed a successor of such Paying Agent for the purposes of this Indenture. If the position of any Paying Agent becomes vacant for any reason, the Corporation may, within thirty (30) days thereafter, appoint another bank or trust company as Paying Agent to fill such vacancy; provided, however, if the Corporation fails to make such appointment the Trustee may do so.

### Section 12.02. Notices.

(a) Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee on the Corporation shall be deemed to have been sufficiently given or served for all purposes, by being deposited, postage prepaid, in a United States Post Office letter box, addressed (until another address is filed in writing by the Corporation with the Trustee for that purpose) as follows:

Munster School Building Corporation  
8616 Columbia Avenue  
Munster, Indiana 46321-2597  
Attention: President

(b) Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Corporation on the Trustee shall be deemed to have been sufficiently given or served for all purposes, by being deposited, postage prepaid, in a United States Post Office letter box, addressed (until another address is filed in writing by the Trustee with the Corporation for that purpose) as follows:

Calumet National Bank  
5231 Hohman Avenue  
Hammond, Indiana 46320  
Attention: Corporate Trust Department

**Section 12.03. 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 12.04. 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.

(End of Article XII)

IN WITNESS WHEREOF, MUNSTER SCHOOL BUILDING CORPORATION has caused its corporate name to be hereunto subscribed by its president or vice president and attested by its secretary, and CALUMET NATIONAL BANK, as Trustee, has likewise caused these presents to be executed in said Trustee's name and behalf by its Vice President & Trust Off., and attested by its Vice Pres., in token of its acceptance of said trust, as of the day and year first hereinabove written.

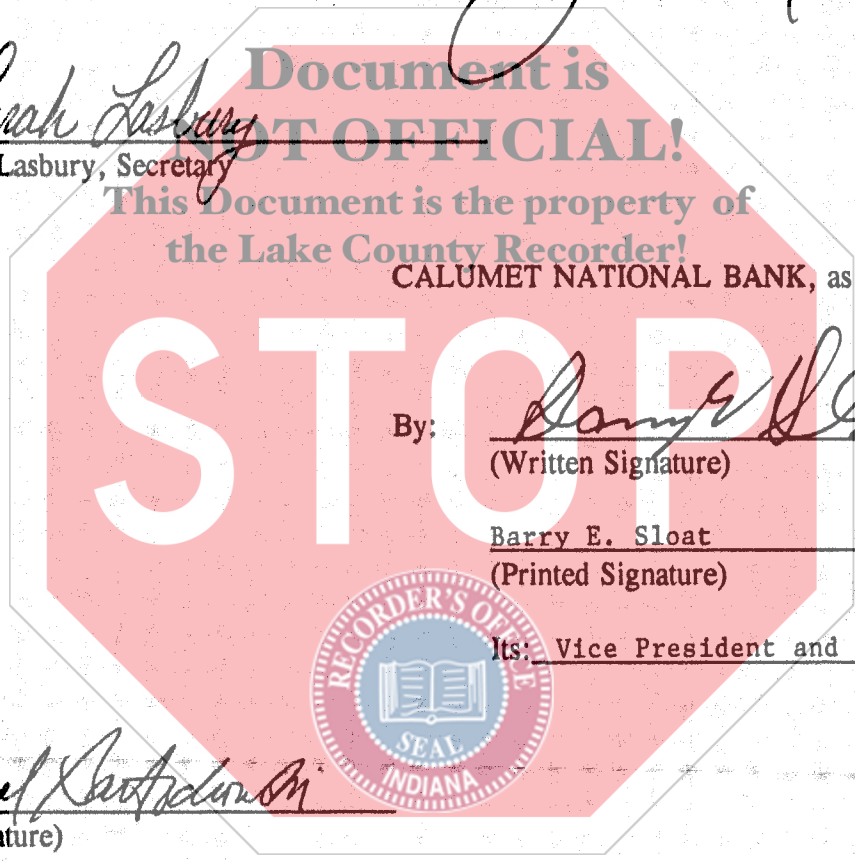
MUNSTER SCHOOL BUILDING CORPORATION

By:   
John E. Friend, President

Attest:

By:   
Sarah Lasbury, Secretary

Sarah Lasbury, Secretary



By:   
(Written Signature)

Barry E. Sloat  
(Printed Signature)

(Seal)

Its: Vice President and Trust Officer

Attest:

  
(Written Signature)

Michael Bartochowski  
(Printed Signature)

Its: Vice President and Investment Officer

STATE OF INDIANA )  
COUNTY OF Lake ) SS:

Before me, the undersigned, a Notary Public in and for said County and State, this 11<sup>th</sup> day of April 1996, personally appeared John E. Friend and Sarah Lasbury, personally known to me to be the president and secretary, respectively, of Munster School Building Corporation, and acknowledged the execution of the foregoing Indenture for and on behalf of said Corporation.

WITNESS my hand and notarial seal.



Kay M. Byer  
(Written Signature)

KAY M. BYER  
(Printed Signature)

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

My Commission expires:

July 17, 1999

My county of residence is:

Lake

STATE OF INDIANA )  
COUNTY OF Lake ) SS:

Before me, the undersigned, a Notary Public in and for said County and State, this 11<sup>th</sup> day of April, 1996, personally appeared Barry E. Sloat, and Michael Bartochowski, personally known to me to be the Vice Pres. & Trust Off. and Vice Pres. & Inv. Officer, respectively, of Calumet National Bank, and acknowledged the execution of the foregoing Indenture for and on behalf of said Trustee.

WITNESS my hand and notarial seal.



Roberta L. Martinez  
(Written Signature)

Roberta L. Martinez  
(Printed Signature)  
Notary Public

My Commission expires:

5/19/97

My county of residence is:

Lake



**EXHIBIT A**

**ATTACHED TO AND MADE A PART OF THE TRUST INDENTURE EXECUTED BY  
MUNSTER SCHOOL BUILDING CORPORATION  
AND  
CALUMET NATIONAL BANK, TRUSTEE**

**DATED AS OF MARCH 15, 1996**

**MUNSTER HIGH SCHOOL - PARCEL 8:**

**A PART OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 19,  
TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN  
THE TOWN OF MUNSTER, LAKE COUNTY, INDIANA DESCRIBED AS FOLLOWS:  
COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 19; THENCE NORTH 88  
DEGREES 43 MINUTES 07 SECONDS EAST, ALONG THE SOUTH LINE OF SAID  
SECTION 19, 953.25 FEET TO A POINT, SAID POINT BEING 128.04 FEET WEST  
OF THE NORTH AND SOUTH CENTERLINE OF THE SOUTHWEST QUARTER OF SAID  
SECTION 19; THENCE NORTH 0 DEGREES 56 MINUTES 16 SECONDS EAST ALONG  
AFORESAID NORTH AND SOUTH LINE, 496.83 FEET; THENCE EAST PARALLEL TO  
THE SOUTH LINE OF SAID SECTION 19, 184.42 FEET; THENCE 90 DEGREES 00  
MINUTES 00 SECONDS NORTH, 363.17 FEET; THENCE 90 DEGREES 00 MINUTES 00  
SECONDS EAST, 121.50 FEET; THENCE 90 DEGREES 00 MINUTES 00 SECONDS  
NORTH 131.25 FEET; THENCE 90 DEGREES 00 MINUTES 00 SECONDS EAST,  
297.25 FEET; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS NORTH,  
125.07 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 169.0  
FEET; THENCE 90 DEGREES 00 MINUTES 00 SECONDS EAST, 25 FEET; THENCE 90  
DEGREES 00 MINUTES 00 SECONDS SOUTH, 169.0 FEET; THENCE 90 DEGREES 00  
MINUTES 00 SECONDS WEST, 25 FEET TO THE POINT OF BEGINNING.**

**LEGAL DESCRIPTION PARCEL 11:**

**A PART OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 19,  
TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN**

THE TOWN OF MUNSTER, LAKE COUNTY, INDIANA DESCRIBED AS FOLLOWS:  
COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 19; THENCE NORTH 88 DEGREES 43 MINUTES 07 SECONDS EAST, ALONG THE SOUTH LINE OF SAID SECTION 19, 953.25 FEET TO A POINT, SAID POINT BEING 128.04 FEET WEST OF THE NORTH AND SOUTH CENTERLINE OF THE SOUTHWEST QUARTER OF SAID SECTION 19; THENCE NORTH 0 DEGREES 56 MINUTES 16 SECONDS EAST ALONG AFORESAID NORTH AND SOUTH LIEN, 757.0 FEET; THENCE EAST 757.0 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID SECTION 19, 69.40 FEET TO THE POINT OF BEGINNING; THENCE NORTH ALONG AN EXTERIOR MASONRY WALL 145.31 FEET TO A POINT OF NON-TANGENCY OF A CIRCULAR CURVED EXTERIOR WALL; THENCE NORTHERLY AND NORTHEASTERLY ALONG THE EXTERIOR LINE OF A CURVED WALL AN ARC LENGTH OF 473.80 FEET TO A POINT OF NON-TANGENCY OF A CIRCULAR CURVED WALL; THENCE NORTHEASTERLY ALONG AN EXTERIOR WALL 7.64 FEET; THENCE EAST ALONG AN EXTERIOR WALL 15.50 FEET; THENCE NORTH ALONG AN EXTERIOR WALL 46.0 FEET; THENCE EAST ALONG AN EXTERIOR WALL 15.47 FEET; THENCE NORTH ALONG AN EXTERIOR WALL 17.00 FEET; THENCE WEST ALONG AN EXTERIOR WALL 21.00 FEET; THENCE SOUTHWESTERLY ALONG A LINE 5.00 FEET; THENCE NORTH ALONG A LINE 85.00 FEET; THENCE EAST ALONG AN EXTERIOR WALL LINE 337.50 FEET; THENCE SOUTH ALONG AN EXTERIOR WALL LINE 169.00 FEET; THENCE CONTINUING SOUTH ALONG AFORESAID LINE PROJECTED SOUTH 125.07 FEET; THENCE WEST ALONG A LINE 282.42 FEET TO A POINT ON AN EXTERIOR CURVED WALL; THENCE SOUTHWESTERLY ALONG AN EXTERIOR CURVED WALL LINE HAVING A RADIUS OF 145.00 FEET AND AN ARC LENGTH OF 188.08 FEET TO A POINT OF NON-TANGENCY INTERSECTING WITH AN EXTERIOR WALL; THENCE SOUTH ALONG AN EXTERIOR WALL 232.98 FEET; THENCE EAST ALONG AN EXTERIOR WALL 31.52 FEET; THENCE NORTH ALONG AN EXTERIOR WALL

46.59 FEET; THENCE EAST ALONG AN EXTERIOR WALL LINE 313.49 FEET; THENCE SOUTH ALONG AN EXTERIOR WALL LINE 89.55 FEET; THENCE WEST ALONG AN EXTERIOR WALL LINE 100.50 FEET; THENCE SOUTH ALONG AN EXTERIOR WALL LINE 241.27 FEET; THENCE WEST ALONG AN EXTERIOR WALL LINE 75.55 FEET; THENCE NORTH ALONG AN EXTERIOR WALL LINE 222.66 FEET; THENCE WEST ALONG AN EXTERIOR WALL LINE 89.34 FEET; THENCE SOUTH ALONG AN EXTERIOR WALL LINE 24.34 FEET; THENCE EAST ALONG AN EXTERIOR WALL LINE 20.03 FEET; THENCE SOUTH ALONG AN EXTERIOR WALL LINE 97.68 FEET; THENCE SOUTHEASTERLY ALONG AN EXTERIOR WALL LINE 12.35 FEET; THENCE NORTHEASTERLY ALONG AN EXTERIOR WALL LINE 24.57 FEET TO A POINT OF NON-TANGENCY OF A CURVED EXTERIOR WALL; THENCE SOUTHERLY ALONG AN EXTERIOR CURVED WALL LINE 99.45 FEET TO A POINT OF NON-TANGENCY; THENCE SOUTHEASTERLY ALONG AN EXTERIOR WALL LINE 18.78 FEET; THENCE WESTERLY ALONG AN EXTERIOR CIRCULAR CURVED WALL HAVING AN ARC LENGTH OF 159.10 FEET; THENCE NORTHEASTERLY ALONG AN EXTERIOR WALL LINE 28.81 FEET; THENCE NORTHERLY ALONG AN EXTERIOR CURVED WALL LINE HAVING AN ARC LENGTH OF 97.47 FEET; THENCE SOUTHEASTERLY ALONG AN EXTERIOR WALL LINE 23.85 FEET; THENCE NORTHEASTERLY ALONG AN EXTERIOR WALL LINE 7.08 FEET; THENCE NORTHWESTERLY ALONG AN EXTERIOR WALL LINE 3.05 FEET; THENCE NORTH ALONG AN EXTERIOR WALL LINE 152.04 FEET; THENCE WEST ALONG AN EXTERIOR WALL LINE 27.27 FEET; THENCE SOUTH ALONG AN EXTERIOR WALL LINE 42.90 FEET; THENCE SOUTHEASTERLY ALONG AN EXTERIOR WALL LINE 60.11 FEET; THENCE SOUTHWESTERLY ALONG AN EXTERIOR WALL LINE 1.50 FEET; THENCE NORTHWESTERLY ALONG AN EXTERIOR WALL LINE 8.28 FEET; THENCE SOUTHWESTERLY ALONG AN EXTERIOR WALL LINE 22.84 FEET; THENCE SOUTH ALONG AN EXTERIOR WALL LINE 24.20 FEET; THENCE WEST ALONG AN EXTERIOR WALL LINE 149.00 FEET;

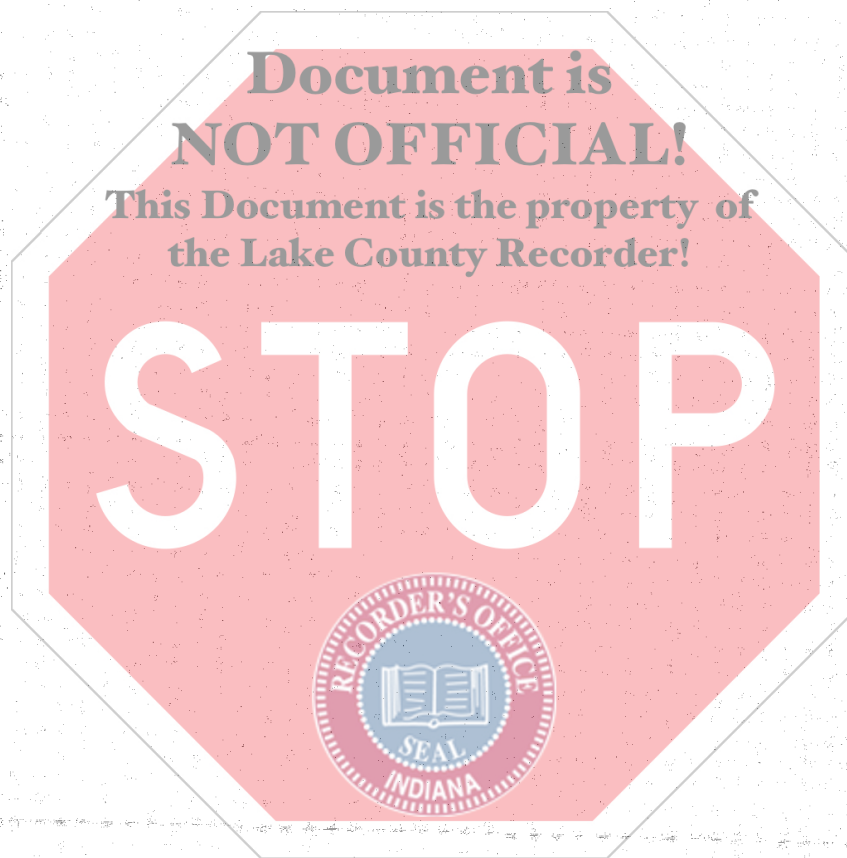
THENCE NORTH ALONG AN EXTERIOR WALL LINE 122.47 FEET; THENCE EAST ALONG AN EXTERIOR WALL LINE 43.40 FEET; THENCE NORTH ALONG AN EXTERIOR WALL LINE 141.92 FEET TO THE POINT OF BEGINNING, EXCEPTING THEREFROM THAT PART DESCRIBED AS PARCEL 6 IN THE PLAT OF LEGAL DESCRIPTION OF MUNSTER HIGH SCHOOL, RECORDED IN PLAT BOOK 50, PAGE 86, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

LEGAL DESCRIPTION PARCEL 12 MECHANICAL BUILDING)

A PART OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN THE TOWN OF MUNSTER, LAKE COUNTY, INDIANA DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 19; THENCE NORTH 88 DEGREES 43 MINUTES 07 SECONDS EAST, ALONG THE SOUTH LINE OF SAID SECTION 19, 953.25 FEET TO A POINT, SAID POINT BEING 128.04 FEET WEST OF THE NORTH AND SOUTH CENTERLINE OF THE SOUTHWEST QUARTER OF SAID SECTION 19; THENCE NORTH 0 DEGREES 56 MINUTES 16 SECONDS EAST ALONG AFORESAID NORTH AND SOUTH LINE, 757.0 FEET; THENCE EAST 757.0 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID SECTION 19, 643.25 FEET; THENCE SOUTH 01 DEGREE 02 MINUTES 20 SECONDS WEST, 49.00 FEET TO THE NORTHEAST CORNER OF AN EXISTING MASONRY BUILDING, BEING THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 01 DEGREE 02 MINUTES 20 SECONDS WEST ALONG AN EXISTING EXTERIOR WALL LINE 76.15 FEET; THENCE NORTH 88 DEGREES 57 MINUTES 40 SECONDS WEST ALONG AN EXTERIOR WALL LINE OF A BUILDING 72.53 FEET; THENCE NORTH 01 DEGREES 02 MINUTES 20 SECONDS EAST ALONG AN EXTERIOR WALL LINE OF A BUILDING 38.05 FEET; THENCE SOUTH 88 DEGREES 57 MINUTES 40 SECONDS EAST ALONG AN EXTERIOR WALL LINE 24.05 FEET; THENCE NORTH 01 DEGREES 02 MINUTES 20 SECONDS EAST ALONG AN EXTERIOR WALL

LINE OF A BUILDING 38.00 FEET; THENCE SOUTH 88 DEGREES 57 MINUTES 40  
SECONDS EAST ALONG AN EXTERIOR WALL LINE OF A BUILDING 48.48 FEET TO THE  
POINT OF BEGINNING.



THIS INSTRUMENT PREPARED BY:  
JEFFERY J. QUALKINBUSH, ESQ.  
BARNES & THORNBURG  
11 SOUTH MERIDIAN ST., SUITE 1313  
INDIANAPOLIS, INDIANA 46204