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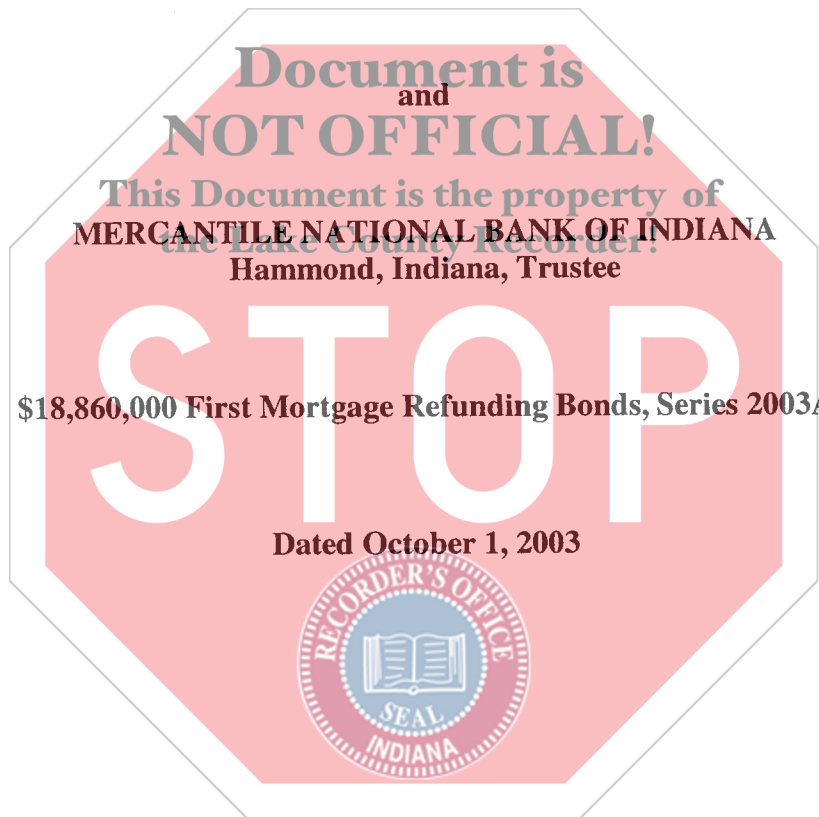
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FIRST SUPPLEMENTAL TRUST INDENTURE

Between

LAKE CENTRAL MULTI-DISTRICT SCHOOL BUILDING CORPORATION



INDY 1195449v2

Singleton, Crist, Austgen & Sears
Ste 900
9245 Calumet Ave, Munster, IN 46321 ←

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FIRST SUPPLEMENTAL TRUST INDENTURE

THIS FIRST SUPPLEMENTAL TRUST INDENTURE, executed and dated as of the first day of October, 2003 (the "First Supplemental Indenture"), supplementing the Trust Indenture dated as of January 1, 1994 (the "Original Indenture"), by and between Lake Central Multi-District School Building Corporation, a corporation organized and existing under the laws of the State of Indiana (hereinafter called the "Corporation"), and Mercantile National Bank of Indiana, a banking and financial institution incorporated under the laws of the United States of America having its principal corporate trust office in the City of Hammond, Indiana (hereinafter called the "Trustee") (the Original Indenture as supplemented by the First Supplemental Indenture and as further supplemented and amended from time to time is referred to as the "Indenture").

WITNESSETH:

WHEREAS, the Original Indenture was recorded on January 25, 1994, in the Recorder's Office of Lake County as Document Number 94-006129; and

WHEREAS, pursuant to the Original Indenture the Corporation has authorized, sold and delivered \$23,355,000 in the aggregate principal amount of Lake Central Multi-District School Building Corporation First Mortgage Refunding Bonds, Series 1994 (the "1994 Bonds"), \$17,415,000 of which are now outstanding; and

WHEREAS, the 1994 Bonds were issued to refinance the Corporation's First Mortgage Bonds, Series 1992 (the "1992 Bonds"), in order to effect a savings. The 1992 Bonds were issued to provide for the renovation and expansion at certain school facilities as identified in the Lease by the Corporation to the Lake Central School Corporation (the "School Corporation"), dated as of March 16, 1992, as amended by a First Amendment to Lease, dated as of October 10, 1992, a Second Amendment to Lease dated as of January 1, 1994, and a Third Amendment to Lease dated as of October 1, 2003 (as amended, the "Lease"); and

WHEREAS, the Original Indenture provides in Section 2.07 thereof that the Corporation may issue Additional Bonds (as defined in the Original Indenture) to finance a refunding of all or a portion of the 1994 Bonds, which Additional Bonds are to be secured under the Indenture provided that the Additional Bonds are limited to amounts which can be repaid, along with all other Bonds outstanding under the Indenture, from lease rentals paid by the School Corporation pursuant to the Lease; and

WHEREAS, the Corporation has, by due corporate action, determined to borrow the sum of \$18,860,000 in principal amount and to execute and issue therefor its First Mortgage Refunding Bonds, Series 2003A (the "Series 2003A Bonds"); and

WHEREAS, the Series 2003A Bonds shall be issued in the form and terms as hereinafter provided for the purpose of providing for the funding of a 2003A Construction Account and for the payment of (i) the principal amount of the 1994 Bonds maturing on January 15, 2004 through and including January 5, 2018 (the "Refunded Bonds"), (ii) the interest payable on the Refunded Bonds through and including January 5, 2004, (iii) the redemption premium which will be

payable on the Refunded Bonds on January 5, 2004, and (iv) costs of refunding and thereby procuring the partial release and discharge of the Original Indenture, as to the Refunded Bonds, all as provided by Section 8.04 of the Original Indenture; and

WHEREAS, all acts, proceedings and things necessary and required by law and by the bylaws of the Corporation to make the Series 2003A Bonds, when executed by the Corporation and authenticated by the Registrar, the valid, binding and legal obligations of the Corporation and to constitute and make the Indenture a valid and effective deed of trust, have been done, taken and performed, and the issuance, execution and delivery of the Series 2003A Bonds, and the execution, acknowledgment and delivery of this First Supplemental Indenture have, in all respects, been duly authorized by the Corporation in the manner provided and required by law; now therefore,

The Corporation, in consideration of the premises covered by the Lease, the purchase of such bonds, and other good and lawful consideration, the receipt and sufficiency of which are hereby acknowledged, and to secure the punctual payment of the principal and interest of the 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 by the Corporation of all the covenants and agreements contained in said bonds and in the Original Indenture and any supplemental Indenture thereto including this First Supplemental Indenture, by these presents does grant, bargain, sell, transfer, assign, demise, release, convey, mortgage, pledge, set over and confirm unto the Trustee, and its successors and assigns, the following properties and also does hereby grant to the Trustee and its successors and assigns a security interest in the following personal property:

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

All buildings, structures, additions, improvements and fixtures now or hereafter located on the Real Estate, including all right, title and interest of the Corporation in and to all building materials and supplies and plants of every kind and nature whatsoever on said premises or in any building now or hereinafter located thereon, together with all rights in and to land lying in streets, alleys and roads adjoining the Real Estate and all water rights, mineral rights, ditch rights, easements, rights of way, the reversion or reversions, remainder or remainders in and to the Real Estate, and all tenements, hereditaments, appurtenances, rights, privileges and immunities thereunto belonging or appertaining whether now owned or hereafter acquired, however evidenced, used or enjoyed with the Real Estate;

All rights, interests and privileges of the Corporation in and to the premises covered by the Lease including, but not limited to, all leases with respect to and rents, revenues and income derived by the Corporation from the premises covered by the Lease;

Any and all claims made or insurance proceeds paid for the damage of or destruction to all or any part of the premises covered by the Lease under the policies of insurance required by Section 6 of the Original Indenture, and any and all awards or compensation made by any governmental or other lawful authority for the taking or damaging by eminent domain of the whole or any part of the premises covered by the Lease, including any awards for a temporary taking, change of grade of streets, or taking of access;

All monies, securities and other property held from time to time by the Trustee under the Indenture, including, without limitation, all monies and securities held in the funds and accounts established under the Indenture, except the Rebate Fund established pursuant to Section 3.04 of the Original Indenture; and

All proceeds from, products of, additions and improvements to, substitutions for, and replacements and accessions of any and all property, real or personal, described above and all right, title and interest hereinafter acquired in or to any of the property, real or personal, described above.

All bonds issued and secured hereunder are to be issued, authenticated and delivered, and all property mortgaged and pledged by the Indenture as set forth in Exhibit A attached hereto 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 owners, from time to time, of the said bonds or any part thereof, as follows, that is to say:

the Lake County Recorder!

(End of preamble)

STOP



Section 1. In this First Supplemental Indenture, words and terms defined in the Original Indenture shall have the meaning therein prescribed unless the context otherwise indicates. Any words or terms used in the Original Indenture for which a different definition is provided herein shall have the meanings herein prescribed unless the context otherwise indicates.

(a) The term "Bond Insurance Policy" shall mean, with regard to the Series 2003A Bonds, the municipal bond insurance policy issued by the Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds.

(b) The term "Bond Insurer" shall mean, with regard to the Series 2003A Bonds, Financial Security Assurance Inc., a New York stock insurance company, or any successor thereto.

(c) The term "Book Entry System" shall mean the book entry system established and operated pursuant to Section 12 hereof.

(d) The term "Lease" shall mean the lease by the Corporation to the Lessee, dated March 16, 1992, as amended by an Amendment to Lease, dated as of October 10, 1992, a Second Amendment to Lease dated as of January 1, 1994, and a Third Amendment to Lease dated as of October 1, 2003.

(e) The term "Lessor Representative" shall mean the person appointed as such by resolution of the Board of Directors of the Corporation.

(f) The term "Original Purchasers", with respect to the Series 2003A Bonds shall mean, City Securities Corporation.

(g) The term "Qualified Investments" shall mean (i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, (iv) evidence of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated, (v) deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million, or (vi) money market funds rated "AAm" or "AAm-G" by Standard and Poor's Ratings Group, or better.

(h) The term "Refunded Bonds" shall mean the Corporation's First Mortgage Refunding Bonds, Series 1994 which mature on January 5, 2004 through and including January 5, 2018.

(i) The term "Series 2003A Bonds" shall mean the Corporation's First Mortgage Refunding Bonds, Series 2003A.

(j) The term "Series 2003A Term Bonds" shall mean the Series 2003A Bonds maturing on July 10 in the years 2013, 2014, 2015, 2016 and 2017.

Section 2. The principal amount of Series 2003A Bonds which may be issued and outstanding under this Indenture shall be Eighteen Million Eight Hundred Sixty Thousand Dollars (\$18,860,000).

The Series 2003A Bonds shall be originally dated October 8, 2003, shall be issued in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof, and shall be numbered consecutively from 1 up.

The Series 2003A Bonds shall mature on January 10 and July 10 on the dates and in the amounts and bear interest at the rates per annum as follows:

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>
July 10, 2004	\$1,180,000	2.000%	July 10, 2010	\$615,000	4.000%
January 10, 2005	510,000	2.000	January 10, 2011	625,000	3.900
July 10, 2005	510,000	4.000	July 10, 2011	635,000	3.900
January 10, 2006	525,000	3.000	January 10, 2012	650,000	4.100
July 10, 2006	530,000	4.000	July 10, 2012	665,000	5.000
January 10, 2007	540,000	2.500	July 10, 2013	1,375,000	4.250
July 10, 2007	550,000	3.000	July 10, 2014	1,435,000	5.000
January 10, 2008	555,000	4.000	July 10, 2015	1,510,000	5.000
July 10, 2008	565,000	4.000	July 10, 2016	1,585,000	5.000
January 10, 2009	580,000	4.000	July 10, 2017	1,665,000	5.000
July 10, 2009	590,000	4.000	January 10, 2018	865,000	4.625
January 10, 2010	600,000	3.600			

The interest on all of the Series 2003A Bonds is payable semiannually on January 10 and July 10 of each year, beginning July 10, 2004. Interest shall be calculated from the interest payment date next preceding the date of authentication to which interest has been paid unless the Series 2003A Bond is authenticated on or before the fifteenth day immediately preceding the first interest payment date, in which case interest shall be paid from the original date, or unless the bond is authenticated after the fifteenth day immediately preceding an interest payment date, in which case interest shall be paid from such interest payment date. Interest on the Series 2003A Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 3. The form of the Series 2003A Bonds, the Trustee's certificate to be endorsed thereon, and the registration endorsement (with appropriate insertions of amounts and distinguishing numbers and letters), shall be substantially as follows:

(Form of First Mortgage Refunding Bond, Series 2003A)

UNITED STATES OF AMERICA
State of Indiana
County of Lake

Registered
No. _____

Registered
\$ _____

LAKE CENTRAL MULTI-DISTRICT SCHOOL BUILDING CORPORATION
FIRST MORTGAGE REFUNDING BOND, SERIES 2003A

<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Original</u> <u>Date</u>	<u>Authentication</u> <u>Date</u>	<u>CUSIP</u>
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Registered Owner:

Principal Sum:

LAKE CENTRAL MULTI-DISTRICT 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 thereon at the rate per annum stated above from the interest payment date to which interest has been paid next preceding the date of authentication of this bond unless this bond is authenticated after the fifteenth day preceding an interest payment date and on or before such interest payment date, in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before June 25, 2004, in which case it shall bear interest from the Original Date until the principal shall be fully paid, which interest is payable on January 10 and July 10 of each year, beginning on July 10, 2004. 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 mailed one business day prior to the interest payment date to the registered owners or by wire transfer of immediately available funds on the interest payment date to depositories shown as registered owners. Payment shall be made to the person or depository in whose name this bond is registered on the fifteenth day preceding such interest payment date. Principal of this bond is payable by check upon presentation at the principal corporate trust office of the Trustee, or by wire transfer of immediately available

funds to depositories who present the bonds to the Trustee at least two business days prior to the payment date. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Trustee shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

This bond is one of an authorized series of bonds of the Corporation, all of like date, tenor and effect (except as to numbering, denomination, interest rate and date of maturity), in the aggregate principal amount of Eighteen Million Eight Hundred Sixty Thousand Dollars (\$18,860,000) 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 January 1, 1994, as supplemented by a First Supplemental Trust Indenture, dated as of October 1, 2003 (hereinafter collectively called the "Indenture"), executed by the Corporation and Mercantile National Bank of Indiana, as Trustee, to which reference is hereby made for a description of the property securing the bonds, the rights under said Indenture of the Corporation, the owners of the bonds and the Trustee, to all of which the 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 for this bond by establishing a trust fund with the Trustee under the conditions set out in Section 8.04 thereof.

The Corporation has covenanted that one business day prior to January 10 and July 10 in each year, beginning with July 10, 2004, it will pay to the Trustee an amount sufficient to pay the principal and all interest as it becomes due until all of the bonds of this issue shall have been retired.

The Series 2003A Bonds may be redeemed prior to maturity at the option of the Corporation in whole or in part, in such order of maturity as the Corporation shall direct and by lot within maturities (each \$5,000 of principal shall be considered as a bond for this purpose), on any date not earlier than January 10, 2014, at face value plus in each case accrued interest to the date fixed for redemption.

The Series 2003A Term Bonds maturing on July 10 in the years 2013, 2014, 2015, 2016 and 2017 are also subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption on January 10 in accordance with the schedules shown in the First Supplemental Trust Indenture.

In either case, notice of redemption identifying the bonds to be redeemed will be mailed to the registered owners of 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 call.

In case 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 shall be initially issued in a Book Entry System (as defined in the Indenture). The provisions of this bond and of the Indenture are subject in all respects to the provisions of the Letter of Representations between the Corporation and The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

This bond is transferable in accordance with the Book Entry System or, if no such system is in effect 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 owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the 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 owner of this bond shall have no recourse for its payment against present or future members, officers or directors of the Corporation, and such recourse is, by the acceptance of this bond, expressly waived.

STATEMENT OF INSURANCE

Financial Security Assurance Inc. ("Financial Security"), New York, New York, has delivered its municipal bond insurance policy with respect to the scheduled payments due of principal of and interest on this Bond to Mercantile National Bank of Indiana, Hammond, Indiana or its successor, as trustee for the Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal corporate trust office of the Trustee and a copy thereof may be obtained from Financial Security or the Trustee.

FINANCIAL SECURITY ASSURANCE INC.

IN WITNESS WHEREOF, the LAKE CENTRAL MULTI-DISTRICT SCHOOL BUILDING CORPORATION has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its President and attested by the manual or facsimile signature of its Secretary.

LAKE CENTRAL MULTI-DISTRICT
SCHOOL BUILDING CORPORATION

By: _____
President

Attest:

Secretary

(Form of Trustee's Certificate)

TRUSTEE'S CERTIFICATE

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

MERCANTILE NATIONAL BANK OF
INDIANA, Trustee

By: _____
Authorized Representative

[End of Form of Bond]

Section 4.
the Trustee:

- Prior to the delivery of the Series 2003A Bonds, there shall be filed with
- (a) an executed counterpart of this First Supplemental Indenture;
 - (b) 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 First Supplemental Indenture and the Series 2003A Bonds and designating the date of the original delivery of the Series 2003A Bonds;
 - (c) a request and authorization to the Trustee by the Treasurer of the Corporation to authenticate and deliver the Series 2003A Bonds to the Original Purchasers upon payment to the Trustee of the purchase price thereof plus accrued interest thereon to the date of delivery, as specified in such request and authorization;
 - (d) an opinion of an accountant or investment banker, supported by appropriate calculations, stating that the additional bonds can be amortized, along with the original bonds, from lease rental payments pursuant to the Lease; and

(e) an opinion of recognized bond counsel to the effect that the issuance and sale of the additional bonds will not result in interest on the original bonds and any outstanding additional bonds becoming includable in the gross income of the owners thereof for federal income tax purposes.

Section 5. The Series 2003A Bonds so executed by the Corporation and authenticated by the Trustee for delivery to the Original Purchasers thereof in the amount, at the times, and upon the payment of the purchase price thereof, as requested in writing by the Treasurer of the Corporation.

Section 6. The Corporation shall have the right, at its option, to redeem, according to the procedure provided in the Indenture, all or any part of the Series 2003A Bonds secured by this Indenture, on any date not earlier than January 10, 2014, at a price equal to the aggregate principal amount thereof plus interest accrued to date fixed for redemption.

Section 7. The Series 2003A Term Bonds are also subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the date of redemption on January 10 in accordance with the following schedules:

<u>Bonds Maturing July 10, 2013</u>		<u>Bonds Maturing July 10, 2014</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
January 10, 2013	\$680,000	January 10, 2014	\$710,000
<u>Bonds Maturing July 10, 2015</u>		<u>Bonds Maturing July 10, 2016</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
January 10, 2015	\$745,000	January 10, 2016	\$785,000
<u>Bonds Maturing July 10, 2017</u>			
<u>Date</u>	<u>Amount</u>		
January 10, 2017	\$820,000		

Section 8. The proceeds of the Series 2003A Bonds (less underwriter's discount of \$141,344.19, less the bond insurance premium of \$46,137.81 wired directly by the Original Purchasers to the Bond Insurer, plus original issue premium of \$456,425.60) shall be applied as follows:

(a) Concurrently with the delivery of the Series 2003A Bonds, the Trustee shall acquire with \$17,140,696.29 of such bond proceeds and \$1,049,803.71 of proceeds transferred by the 1994 Trustee, direct obligations of the United States of America (hereinafter referred to as "Government Obligations"), as set forth in Exhibit B attached hereto and made a part hereof. The Trustee shall deposit with Mercantile National Bank of Indiana, as Escrow Trustee, such obligations and cash in the amount of \$50.00, in order to partially release and discharge the Original Indenture, solely as it relates to the Refunded Bonds.

(b) \$75,000 of the proceeds shall be deposited in the Bond Issuance Expense Account of the Construction Fund.

(c) \$1,913,197.31, the balance of the proceeds, shall be deposited in the 2003A Construction Account of the Construction Fund.

The Trustee shall create a 2003A Construction Account within the Construction Fund established under Section 3.01 of the Original Indenture. These amounts shall be held and disbursed in accordance with Article III of the Original Indenture.

Section 9. The Trustee shall deposit the amount provided by Section 8 in the Bond Issuance Expense Account. The Trustee shall pay the cost of issuance of the Series 2003A Bonds from such Account upon the presentation of either (i) a resolution of the Board of Directors identifying to whom payment is due and the amount of such payment or (ii) an affidavit executed by any officer of the Corporation or the Lessor Representative stating the character of the expenditure, the amount thereof, and to whom due, together with a statement of the creditor as to the amount owing. No later than December 1, 2004, any funds remaining in such Account shall be transferred by the Trustee to the 2003A Construction Account.

Proceeds of Series 2003A Bonds as provided by Section 8 shall be deposited by the Trustee in the 2003A Construction Account. The Trustee shall apply the 2003A Construction Account to the payment of claims of contractors and repair of work on the buildings constructed by the Corporation on the real estate described in Exhibit A or any other property utilized by the School Corporation and for the improvement of said buildings owned and operated by the Lessee, for the purchase of equipment, including, but not limited to, the following items:

- a. Obligations incurred for labor and to contractors, builders and materialmen in connection with the improvement of said building;
- b. The cost of acquiring real estate;
- c. The cost of equipment;
- d. 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;
- e. Architects, engineers, construction managers and attorneys expenses and fees;
- f. All other incidental costs incurred in connection with the cost of construction and equipment of buildings;
- g. Any amount required to be deposited in the Rebate Fund.

Two years after the date of this First Supplemental Trust Indenture the Trustee shall hold in the 2003A Construction Account 150% of the amount of any disputed claims of contractors and work to be repaired and transfer the unobligated balance of the 2003A Construction Account, if any, to the Sinking Fund. Any balance remaining in the 2003A Construction Account after payment of all disputed claims and claims for repair work shall be transferred to the Sinking Fund within ten (10) days after the last payment of such obligations. The Trustee shall have no responsibility to see that the 2003A Construction Account is properly applied, except as herein specifically provided.

All payments from the 2003A Construction Account 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 two officers of the Corporation or the Lessor Representative, or in the case of any items not subject to certification by the architect or engineer, then upon presentation of an affidavit executed by any two officers of the Corporation or Lessor Representative, stating the character of the expenditure, the amount thereof, and to whom due, together with the statement of the creditor as to the amount owing.

Moneys in the 2003A Construction Account shall be invested without restriction as to yield during an applicable temporary period pending their use as described in the arbitrage certificate of the Corporation delivered in connection with the issuance of the Series 2003A Bonds. Moneys in the Bond Issuance Expense Account after one year of the date of issuance of the Series 2003A Bonds shall be invested at a yield not exceeding the yield on the original bonds. The moneys held in the 1993 Construction Account shall not be invested at a yield in excess of the yield on the 1994 Bonds. The Trustee shall be entitled to rely upon the Corporation's arbitrage certificate as to the accuracy of the facts stated therein, including the yield on the bonds.

Section 10. As it relates to the Series 2003A Bonds, Section 2.07 is amended by adding the following paragraph after the first paragraph of said section:

Notwithstanding satisfaction of other conditions to the issuance of additional bonds contained in this section, no such issuance may occur (1) should any Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) have occurred and be continuing unless such default shall be cured upon such issuance unless otherwise permitted by the Bond Insurer.

Section 11. As it relates to the Series 2003 Bonds, the first paragraph of Section 2.08 is amended to read as follows:

The Trustee shall keep, at its principal corporate trust office, a record for the registration of bonds issued hereunder which shall, at all reasonable times, be open for inspection by the Corporation and the Bond Insurer.

Section 12. As it relates to the Series 2003A Bonds, Article II of the Original Indenture is amended by adding at the end thereof new Sections as follows:

Section 2.12. The Corporation has determined that the Series 2003A Bonds shall be held by a central depository system pursuant to an agreement between the Corporation and The Depository Trust Company, and have transfers of the Series 2003A Bonds effected by book-entry on the books of the central depository system. The Series 2003A Bonds shall be initially issued in the form of a separate single authenticated fully registered Bond for the aggregate principal amount of each separate maturity of the Series 2003A Bonds. Upon initial issuance, the ownership of such Series 2003A Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of The Depository Trust Company.

With respect to the Series 2003A Bonds registered in the register kept by the Paying Agent in the name of CEDE & CO., as nominee of The Depository Trust Company, the Corporation and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner") of the Series 2003A Bonds with respect to (i) the accuracy of the records of The Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any Bondholder (including any Beneficial Owner) or any other person, other than The Depository Trust Company, of any notice with respect to the Series 2003A Bonds including any notice of redemption, or (iii) the payment to any Bondholder (including any Beneficial Owner) or any other person, other than The Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the Series 2003A Bonds except as otherwise provided herein.

No person other than The Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the Corporation to make payments of the principal of and premium, if any, and interest on the Series 2003A Bonds pursuant to the Indenture. The Corporation and the Registrar and Paying Agent may treat as and deem The Depository Trust Company or CEDE & CO. to be the absolute Bondholder of each of the Series 2003A Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Series 2003A Bonds; (ii) giving notices of redemption and other notices permitted to be given to Bondholders with respect to such Series 2003A Bonds; (iii) registering transfers with respect to such Series 2003A Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by Bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Series 2003A Bonds only to or upon the order of The Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the Corporation's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Series 2003A Bonds to the extent of the sum or sums so paid. Upon delivery by The Depository Trust Company to the Corporation of written notice to the effect that The Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this Indenture shall refer to such new nominee of The Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO. as nominee of The Depository Trust

Company, all payments with respect to the principal of and premium, if any, and interest on such Series 2003A Bonds and all notices with respect to such Series 2003A Bonds shall be made and given, respectively, to The Depository Trust Company as provided in a representation letter from the Corporation to The Depository Trust Company.

Upon receipt by the Corporation of written notice from The Depository Trust Company to the effect that The Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of The Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Series 2003A Bonds shall no longer be restricted to being registered in the register of the Corporation kept by the Registrar in the name of CEDE & CO., as nominee of The Depository Trust Company, but may be registered in whatever name or names the Bondholders transferring or exchanging Series 2003A Bonds shall designate, in accordance with the provisions of the Indenture.

If the Corporation determines that it is in the best interest of the Bondholders that they be able to obtain certificates for the fully registered Series 2003A Bonds, the Corporation may notify The Depository Trust Company and the Registrar, whereupon The Depository Trust Company will notify the Beneficial Owners of the availability through The Depository Trust Company of certificates for the Series 2003A Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the Series 2003A Bonds as requested by The Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever The Depository Trust Company requests the Corporation and the Registrar to do so, the Registrar and the Corporation will cooperate with The Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Series 2003A Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Series 2003A Bonds.

If the Series 2003A Bonds shall no longer be restricted to being registered in the name of a depository trust company, the Registrar shall cause the Series 2003A Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Series 2003A Bonds printed until it shall have received from the Corporation indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to Bondholders by the Corporation or the Registrar with respect to any consent or other action to be taken by Bondholders, the Corporation or the Registrar, as the case may be, shall establish a record date for such consent or other action and give The Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

So long as the Series 2003A Bonds are registered in the name of The Depository Trust Company or CEDE & CO. or any substitute nominee, the Corporation and the Registrar and Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the Series 2003A Bonds or from The Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the Series 2003A Bonds and setting for the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Registrar and The Depository Trust Company, to the same extent as if such consent, advice, direction, demand or vote were made by the Bondholders for purposes of this Indenture and the Corporation and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the Bondholders. Along with any such certificate or representation, the Registrar may request The Depository Trust Company to deliver, or cause to be delivered, to the Registrar a list of all Beneficial Owners of the Series 2003A Bonds, together with the dollar amount of each Beneficial Owner's interest in the Series 2003A Bonds and the current addresses of such Beneficial Owners.

Section 2.13. As long as the Bond Insurance Policy shall be in full force and effect, the Corporation and the Trustee agree to comply with the following provisions which shall govern notwithstanding anything to the contrary set forth in this Indenture:

(a) The Bond Insurer shall be deemed to be the sole holder of the bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the bonds insured by it are entitled to take pursuant to Article VII (pertaining to defaults and remedies) and Article X (pertaining to the Trustee) of the Indenture.

(b) Pursuant to the Lease, the Lessee is required to notify the Corporation, in writing, on or before the twentieth (20th) day of the month preceding a rental payment date, if the Lessee reasonably expects that it will have insufficient funds to make the required lease rental payment when due and payable. Upon receipt of such notice, the Corporation shall immediately notify the Trustee, in writing, of the Lessee's expectation that it will not make the required rental payment when due and payable. Upon receipt of such notice from the Corporation, the Trustee shall immediately notify the Indiana State Treasurer to the effect that there is a reasonable expectation that the Trustee will make a claim on the State Treasurer on such rental payment date. The Bond Insurer shall receive a copy of all notices referred to in this section.

(c) Rights of the Bond Insurer to direct or consent to Corporation, Trustee or Bondholder actions under the Indenture shall be suspended during any period in which the Bond Insurer is in default in its payment obligations under the Bond Insurance Policy (except to the extent of amounts previously paid by the Bond Insurer and due and owing to the Bond Insurer) and shall be of no force or effect in the event the Bond Insurance Policy is no longer in effect or the Bond Insurer asserts that the Bond Insurance Policy is not in effect or the Bond Insurer shall have provided written notice that it waives such rights.

(d) The rights granted to the Bond Insurer under the Indenture to request, consent to or direct any action are rights granted to the Bond Insurer in consideration of its issuance of the Bond Insurance Policy. Any exercise by the Bond Insurer of such rights is merely an exercise of the Bond Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Bondholders nor does such action evidence any position of the Bond Insurer, positive or negative, as to whether Bondholder consent is required in addition to consent of the Bond Insurer.

(e) Amounts paid by the Bond Insurer under the Bond Insurance Policy shall not be deemed paid for purposes of the Indenture and shall remain outstanding and continue to be due and owing until paid by the Corporation in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Bond Insurer have been paid in full.

(f) If, on the third business day prior to the related scheduled interest payment date or principal payment date or the date to which Bond maturity has been accelerated ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall give notice to the Bond Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy and give notice to the Bond Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Bonds and the amount required to pay principal on the Bonds, confirmed in writing to the Bond Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy.

In the event the claim to be made is for a mandatory sinking fund redemption installment, upon receipt of the moneys due, the Trustee shall authenticate and deliver to affected Bondholders who surrender their Bonds a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered. The Trustee shall designate any portion of payment of principal on Bonds paid by the Bond Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Bond Insurer, registered in the name of Financial Security Assurance Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Bond or the subrogation rights of the Bond Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Bond Insurer into the Policy Payments Account and the allocation of such funds to payment of interest on and principal paid in respect of any Bond. The Bond Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Bond Insurance Policy the Trustee shall establish a separate special purpose trust account for the benefit of Bondholders referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy in trust on behalf of Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Bondholders in the same manner as principal and interest payments are to be made with respect to the Bonds under Article III. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a bond payment date shall promptly be remitted to the Bond Insurer.

(g) The Bond Insurer shall, to the extent it makes any payment of principal or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy.

(h) Payments required to be made to the Bond Insurer shall be payable solely from the funds held under the Indenture and shall be paid (i) prior to an event of default, to the extent not paid from the Sinking Fund and (ii) after an event of default, with respect to amounts other than principal and interest on the bonds, on the same priority as payments to the Trustee for expenses. The obligations to the Bond Insurer shall survive discharge or termination of the Indenture.

(i) The Bond Insurer shall be entitled to pay principal or interest on the bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Corporation (as such terms are defined in the Bond Insurance Policy) and any amounts due on the Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the Bond Insurer has received a Notice (as defined in the Bond Insurance Policy) of Nonpayment or a claim upon the Bond Insurance Policy.

(j) The Bond Insurer shall be included as a third party beneficiary to the Indenture, as to those provisions and covenants for which the Bond Insurer negotiated and which inure to the benefit of the Bond Insurer.

(k) The Corporation shall agree to pay or reimburse the Bond Insurer any and all charges, fees, costs and expenses which the Bond Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in respect of the Indenture or the Lease, (ii) the pursuit of any remedies under the Indenture or the Lease or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or the Lease whether or not executed or completed, (iv) the violation by the Corporation or the Lessee any law, rule or regulation, or any judgment, order or decree applicable to it or (v) any litigation or other dispute in connection with the Indenture or the Lease or the transactions contemplated thereby, other than amounts resulting from the failure of the Bond Insurer to honor its obligations under the Bond Insurance Policy. The Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or the Lease, to the extent such amendment, waiver or consent impairs the rights of the Bond Insurer under the Indenture or Lease.

(l) The Bond Insurer shall be provided with the following information:

- (i) Annual audited financial statements of the Lessee within 120 days after the end of the Lessee's fiscal year and the Lessee's annual budget within 30 days after the approval thereof;
- (ii) Notice of any default known to the Trustee within five Business Days after knowledge thereof;
- (iii) Prior notice of the advance refunding or redemption of any of the bonds, including the principal amount, maturities and CUSIP numbers thereof;
- (iv) Notice of the resignation or removal of the Trustee, Paying Agent and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;
- (v) The commencement of any proceeding by or against the Corporation or the Lessee commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");
- (vi) The making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the bonds;
- (vii) A full original transcript of all proceedings relating to the execution of any amendment or supplement to the Indenture and the Lease;

(viii) The Bond Insurer shall be provided with a copy of the completion certificate with respect to the Lease Premises; and

(ix) All reports, notices and correspondence to be delivered under the terms of the Indenture and Lease.

(m) The Bond Insurer of each Series of Bonds outstanding under the Indenture shall be treated as owning those Bonds which it insures for purposes of control or remedies and other rights delineated by percentage of control.

Section 2.14. At the time that the Trustee is required to give any notice to any party in the transaction, like notice shall be given to the Bond Insurer. In addition, the Trustee shall immediately notify the Bond Insurer (i) not less than ten (10) business days in advance of the execution of any supplement, amendment or change to this Indenture or the Lease, with a copy of such notice to Bond Insurance Department, Standard and Poor's Ratings Group and Moody's Investors Service, (ii) upon any deficiency in any fund or account, (iii) upon a direction from the Corporation to redeem all or any portion of the Bonds, (iv) upon the resignation or petition for removal of the Trustee or the appointment of a successor Trustee, and (v) upon any event of default or upon any event that with notice and/or with the lapse of time could become an event of default under the Indenture or Lease.

Section 13. As it relates to the Series 2003A Bonds, the Original Indenture is amended by adding the following sentence to the end of the last paragraph of Section 3.03.

To the extent needed to pay principal and interest on the bonds when due, the Trustee must liquidate investment obligations in the Sinking Fund and apply those amounts to the payment of debt service on any payment date.

Section 14. As it relates to the Series 2003A Bonds, the second paragraph of Section 5.12 is amended as follows:

Except for changes made in the plans and specifications pursuant to this section, 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 until all indebtedness secured by this Indenture is fully paid, 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. The Corporation further covenants that any modification permitted by this paragraph will be made only after a copy thereof has been filed with the Trustee and the Original Purchasers.

Section 15. Section 5.13 of the Original Indenture is amended as follows:

Section 5.13. The Corporation covenants and agrees that upon any default or insufficiency in the payment of lease rental as provided in the Lease, it will immediately file a claim with the Treasurer of the State of Indiana, 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 bondholder 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, and appoints the Trustee to file such suits and to pursue such remedies.

Section 16. As it relates to the Series 2003A Bonds, Section 5.17 of the Original Indenture is added as follows:

Section 5.17. On or before the twentieth (20th) day of the month preceding a rental payment date pursuant to the Lease, the Lessee shall notify the Corporation in writing if the Lessee reasonably expects that it will have insufficient funds to make the required rental payment when due and payable. Upon receipt of the above notice from the Lessee, the Corporation shall immediately notify the Trustee in writing of the Lessee's expectation that it will not make the required rental payment when due and payable. Upon receipt of such notice from the Corporation, the Trustee shall immediately notify the Treasurer of the State of Indiana to the effect that there is a reasonable expectation that (i) the Lessee will fail to make the required rental payment when due and payable pursuant to the Lease and (ii) the Trustee will make a claim on the Treasurer of the State of Indiana on such payment date. The Bond Insurer shall be provided with a copy of each such notice.

Section 17. Section 6.01 of the Original Indenture is hereby amended to provide that any authorized representative of an insurance company may also certify as the replacement cost of the various facilities

Section 18. As it relates to the Series 2003A Bonds, Section 6.02 of the Original Indenture is amended to read as follows:

Section 6.02. Such insurance policies shall be maintained in good and responsible insurance companies rated "A" or better by A.M. Best Company (or a comparable rating service if A.M. Best Company ceases to exist or rate 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 or a certificate of insurance for each policy and the certificates referred to in Section 6.02(a) shall be deposited with the Trustee and the Bond Insurer. Upon the request of the Trustee or the Original Purchasers of the bonds issued hereunder, the Corporation shall furnish to the Original Purchasers 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 or the Lessee shall cause its insurance agent to furnish to the Trustee, the Bond Insurer and the Original Purchasers, whichever is applicable, a schedule of all such policies which were in force on the first day of such year and a letter which states that said policies comply with the Corporation's requirements provided in Sections 6.01 and 6.02 hereof. Such schedule shall contain the names of the insurers, the amounts of each policy, the character of the risk insured against, the risks excluded by each policy, the

expiration date of each policy, the premium paid thereon, and any other pertinent data. The Trustee may rely on such schedules and letter.

Section 19. As it relates to the Series 2003A Bonds, Section 7.01(c) of the Original Indenture shall be amended to read as follows:

(c) Default in the performance or observance of any other of the covenants or agreements of the Corporation in this Indenture or in any supplemental indenture, or in the bonds, contained, and the continuance thereof for a period of sixty (60) days after written notice thereof to the Corporation by the Trustee or Financial Security Assurance, Inc

Section 20. As it relates to the Series 2003A Bonds, the following paragraph shall be added to Section 7.02 of the Original Indenture:

In the event the maturity of the Bonds is accelerated, the Bond Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued or accreted, as applicable, on such principal to the date of acceleration (to the extent unpaid by the Corporation) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Bond Insurer's obligations under the Bond Insurance Policy shall be fully discharged.

Section 21. As it relates to the Series 2003A Bonds, Section 7.04 of the Original Indenture is amended to read as follows:

Section 7.04. Upon the occurrence of one or more events of default, the Corporation, upon demand of the Trustee, acting at the direction of the Bond Insurer, 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 needful repairs and such extensions, additions or improvements as to the Trustee shall seem 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 installment of interest and under any of the terms of this Indenture shall have been paid, and all defaults made good, the Trustee shall surrender possession 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. The Trustee shall not terminate the Lease as a remedy for default hereunder or under the Lease without the prior written consent of the Bond Insurer.

Section 22. As it relates to the Series 2003A Bonds, Section 7.05 is amended as follows:

Section 7.05. Upon the occurrence of any one or more events of default, the Trustee, by such officer or agent as it may appoint, with or without entry, with the consent of the Bond Insurer and shall at the direction of the Bond Insurer, 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 owners of fifty-one percent (51%) 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 Marion County, Indiana, 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 Marion County, Indiana, 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 23. As it relates to the Series 2003A Bonds, subsection (d) of Section 7.11 of the Original Indenture is amended to read as follows:

(d) Upon final payment of all outstanding Bonds, any surplus thereof remaining, to the Corporation, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

Section 24. As it relates to the Series 2003A Bonds, Section 7.15 of the Original Indenture is amended to read as follows:

Section 7.15. 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 and the Bond Insurer 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 of this Indenture.

Section 25. As it relates to the Series 2003A Bonds, Sections 8.03 and 8.04 of the Original Indenture are amended as follows:

Section 8.03. 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, subject to the consent of the Bond Insurer, 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 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 shall be in writing, and copies of the same shall be retained by the Trustee and be open to inspection by 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. If, when the bonds 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 the bonds for redemption shall have been given by the Corporation to the Trustee, the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the bonds then outstanding shall be paid or (i) cash, (ii) non-callable direct obligations of the United States of America ("Treasuries"), (iii) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated or (iv) pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively (or any combination thereof), shall be held by the Trustee (or the Paying Agents) in an irrevocable escrow account 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 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 fund or accounts other than moneys and obligations held for the redemption or payment of bonds; provided, however, that in the event investments described in (ii) through (iv) above shall be deposited with and held by the Trustee (or the Paying Agents) as hereinabove provided, and in addition to the requirements set forth in Article IV of this Indenture, the Trustee shall within thirty (30) days after such investments shall have been deposited with it, cause a notice signed by the Trustee to be published once in a daily newspaper or financial journal published in the City of Indianapolis, Indiana, setting forth (a) the date designated for the redemption of the bonds, (b) a description of the obligations so held by it, and (c) that this Indenture has been released in accordance with the provisions of this Section.

In addition to the foregoing defeasance requirements, Financial Security shall receive (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Bond Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the bonds in full on the maturity date ("Verification"), (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Bond Insurer), and (iii) an opinion of nationally recognized bond counsel to the effect that the bonds are no longer "Outstanding" under the Indenture. Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria is met.

The verification report and defeasance opinion shall be acceptable in form and substance, and addressed, to the Corporation, the Trustee and the Bond Insurer. In the event a forward purchase agreement is used in connection with the refunding, such agreement shall be subject to the approval of the Bond Insurer and shall be accompanied by such opinions of counsel as may be required by the Bond Insurer. The Bond Insurer shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow.

Defeasance shall be accomplished only with an irrevocable deposit in escrow of certain investments referred to in this section. Further substitutions of securities in the escrow are not permitted. The deposit in the escrow must be sufficient, without reinvestment, to pay all principal and interest as scheduled on the bonds to and including the date of redemption.

Section 26. As it relates to the Series 2003A Bonds, Sections 10.01(e), 10.05 and 10.06 of the Original Indenture are amended to read as follows:

Section 10.01. (e) The Trustee shall be under no obligation to keep advised or informed as to whether the Corporation is in default under any of the terms or covenants of this Indenture other than a payment default; and unless and until the Trustee shall have received written notice to the contrary from the bond insurer or the 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 the Corporation is not in default

hereunder and that none of the events hereinbefore defined as “events of default” has happened.

Section 10.05. The Trustee, or any successor trustee, or 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, and shall be given to the registered owners by mail at least twenty (20) days prior to the date when such resignation shall take effect. Such resignation shall take effect on the day so designated in such notice, unless a successor has not been appointed to and accepted such position, or 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 and its acceptance of such position.

Section 10.06. In case at any time the Trustee shall become incapable of acting, shall resign or shall be removed, a successor trustee may be appointed by the 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 bondholders or by their duly constituted attorneys-in-fact; but until a new trustee shall be 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 bondholders as aforesaid, and when any such new trustee shall be appointed by the bondholders, 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 Seventy-Five Million Dollars (\$75,000,000).

Section 27. Section 10.08 of the Original Indenture is amended as follows:

Section 10.08. Notwithstanding any other provision of this Indenture, the Trustee agrees that upon any failure of the Lessee to pay lease rental as required by the Lease, the Trustee will immediately, without direction, security or indemnity, file a claim with the Treasurer of the State of Indiana for an amount equal to such lease rental in default and consents to the filing of any such claim by a bondholder in the name of the Trustee for deposit with the Trustee.

Section 28. As it relates to the Series 2003A Bonds, Sections 11.01, 11.02 and 11.05 are amended to read as follows:

Section 11.01. The Corporation and the Trustee, may, with the prior written consent of the Bond Insurer, from time to time and at any time, enter into such indentures supplemental hereto as shall not be 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 bondholders;

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

(c) To provide for the issuance of additional bonds as permitted by Section 2.07.

Section 11.02. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the bonds then outstanding shall with the prior written consent of the Bond Insurer, 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:

(a) an extension of the maturity of the principal or interest on any bond issued hereunder; or

(b) a reduction in the principal amount of any bond or the redemption premium or the rate of interest thereon; or

(c) the creation of a lien upon the mortgaged property ranking prior to or on a parity with the lien created by this Indenture; or

(d) a preference or priority of any bond or bonds over any other bond or bonds; or

(e) 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 bondholders of the execution of any supplemental indenture or indentures as authorized in Section 11.01 of this Article.

If at any time the Corporation shall request 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 bondholders. The Trustee shall not, however, be subject to any liability

to any bond owner by reason of its failure to mail the notice required by this section, and any such failure shall not affect the validity of such supplemental indenture when consented to and approved as provided in this section.

Whenever, at any time within one (1) year after mailing of such notice, the Corporation shall deliver to the Trustee an instrument or instruments purporting to be executed by the 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 shall refer to the proposed supplemental indenture described in such notice and shall specifically consent to and approve 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 owner of any bond, whether or not such owner shall have consented thereto.

If the 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 and the Bond Insurer shall have consented to and approved the execution thereof as herein provided, no 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.

Upon the execution of any supplemental indenture pursuant to the provisions of this section, 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 11.05. Notwithstanding anything contained in the foregoing provisions of this Indenture, the rights and obligations of the Corporation and of the 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 prior written consent of the Bond Insurer and the owners of all the bonds then outstanding.

Section 29. As it relates to the Series 2003A Bonds, Section 12.02 of the Original Indenture is amended by adding the following to the end thereof.

Any notice or demand given or served by the Corporation or Trustee shall also be given to the Bond Insurer by first class postage prepaid United States mail addressed as follows:

Financial Security Assurance Inc.
350 Park Avenue
New York, New York 10022-6022
Attention: Managing Director - Surveillance.--Re: Policy No. 201738-N
Telephone: (212) 826-0100
Telecopier: (212) 339-3529

In each case in which notice or other communication refers to an Event of Default or with respect to which failure on the part of the Bond Insurer to respond shall be deemed to constitute consent or acceptance, then a copy of such notice or other communication shall also be sent to the attention of General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

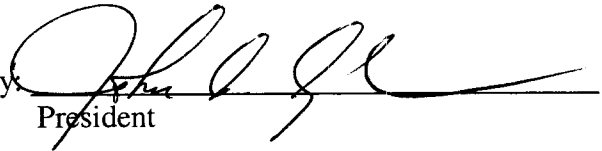
Section 30. This First Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

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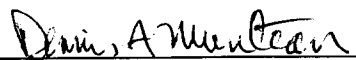


IN WITNESS WHEREOF, LAKE CENTRAL MULTI-DISTRICT SCHOOL BUILDING CORPORATION has caused its corporate name to be hereunto subscribed by its President or Vice President and attested by its Secretary, and Mercantile National Bank of Indiana, as Trustee, has likewise caused this First Supplemental Indenture to be executed in said Trustee's name and behalf by its President or Vice President, and its corporate seal to be hereunto affixed and attested by its Vice President or Trust Officer in token of its acceptance of said trust, as of the day and year first hereinabove written.

LAKE CENTRAL MULTI-DISTRICT
SCHOOL BUILDING CORPORATION


By: 
President

Attest:


Secretary

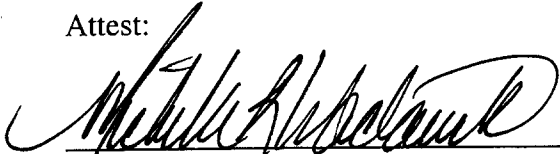


MERCANTILE NATIONAL BANK OF
INDIANA, as Trustee

By: 
Vice President Bruce G. Heniken

(Seal)

Attest:


Trust Officer Michelle R. Waclawik
Trust Officer



STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public in and for said County and State, this 25th day of September, 2003, personally appeared John C. Glover and Dennis A. Muntean, personally known to me to be the President and Secretary, respectively, of Lake Central Multi-District School Building Corporation, and acknowledged the execution of the foregoing First Supplemental Indenture for and on behalf of said Corporation.

WITNESS my hand and notarial seal.

Barbara Northam
(Written Signature)

BARBARA NORTHAM
(Printed Name)

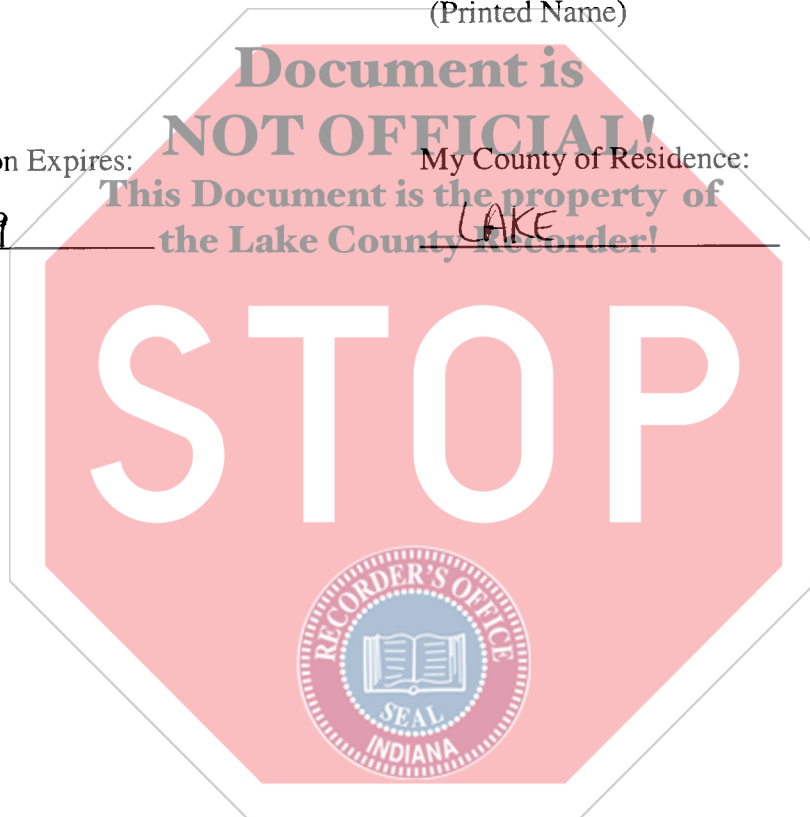
Notary Public
(Seal)

My Commission Expires:

9/4/09

My County of Residence:

LAKE



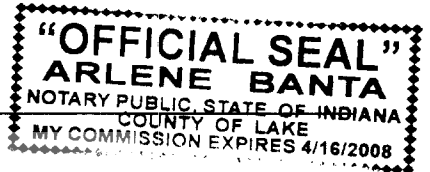
STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public in and for said County and State, this 8th day of October, 2003, personally appeared Bruce G. Heniken and Michelle R. Waclawik, personally known to me to be the Vice President and a Trust Officer respectively, of Mercantile National Bank of Indiana, and acknowledged the execution of the foregoing First Supplemental Indenture for and on behalf of said Bank.

WITNESS my hand and notarial seal.

Arlene Banta

(Written Signature)



(Printed Name)

Notary Public
(Seal)

My Commission Expires:

My County of Residence:

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

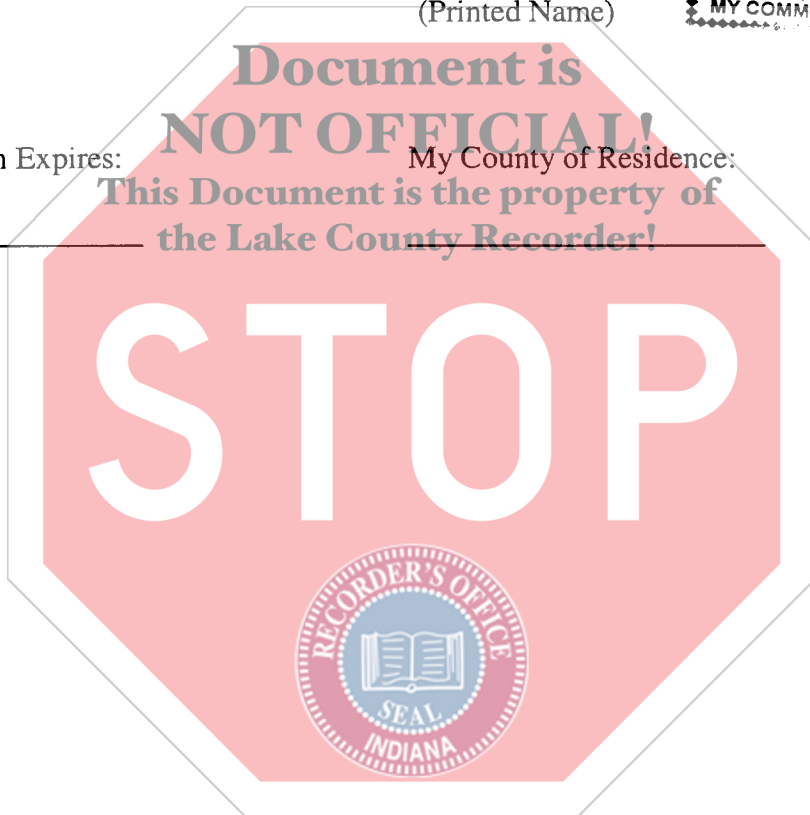


EXHIBIT A

Attached to and made a part of the First Supplemental Trust Indenture
executed by and among
Lake Central Multi-District School Building Corporation,
and
Mercantile National Bank of Indiana, Trustee
Dated as of October 1, 2003

*The Leased Premises shall consist of the renovation of and expansion to Kahler Middle School,
as more particularly described in the following legal description:*

Being a subdivision of that part of the Northwest Quarter of the
Northeast Quarter of Section 13, Township 35 North, Range 10 West
of the Second Principal Meridian and being more particularly
described as follows: Beginning at the Southeast corner of the
Northwest Quarter of the Northeast Quarter of said Section 13;
thence West, along the South line of said Quarter Quarter, a
distance of 1106.34 feet; more or less, to a point 274.5 feet
East of the West line of said Quarter Quarter; thence North,
196.23 feet; thence East, a distance of 165 feet; thence North
69.76 feet; thence Easterly a distance of 217.07 feet to a point
262.5 feet North of the South line of said Quarter Quarter;
thence North 717.02 feet; thence East 425.50 feet; thence North
223 feet to a point on the Southerly right of way line of U.S.
Highway 30; thence Southeasterly, along said right of way line, a
distance of 243.4 feet to a point on the East line of said
Quarter Quarter; thence South on said East Quarter Quarter line,
a distance of 1142.60 feet to the point of beginning, all in the
Town of Dyer, Lake County, Indiana.



EXHIBIT B

Attached to and made a part of the First Supplemental Trust Indenture
executed by and among
Lake Central Multi-District School Building Corporation,
and
Mercantile National Bank of Indiana, Trustee
Dated as of October 1, 2003

<u>Type</u>	<u>Maturity Date</u>	<u>Principal</u>	<u>Rate</u>
SLGS	January 5, 2004	\$18,190,500	.93%

Cash Deposit: \$50.00



This instrument prepared by Thomas W. Peterson, Ice Miller, One American Square, Box 82001, Indianapolis, Indiana 46282-0002.