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**TRUST INDENTURE**

**Dated as of April 15, 2020**

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**Between**

**BOKF, N.A.,  
As Trustee**

**AND**

**CITY OF SEDALIA, MISSOURI**

**Authorizing  
\$28,995,000**

**CITY OF SEDALIA, MISSOURI  
REFUNDING AND IMPROVEMENT CERTIFICATES OF PARTICIPATION  
SERIES 2020**

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# TRUST INDENTURE

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## TRUST INDENTURE

**THIS TRUST INDENTURE**, dated as of April 15, 2020 (the “Indenture”), between **BOKF, N.A.**, a national banking association duly organized and existing under and by virtue of the laws of the United States of America with a corporate trust office located in Kansas City, Missouri, as Trustee (the “Trustee”), and the **CITY OF SEDALIA, MISSOURI**, a third-class city duly organized and existing under the laws of the State of Missouri (the “City”).

### WITNESSETH:

**WHEREAS**, the City is authorized pursuant to the Revised Statutes of Missouri, as amended, to sell or lease any existing sites owned by the City, together with any existing buildings and facilities thereon, in order to provide for the acquisition, construction, improvement, extension, repair, remodeling, renovation, furnishing and equipping of buildings and facilities thereon, and then lease or purchase such sites, buildings and facilities; and

**WHEREAS**, in order to finance costs of certain improvements for the City, the City has previously issued its Certificates of Participation (Bank Qualified), Series 2012A (the “Series 2012A Certificates”); and

**WHEREAS**, pursuant to an Ordinance adopted by the City on \_\_\_\_\_, 2020, the City has been authorized to (a) enter into a Base Lease with the Trustee (the “Base Lease”), pursuant to which the City shall grant a leasehold interest to the Trustee for a maximum Base Lease Term ending on March 31, 2080, in certain real estate and any existing buildings and fixtures located thereon and any additional buildings and fixtures constructed thereon described in **Schedule 1** attached to this Indenture (the “Project Site”), and (b) to enter into an annually renewable Lease Agreement with the Trustee, dated as of the date hereof (the “Lease”), under which the City will (i) finance the projects financed with the Certificates more specifically described in **Schedule 2** attached to this Indenture constructed and installed or to be constructed and installed on the Project Site and other property of the City (the “Project”); (ii) current refund the outstanding principal amount of the Series 2012A Certificates (the “Refunded Certificates”); (iii) fund a debt service reserve and (iv) lease the Project Site and the Project from the Trustee for an initial term ending March 31, 2020 (the “Initial Term”), with successive one-year renewal options (the “Renewal Terms”) exercisable by the City subject to annual budget appropriations, except that the final Renewal Term may be for a period of less than one year as provided in the Lease; and

**WHEREAS**, in order to provide funds to pay the costs of the Project and the costs of refunding the Refunded Certificates, the Trustee will, pursuant to this Indenture, execute and deliver the City of Sedalia, Missouri, Refunding and Improvement Certificates of Participation, Series 2020 in the aggregate principal amount of \$28,995,000 (the “Series 2020 Certificates”), and is authorized to execute and deliver Additional Certificates (such Additional Certificates together with the Series 2020 Certificates being collectively referred to as the “Certificates”), evidencing proportionate interests of the owners thereof in Rental Payments (as defined herein) payable pursuant to the Lease; and

**WHEREAS**, the City is authorized (i) to execute and deliver this Indenture for the purpose of providing for the delivery and security for the Certificates and for the purpose of providing funds to pay the costs of the Project and the costs of refunding the Refunded Certificates, (ii) to enter into the Lease, and (iii) to provide for completion of the Project and for the refunding of the Refunded Certificates; and

**WHEREAS**, all things necessary to make the Certificates, when executed by the Trustee and delivered as provided in this Indenture, the valid and legally binding evidences of proportionate interests

in the right to receive the Rental Payments, and for this Indenture to constitute a valid and legally binding pledge and assignment of the Trust Estate herein made for the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates, have been done and performed, and the execution and delivery of this Indenture and the execution and delivery of the Certificates, subject to the terms of this Indenture, have in all respects been duly authorized.

**NOW, THEREFORE, THIS INDENTURE WITNESSETH:**

**GRANTING CLAUSES**

That the City and the Trustee, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Certificates by the Registered Owners thereof, and the sum of one dollar duly paid to the City by the Trustee, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates Outstanding under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the City of all the covenants, agreements and conditions herein and in the Base Lease and the Lease contained, do hereby transfer in trust, pledge, assign and grant a security interest unto the Trustee and its successors and assigns forever in, the property described below (said property being herein called the “**Trust Estate**”), to wit:

(a) all right, title and interest of the City and the Trustee in, to and under the Base Lease and the Lease, including all Rental Payments and other payments, revenues and receipts derived by the Trustee under and pursuant to and subject to the provisions of the Lease (except for the rights of the Trustee to receive money for its own account and to indemnity under the Lease and any amounts required under Section 148(f) of the Code to be paid to the United States); and

(b) all money and securities from time to time held by the Trustee under the terms of this Indenture, and any and all other real or personal property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by or on behalf of the City, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Indenture.

**TO HAVE AND TO HOLD**, all and singular, the Trust Estate with all rights and privileges hereby pledged and assigned, or agreed or intended so to be, to the Trustee and its successors and assigns forever;

**IN TRUST NEVERTHELESS**, upon the terms and subject to the conditions herein set forth, for the equal and proportionate benefit, protection and security of all Registered Owners from time to time of the Certificates Outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any Certificate over any other Certificate except as expressly provided in or permitted by this Indenture;

**PROVIDED, HOWEVER**, that if the City shall well and truly pay, or cause to be paid, the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by all the Certificates, at the times and in the manner mentioned in the Certificates according to the true intent and meaning thereof, or shall provide for the payment thereof (as provided in **Article XII** of this Indenture), and shall pay or cause to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, then upon such final payment this

Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

**THIS INDENTURE FURTHER WITNESSETH**, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Certificates delivered hereunder are to be authenticated and delivered and that all of the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the City does hereby agree and covenant with the Trustee and with the respective Registered Owners from time to time of the Certificates, as follows:

## **ARTICLE I**

### **DEFINITIONS**

**Section 101. Definitions of Words and Terms.** In addition to the words and terms defined elsewhere in this Indenture and in the Lease, the following words and terms as used in this Indenture and in the Lease shall have the following meanings:

**“Additional Certificates”** means any additional parity Certificates delivered pursuant to **Section 209** of this Indenture.

**“Additional Payments”** means the additional payments described in **Section 5.2** of the Lease.

**“Authorized City Representative”** means the Mayor, the City Administrator, the Finance Director or such other person at the time designated, by written certificate furnished to the Trustee, as the person or persons authorized to act on behalf of the City. Such certificate shall contain the specimen signature of such person or persons, shall be signed on behalf of the City by the Mayor and may designate an alternate or alternates.

**“Base Lease”** means the Base Lease dated as of April 15, 2020, between the City and the Trustee, as from time to time amended and supplemented in accordance with the provisions thereof and of **Article XII** of this Indenture.

**“Business Day”** means any day other than (a) a Saturday or Sunday or legal holiday or a day on which banks located in the city in which the corporate trust office of the Trustee is required or authorized by law to remain closed or (b) a day on which the Securities Depository is closed.

**“Cede & Co.”** means Cede & Co., as nominee name of The Depository Trust Company, New York, New York, and any successor nominee of the Securities Depository with respect to the Certificates.

**“Certificate Fund”** means the “Certificate Fund” created in **Section 501** of this Indenture.

**“Certificate Payment Date”** means any date on which any amount representing the Principal Component or the Interest Component with respect to any Certificate is payable.

**“Certificate Register”** means the registration books kept by the Trustee to evidence the registration, transfer and exchange of Certificates.

**“Certificate Registrar”** means the Trustee when acting as such under this Indenture.



**“Certificates”** means the Series 2020 Certificates delivered under this Indenture and any Additional Certificates delivered pursuant to this Indenture.

**“City”** means the City of Sedalia, Missouri, a third-class city duly organized and existing under the laws of the State and its successors and assigns.

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Treasury Department promulgated thereunder.

**“Completion Certificate”** means the certificate delivered to the Trustee pursuant to **Section 4.4** of the Lease and **Section 505** of this Indenture evidencing substantial completion of the Project, and acceptance of the Project by the City.

**“Completion Date”** means the date of completion of the acquisition, construction, improvement, furnishing and equipping of the Project established as such pursuant to **Section 4.4** of the Lease.

**“Construction Contracts”** means all architect’s and general contractor’s contracts and all prime subcontractor’s contracts and purchase orders for any equipment that have been or will be entered into by the City and that will incorporate the Plans and Specifications related to the Project.

**“Construction Period”** means the period from the beginning of construction of the Project to the Completion Date.

**“Contractor”** means any contractor for the Project selected by the City, and its successors and assigns.

**“Counsel”** means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for the City or the Trustee.

**“Defaulted Interest”** means interest on any Certificate that is payable but not paid on the date due.

**“Defeasance Obligations”** means any of the following obligations:

- (a) Cash.
- (b) U.S. Treasury Certificates, Notes and Bonds.
- (c) Direct obligations of the Treasury that have been stripped by the Treasury itself.
- (d) The interest component of Resolution Funding Corporation (REFCORP) strips that have been stripped by request to the Federal Reserve Bank of New York in book-entry form.
- (e) Pre-refunded municipal bonds pre-refunded with cash or United States Government Obligations.

**“Escrow Agent”** means BOKF, N.A., as escrow agent under the Escrow Agreement.

**“Escrow Agreement”** means the Letter of Instructions to Redeem Certificates from the City to the Escrow Agent related to the refunding of the Refunded Certificates.

**“Escrow Fund”** means the debt service fund established for the Series 2012A Certificates.

**“Event of Default”** means (a) with respect to this Indenture, any Event of Default as described in **Section 901** of this Indenture, and (b) with respect to the Lease, any Event of Default as described in **Section 12.1** of the Lease.

**“Event of Nonappropriation”** means a nonrenewal of the Lease by the City determined by the failure of the City to appropriate and budget, or the election of the City not to so appropriate and budget, on or before the date required by the laws of the State during the Initial Term or any Renewal Term, moneys sufficient to pay the Rental Payments and reasonably expected Additional Payments due and payable during the next Renewal Term.

**“Fiscal Year”** means the fiscal year adopted by the City for accounting purposes, which as of the execution of this Indenture commences on April 1 of each year and ends on March 31 of the following year.

**“Full Insurable Value”** means the actual replacement cost of the Project Site less physical depreciation and exclusive of land, excavations, footings, foundations, parking lots and other parts of the Project Site that are not insurable.

**“Indenture”** means this Trust Indenture dated as of April 15, 2020, as amended and supplemented from time to time by Supplemental Indentures in accordance with the provisions of **Article X** of this Indenture.

**“Initial Term”** means the initial term of the Lease, which begins on the effective date of the Lease and ends on the last day of the Fiscal Year in which such effective date occurs.

**“Insurance Policy”** means the Municipal Bond Insurance Policy issued by the Insurer on the date of delivery of the Series 2020 Certificates that guarantees the scheduled payment of the Principal Component and the Interest Component of the Rental Payments represented by the Series 2020 Certificates.

**“Insurer”** means Build America Mutual Assurance Company or any successor thereto.

**“Insurer Provisions”** means the provisions relating to the Insurer, the Insurance Policy authorized by **Section 1301** hereof, and the Series 2020 Reserve Policy authorized by **Section 603** hereof and attached hereto as **Exhibit B**.

**“Interest Component”** means the Interest Component of Rental Payments as provided by **Section 5.1** of the Lease and as set forth on **Schedule 4** in the Lease.

**“Lease”** means the Lease Agreement dated as of April 15, 2020, between the Trustee, as lessor, and the City, as lessee, as from time to time amended and supplemented in accordance with the provisions thereof and of **Article X** of this Indenture.

**“Lease Term”** means the period from the effective date of the Lease until the expiration thereof which includes the Initial Term and any Renewal Term or Terms as provided in the Lease.

**“Lessee”** means the City when acting as the lessee under the Lease.

**“Lessor”** means the Trustee when acting as the lessor under the Lease.

**“Mandatory Prepayment Date”** means any mandatory prepayment date established pursuant to this Indenture.

**“Maximum Lease Term”** means the Initial Term and all Renewal Terms through the Renewal Term ending March 31, 2045 as provided in the Lease Agreement (unless otherwise provided in a Supplemental Lease).

**“Moody’s”** means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City by notice to the Trustee.

**“Net Proceeds”** means the gross proceeds from any insurance or condemnation award with respect to the Project Site, less the payment of all expenses (including attorneys’ fees and expenses, Trustee’s fees, costs, charges and expenses, including any extraordinary expenses of the Trustee) incurred in the collection of such gross proceeds.

**“Opinion of Counsel”** means a written opinion of counsel to the City or the Trustee.

**“Option Purchase Price”** means the price as specified in **Schedule 4** attached to the Lease which the City may elect to pay to the Trustee to purchase the Project Site from the Trustee on the Optional Prepayment Date immediately following such Optional Purchase Date prior to the scheduled payment of all sums to be paid for the Project Site, all as is more particularly specified in **Schedule 4** attached to the Lease and as such **Schedule 4** may be revised hereafter in accordance with **Section 306** of this Indenture. In the event of a partial prepayment of the Certificates as provided in this Indenture, the Option Purchase Price is required to be recalculated by the Trustee and provided to and binding upon the City as more fully set forth in this Indenture or any Supplemental Indenture and in the Lease.

**“Optional Prepayment Date”** means any optional prepayment date established pursuant to this Indenture.

**“Optional Purchase Date”** means any date during the Lease Term as specified in the Lease upon which the City, pursuant to the Lease, may elect to purchase the Project Site for the then applicable Option Purchase Price.

**“Outstanding”** means, when used with reference to Certificates, as of any particular date of determination, all Certificates theretofore authenticated and delivered under this Indenture, except the following Certificates:

- (a) Certificates theretofore canceled by the Trustee or delivered to the Trustee for cancellation;
- (b) Certificates paid or deemed to be paid in accordance with the provisions of **Article XII** of this Indenture;
- (c) Certificates alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in **Section 210** of this Indenture;

(d) Certificates in exchange for or in lieu of which other Certificates have been authenticated and delivered pursuant to this Indenture; and

(e) for purposes of any consent or other action to be taken by the Registered Owners of a specified percentage of Certificates under this Indenture or the Lease, Certificates held by or for the account of the City or any person controlling, controlled by or under common control of the City.

**“Participants”** means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

**“Paying Agent”** means the Trustee and any other bank or trust company designated pursuant to this Indenture as paying agent for any series of Certificates and at which the principal, premium, if any, and interest on any such Certificates shall be payable.

**“Permitted Encumbrances”** means, as of any particular time (a) liens for ad valorem taxes and special assessments not then delinquent or if delinquent are being contested in accordance with the Lease, (b) this Indenture, (c) the Lease, (d) the Base Lease, (e) any and all Uniform Commercial Code Financing Statements executed to perfect any security interest created in connection with the delivery of the Certificates, (f) utility, access and other easements and rights-of-way, street dedications, mineral rights, restrictions, exceptions and encumbrances that the City certifies in writing will not materially interfere with or impair the operations being conducted on the Project Site or easements granted to the Trustee, (g) such minor defects, irregularities, encumbrances, easements, mechanic’s liens, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Project Site and as do not in the aggregate materially impair the property affected thereby for the purpose for which it was acquired or is held by the Trustee or the City, and (h) items affecting the Project Site that are agreed to in writing by the Trustee (in reliance upon the written direction of the Registered Owners of not less than a majority in aggregate Principal Components of the Certificates Outstanding) and the City.

**“Permitted Investments”** means any of the following securities and obligations, if and to the extent the same are at the time legal for investment by the City:

- (a) United States Government Obligations.
- (b) bonds, notes or other obligations of the State of Missouri, or any political subdivision of the State of Missouri, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service.
- (c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, that are continuously and fully secured by any one or more of the securities described in clause (a), (b) or (d) and have a market value at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the City.
- (d) obligations of Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks and Farm Service Agency.

- (e) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) through (d) above, inclusive, which shall have a market value at all times at least equal to the principal amount of such certificates of deposit or time deposits.
- (f) money market mutual funds (1) that invest in such securities as are described above in clauses (a) through (d), and (2) that are rated in one of the two highest categories by a nationally recognized rating service, including those for which the Trustee or an affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise.
- (g) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State of Missouri.

**“Person”** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

**“Plans and Specifications”** means the plans and specifications prepared for and showing the Project, as amended by the City from time to time prior to the Completion Date, the same being duly certified by the Authorized City Representative, which plans and specifications are on file at the principal office of the City and shall be available for reasonable inspection by the Trustee and its duly appointed representatives.

**“Prime Rate”** means that rate of interest which has most recently been established by the Trustee or its principal banking affiliate, as its prime rate, such Prime Rate to be adjusted on the effective date of any change thereof as announced from time to time by the Trustee or its principal banking affiliate.

**“Principal Component”** means the Principal Component of Rental Payments as provided by **Section 5.1** of the Lease and as set forth on **Schedule 4** attached to the Lease.

**“Project”** means the acquisition, construction, improvement, furnishing and equipping of the improvements described in **Schedule 2** attached to this Indenture or any Supplemental Indenture, pursuant to **Article IV** of the Lease, paid for in whole or in part from the proceeds of Certificates, and all replacements thereof and substitutions therefor made pursuant to the Lease, and all additions, alterations, modifications and improvements thereof made pursuant to the Lease, including, upon the delivery of Additional Certificates, Project Additions financed with Additional Certificates.

**“Project Additions”** means all additions, improvements, extensions, alterations, expansions or modifications of the Project or any other improvements financed with the proceeds of Additional Certificates delivered pursuant to **Section 209** of this Indenture.

**“Project Costs”** means all costs of acquisition, construction, improvement, furnishing and equipping of the Project, including the following:

- (a) fees and expenses of architects, appraisers, surveyors and engineers for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications and supervision

of construction, as well as for the performance of all other duties of architects, appraisers, surveyors and engineers in relation to the construction of the Project or the delivery of the Certificates;

(b) all costs and expenses of every nature incurred with respect to the Project, including the actual cost of labor and materials, as payable to contractors, builders, suppliers, vendors and materialmen in connection with the acquisition, construction, improvement, furnishing and equipping of the Project;

(c) the cost of insurance policies referred to in **Article VI** of the Lease and any insurance or performance and payment bonds maintained during the Construction Period in accordance with the Lease;

(d) expenses of administration, supervision and inspection properly chargeable to the Project, underwriting expenses, legal fees and expenses, fees and expenses of accountants and other consultants, publication and printing expenses, and initial fees and expenses of the Trustee and the Paying Agent to the extent that said fees and expenses are necessary or incident to the delivery and sale of the Certificates or the acquisition, construction, improvement, furnishing and equipping of the Project;

(e) all other items of expense not elsewhere specified in this definition as may be necessary or incident to: (i) the authorization, delivery and sale of the Certificates and the incidental costs of refunding the Refunded Certificates; (ii) the acquisition, construction, improvement, furnishing and equipping of the Project; and (iii) the financing thereof (including capitalized interest, if any); and

(f) reimbursement to the City or those acting for it for any of the above enumerated costs and expenses incurred and paid by them before or after the execution of the Lease as permitted by the Code.

**“Project Fund”** means the **“Project Fund”** created in **Section 501** of this Indenture.

**“Project Site”** means the real estate described in **Schedule 1** and any existing buildings and fixtures located thereon, and any additional buildings and fixtures located thereon.

**“Purchaser”** means, with respect to any series of Certificates, the original purchaser of such series of the Certificates.

**“Record Date”** means the 1st day (whether or not a Business Day) of the calendar month in which each Certificate Payment Date occurs.

**“Refunded Certificates”** means the outstanding principal amount of the Series 2012A Certificates.

**“Registered Owner,” “Owner”** or **“Certificate Owner”** when used with respect to any Certificate means the Person in whose name such Certificate is registered on the Certificate Register.

**“Renewal Term”** means the optional renewal terms of the Lease, each being a duration of one year and a term co-extensive with the City’s Fiscal Year.

**“Rental Payment Date”** means during the Lease Term, any day on or prior to each Certificate Payment Date, and any other date on which any Rental Payments are payable pursuant to the Lease.

**“Rental Payments”** means the payments described in **Section 5.1** of the Lease.

**“Replacement Certificates”** means Certificates delivered to the beneficial owners of the Certificates in accordance with **Section 212(b)** of this Indenture.

**“Reserve Fund”** means the fund by that name established pursuant to **Section 501** hereof.

**“Reserve Fund Credit Instrument”** means a letter of credit, surety bond or similar instrument issued by a bank, insurance company or other financial institution with a credit rating in one of the two highest rating categories of any nationally recognized rating service (without regard to any refinements of gradation of any rating category by numerical modifier or otherwise), for the purpose of satisfying all or any portion of the Reserve Requirement with respect to a series of Certificates.

**“Reserve Requirement”** means, with respect to the Series 2020 Certificates, the sum of \$\_\_\_\_\_, and with respect to any series of Additional Certificates, the amount specified in a Supplemental Indenture authorizing such Additional Certificates. The Reserve Requirement may be satisfied by a Reserve Fund Credit Instrument.

**“S&P”** means S&P Global Ratings, its successors and assigns, and if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

**“Securities Depository”** means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

**“Series 2012A Certificates”** means the City’s Certificates of Participation (Bank Qualified), Series 2012A.

**“Series 2020 Certificates”** means the City’s Refunding and Improvement Certificates of Participation, Series 2020, delivered pursuant to this Indenture.

**“Series 2020 Reserve Policy”** means the Municipal Bond Debt Service Reserve Insurance Policy issued by the Insurer to secure the Principal Component and the Interest Component of Rental Payments represented by the Series 2020 Certificates.

**“Special Record Date”** means the date fixed by the Trustee pursuant to **Section 204(d)** of this Indenture for the payment of Defaulted Interest.

**“Special Counsel”** means Gilmore & Bell, P.C., or any other attorney or firm of attorneys (which is mutually acceptable to the City and the Trustee) of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America.

**“State”** means the State of Missouri.

**“Supplemental Indenture”** means any indenture supplemental or amendatory to this Trust Indenture entered into by the City and the Trustee pursuant to **Article X** of this Indenture.

“**Supplemental Lease**” means any agreement supplemental or amendatory to the Lease entered into by the City and the Trustee pursuant to **Article XI** of this Indenture.

“**Tax Compliance Agreement**” means the Tax Compliance Agreement between the City and the Trustee, entered into in connection with the delivery of each series of Certificates for which the interest component of Rental Payments paid by the City and distributed to the registered owners of the Certificates is excluded from gross income for federal income tax purposes, as from time to time amended in accordance with the provisions thereof.

“**Trust Estate**” means the Trust Estate described in the Granting Clauses of this Indenture and in the Granting Clauses of any Supplemental Indenture.

“**Trustee**” means BOKF, N.A., in Kansas City, Missouri, in its capacity as trustee hereunder, and its successor or successors and any other corporation which at the time may be substituted in its place pursuant to and at the time serving as Trustee under this Indenture.

“**United States Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, and such obligations are held in a custodial or trust account for the benefit of the City.

#### **Section 102. Rules of Construction.**

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(b) All references in this Indenture to a particular article, section, other subdivision, exhibit, schedule or appendix shall be construed to be a reference to the specified article, section or other subdivision or exhibit, schedule or appendix hereto unless the context or use clearly indicates another or different meaning or interest. The words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole as this Indenture may be amended and not to any particular Article, Section or subdivision.

(c) The section and article headings are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Indenture.

(d) Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

## **ARTICLE II**

### **THE CERTIFICATES**

**Section 201. Title and Amount of Certificates.** No Certificates may be delivered under this Indenture except in accordance with the provisions of this Article. The Certificates authorized to be



delivered under this Indenture shall be designated as “City of Sedalia, Missouri Refunding and Improvement Certificates of Participation,” with such further appropriate particular designation added to or incorporated in such title for the Certificates of any particular series as may be set forth in the provisions of this Indenture or any Supplemental Indenture authorizing such series. The initial series of Certificates will be authorized pursuant to **Section 208** of this Indenture. Additional Certificates may be delivered as provided in **Section 209** of this Indenture.

**Section 202. Limited Obligations.**

(a) Each Certificate shall evidence the undivided interest of the Registered Owner thereof in the rights to receive Rental Payments from the City under the Lease. The Certificates are limited obligations and are payable solely out of the Rental Payments and other payments, revenues and receipts derived under the Lease (including, in certain circumstances, Certificate proceeds and income from the temporary investment thereof and Net Proceeds), and are secured by a pledge and assignment of the Trust Estate by the Trustee in favor of the Registered Owners of the Certificates, as provided in this Indenture. Neither the Certificates nor the Rental Payments payable pursuant to the Lease shall constitute a debt or liability of the City beyond the Lease Term in effect at any time and shall not constitute a general obligation or indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction.

(b) No provision, covenant or agreement contained in this Indenture or the Certificates, or any obligation herein or therein imposed upon the City, or any breach thereof, shall constitute or give rise to or impose upon the City a pecuniary liability or a charge upon the general credit of the City. No officer, employee, agent or board member of the Trustee or the City, nor any person executing the Certificates shall be personally liable with respect to the Certificates by reason of the delivery thereof.

**Section 203. Denomination, Numbering and Dating of Certificates.** Certificates shall be delivered in the form of fully registered Certificates without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2020 Certificates shall be dated and numbered as provided in **Section 208** of this Indenture. Certificates of each series of Additional Certificates shall be dated and numbered as provided in the Supplemental Indenture authorizing such series of Additional Certificates.

**Section 204. Method and Place of Payment of Certificates.**

(a) The Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for payment of debts due the United States of America.

(b) Amounts representing the Principal Component and premium, if any, payable with respect to the Certificates shall be payable at maturity or upon earlier prepayment by check or draft to the persons in whose names such Certificates are registered on the Certificate Register at the maturity or prepayment date thereof, upon the presentation and surrender of such Certificates at the corporate trust office of the Trustee or of any Paying Agent named in the Certificates or at such other office as the Trustee may indicate.

(c) Amounts representing the Interest Component payable with respect to each Certificate on any Certificate Payment Date shall be paid to the person in whose name such Certificate is registered at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Certificate Register. Upon the request and at the expense of any Registered Owner of Certificates representing at least \$500,000 in Principal Component, payments with respect to the Certificates shall be made by electronic transfer to the bank (which shall be

in the continental United States) for credit to the ABA routing number and the account name and account number designated to the Trustee by such Registered Owner no later than five Business Days preceding the Record Date.

(d) Defaulted Interest with respect to any Certificate shall cease to be payable to the Owner of such Certificate on the relevant Record Date and shall be payable to the Owner in whose name such Certificate is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner. The City shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Certificate and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence), and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment; money deposited with the Trustee shall be held in trust for the benefit of the Owners of the Certificates entitled to such Defaulted Interest as provided in this Section. Following receipt of such funds the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment (unless the Trustee agrees to a shorter period). The Trustee shall, at the expense of the City, cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Owner of a Certificate entitled to such notice at the address of such Owner as it appears on the Certificate Register not less than 10 days prior to such Special Record Date.

#### **Section 205. Execution of Certificates.**

(a) Each Certificate shall be executed by the manual signature of an authorized signatory of the Trustee. In case any person whose signature appears on any Certificate shall cease to be an authorized signatory before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Certificate may be signed by a person who at the actual time of the execution of such Certificate shall be a person authorized to sign such Certificate although at the date of such Certificate such person may not have been so authorized.

(b) No Certificate shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate shall have been duly executed by the Trustee. Such execution shall be conclusive evidence that such Certificate has been duly executed and delivered under this Indenture. Any Certificate shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee, but it shall not be necessary that the same signatory sign all of the Certificates of any series.

#### **Section 206. Registration, Transfer and Exchange of Certificates.**

(a) The Trustee is hereby appointed Certificate Registrar and as such shall keep a Certificate Register for the registration and for the transfer of Certificates as provided in this Indenture. Each Certificate when delivered shall be registered in the name of the Registered Owner thereof on the Certificate Register.

(b) Any Certificate may be transferred only upon the Certificate Register upon surrender thereof to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney or legal representative in a form satisfactory to the Trustee. Upon any such transfer, the Trustee shall execute and deliver in exchange for such Certificate one or more new fully

registered Certificates, registered in the name of the designated transferee, of any authorized denomination and of like series, maturity and aggregate stated principal amount.

(c) Any Certificate, upon surrender thereof to the Trustee, together with an assignment duly executed by the Registered Owner or his attorney or legal representative in a form satisfactory to the Trustee, may, at the option of the Registered Owner thereof, be exchanged for one or more Certificates of any authorized denomination and of like series, maturity and aggregate stated principal amount.

(d) When any Certificate is surrendered for exchange or transfer hereunder, the Trustee shall execute and deliver one or more new Certificates at the earliest practicable time in accordance with the provisions of this Indenture. All Certificates surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee. The Trustee may make a charge to the Registered Owner requesting the same for every such exchange or transfer of Certificates sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer, and such charge shall be paid before any such new Certificate shall be delivered. The fees and charges of the Trustee for making any transfer or exchange hereunder and the expense of any certificate printing necessary to effect such transfer or exchange shall be paid by the City as Additional Payments. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Registered Owner hereunder or with respect to the Certificates.

(e) At reasonable times and under reasonable regulations established by the Trustee, the Certificate Register may be inspected and copied by the City or the Owners (or a designated representative thereof) of 10% or more in principal amount of Certificates then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(f) The Trustee shall not be required to register the transfer of or exchange any Certificate after notice calling such Certificate or portion thereof for prepayment has been given or during the period of fifteen days next preceding the first mailing of such notice of prepayment.

**Section 207. Persons Deemed Registered Owners of Certificates.** The person in whose name any Certificate shall be registered as shown on the Certificate Register shall be deemed and regarded as the absolute Registered Owner thereof for all purposes, and payment of any amount representing principal, premium, if any, or interest with respect to such Certificate shall be made only to or upon the order of the Registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability represented by such Certificate to the extent of the sum or sums so paid.

**Section 208. Authorization of Series 2020 Certificates.**

(a) There shall be initially delivered and secured by this Indenture a series of Certificates in the aggregate principal amount of \$28,995,000 for the purpose of providing funds to pay Project Costs (including costs of issuance and incidental costs of refunding the Refunded Certificates) and to current refund the Refunded Certificates, which series of Certificates shall be designated “City of Sedalia, Missouri Refunding and Improvement Certificates of Participation, Series 2020” (herein called the “**Series 2020 Certificates**”). The Series 2020 Certificates shall be substantially in the form set forth in **Exhibit A** attached hereto. The Series 2020 Certificates shall be numbered from 1 consecutively upward, with the number on each Series 2020 Certificate preceded by the letter “**R**”. The Series 2020 Certificates

shall be dated the date of their delivery, shall mature on September 15 in the following years and stated principal amounts (subject to prior prepayment as hereinafter provided in **Article III**), and shall evidence interests in the right to receive a proportionate share of the Rental Payments (determined by reference to such stated principal amounts with interest thereon at the following respective rates per annum):

**SERIAL CERTIFICATES**

<u>Maturity September 15</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020	\$	%
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		

**TERM CERTIFICATES**

<u>Maturity September 15</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2041	\$	%
2044		

Interest Components with respect to the Series 2020 Certificates shall be computed on the basis of a 360-day year of twelve 30-day months from the date thereof or from the most recent Certificate Payment Date to which interest has been paid or duly provided for and shall be payable semiannually on March 15 and September 15 in each year, beginning on September 15, 2020.

(b) The Trustee is hereby designated as the Paying Agent for the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Series 2020 Certificates.

(c) The Series 2020 Certificates shall be delivered to the Trustee for execution substantially in the form set forth in **Article IV** together with the following items:

(1) An original or certified copy of the ordinance adopted by the City Council of the City approving the delivery of the Series 2020 Certificates and authorizing the execution of the Base Lease, the Lease, this Indenture and the Tax Compliance Agreement;

(2) An original executed counterpart of this Indenture;

(3) An original executed counterpart of the Lease;

(4) An original executed counterpart of the Base Lease;

(5) An original executed counterpart of the Tax Compliance Agreement;

(6) The Insurance Policy and the Series 2020 Reserve Policy;

(7) A request and authorization to the Trustee on behalf of the City, executed by an Authorized City Representative, to execute the Certificates and to deliver the Certificates to or upon the order of the Purchaser upon payment of the purchase price thereof. The Trustee shall be entitled to conclusively rely upon such request and authorization as to the name of the purchaser and the amount of such purchase price;

(8) An opinion of Special Counsel to the effect that the Series 2020 Certificates represent valid and legally binding, undivided interests in the rights to receive Rental Payments from the City under the Lease, and that the Interest Component of the Rental Payments is excludable from gross income for federal income tax purposes;

(9) An ALTA owner's title insurance policy, or commitment therefor, in form and substance acceptable to the Purchaser and the Insurer, satisfying the requirements of **Section 3.7** of the Base Lease; and

(10) Such other certificates, statements, receipts, opinions and documents as the Trustee, the Purchaser or Special Counsel shall reasonably require for the delivery of the Series 2020 Certificates.

(d) When the documents specified in subsection (c) of this Section have been filed with the Trustee, and when the Series 2020 Certificates shall have been executed as required by this Indenture, the Trustee shall deliver the Series 2020 Certificates to or upon the order of the Purchaser upon payment of the purchase price of the Series 2020 Certificates. The net proceeds of the sale of the Series 2020 Certificates, including accrued interest and premium thereon, if any, shall be deposited and applied in accordance with **Article V** hereof.

#### **Section 209. Authorization of Additional Certificates.**

(a) Additional Certificates may be delivered under and be equally and ratably secured by this Indenture on a parity with the Series 2020 Certificates and any other Additional Certificates Outstanding, at any time and from time to time while no Event of Default or Event of Nonappropriation has occurred and is continuing under the Indenture, upon compliance with the provisions of this Section, for any of the following purposes:

(1) To provide funds to pay the costs of completing the Project, the total of such costs to be evidenced by a certificate signed by an Authorized City Representative;

(2) To provide funds to pay all or any part of the costs of repairing, replacing or restoring the Project Site or the Project in the event of damage, destruction or condemnation thereto or thereof, but only to the extent that such costs exceed the Net Proceeds of the insurance or condemnation awards out of which such costs are to be paid pursuant to **Article VIII** of the Lease;

(3) To provide funds to pay all or any part of the costs of acquisition, construction, furnishing and equipping of Project Additions or other facilities, all as the City may deem necessary or desirable;

(4) To provide funds for refunding all or any portion of the Certificates of any series then Outstanding, including the payment of any premium thereon and interest to accrue to the designated prepayment date and any expenses in connection with such refunding; or

(5) Any other lawful purpose for the benefit of the City.

The principal amount of any Additional Certificates may include an amount sufficient to pay the costs and expenses of delivery, a funding of a reserve account, if required, and such capitalized amounts as are permitted by law.

(b) Before any Additional Certificates shall be delivered under the provisions of this Section, the City shall adopt an ordinance (i) authorizing or approving the delivery of such Additional Certificates and fixing the amount and terms thereof and describing the purpose or purposes for which such Additional Certificates are being delivered or describing the Certificates to be refunded, (ii) authorizing or approving the execution of a Supplemental Indenture for the purpose of delivering such Additional Certificates, (iii) authorizing the execution of an amendment to the Lease to provide for Rental Payments at least sufficient to pay the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates then to be Outstanding (including the Additional Certificates to be delivered) as the same become due, (iv) authorizing the execution of an amendment to the Base Lease, if appropriate, to extend the term thereof and to add real property subject to the terms thereof, and (v) for such other matters as are appropriate because of the delivery of the Additional Certificates proposed to be delivered which, in the judgment of the City, are not to the prejudice of the City or the Registered Owners of the Certificates previously delivered.

(c) Additional Certificates shall be dated and numbered, shall be stated to mature in such year or years, shall provide for amounts representing Interest Components at such rate or rates not exceeding the maximum rate then permitted by law, and shall be prepayable at such times and prices, as may be provided by the Supplemental Indenture authorizing the delivery of such Additional Certificates. Except as to any difference in date, maturity, interest rate or prepayment provisions, such Additional Certificates shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2020 Certificates and any other Additional Certificates Outstanding after the delivery of such Additional Certificates. If such Additional Certificates are to be secured by a reserve fund, such fund shall be fully funded to any reserve requirement set at the time of delivery of such Additional Certificates.

(d) Such Additional Certificates shall be executed substantially in the form and manner set forth in this Article and **Article IV** of this Indenture, upon filing the following items with the Trustee and compliance with the following terms:

(1) An original or certified copy of the Ordinance adopted by the City Council of the City approving the delivery of such Additional Certificates pursuant to such Supplemental Indenture and authorizing the execution of any amendment of the Lease and/or the Base Lease;

(2) An original executed counterpart of the Supplemental Indenture providing for the delivery of the Additional Certificates;

(3) An original executed counterpart of the amendment to the Base Lease, if required, and the Lease, if required, which amendment to the Lease shall clearly establish that the City has agreed that the Additional Certificates shall constitute Certificates for the purpose of computing the required Rental Payments;

(4) A request and authorization to the Trustee, on behalf of the City, executed by an Authorized City Representative, to execute the Additional Certificates and to deliver said Additional Certificates to or upon the order of the purchaser thereof upon payment of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the name of the purchaser and the amount of such purchase price;

(5) An opinion of Special Counsel to the effect that the delivery of such Additional Certificates represent valid and legally binding proportionate interests in the rights to receive Rental Payments from the City under the Lease and, except with respect to those Certificates delivered with Interest Components which are includable in gross income for federal income tax purposes, that the delivery of such Additional Certificates will not cause the Interest Component of the Rental Payments represented by any Certificates then Outstanding (including such Additional Certificates) to become includable in gross income for federal income tax purposes;

(6) In the case of Additional Certificates being delivered to refund Outstanding Certificates, such additional documents as shall be reasonably required by the Trustee to evidence that provision has been duly made in accordance with the provisions of **Article XII** of this Indenture for the payment of all of the Certificates to be refunded;

(7) Additional Certificates may be delivered without notice to or the consent of the Registered Owners of the Certificates in any amount for any lawful purposes of the City.

(8) The Opinions of Counsel required by **Section 1003** and **Section 1103** of this Indenture; and

(9) Such other certificates, statements, receipts, opinions and documents as the City, the Trustee or Special Counsel shall reasonably require for the delivery of such Additional Certificates.

(e) When the documents described in subsection (d) of this Section shall have been filed with the Trustee, and when such Additional Certificates shall have been executed as required by this Indenture, the Trustee shall deliver such Additional Certificates to or upon the order of the purchaser thereof upon payment of the purchase price of such Additional Certificates. The proceeds of the sale of such Additional Certificates, except Additional Certificates delivered to refund Outstanding Certificates, including any accrued interest and premium thereon, shall be deposited in accordance with the provisions of this Indenture and as provided by the Supplemental Indenture authorizing the delivery of such Additional Certificates. The proceeds of all Additional Certificates delivered to refund Outstanding Certificates shall be deposited by the Trustee, together with other available funds, after payment or

making provision for payment of all expenses incident to such financing, to the credit of a special trust fund, to be held in trust for the sole and exclusive purpose of paying the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates to be refunded, as provided in **Section 1303** of this Indenture and in the Supplemental Indenture authorizing the delivery of such Additional Certificates.

**Section 210. Mutilated, Lost, Stolen or Destroyed Certificates.** In the event any Certificate is mutilated, lost, stolen or destroyed, the Trustee shall execute and deliver a new Certificate of like series, date and tenor as the Certificate mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Certificate, such mutilated Certificate shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Certificate, there shall be first furnished to the Trustee evidence satisfactory to the Trustee of such loss, theft or destruction, together with indemnity satisfactory to Trustee. In the event any such Certificate shall have matured or has been designated for prepayment, such Certificate may be paid without surrender thereof or delivery of a new Certificate. Upon the delivery of any substitute Certificate, the Trustee may require the payment of an amount sufficient to reimburse the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

**Section 211. Cancellation and Destruction of Certificates Upon Payment.** All Certificates which have been paid or prepaid or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity, shall be canceled by the Trustee immediately upon such payment, prepayment or purchase and the surrender thereof to the Trustee. All Certificates canceled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate describing the Certificates so destroyed and shall file an executed counterpart of such certificate with the City.

**Section 212. Certificates Delivered in Book-Entry Form.**

(a) In such case, the Certificates shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Certificates, except in the event the Certificate Registrar delivers Replacement Certificates as provided in subsection (b) of this Section. It is anticipated that during the term of the Certificates, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Certificates to the Participants until and unless the Certificate Registrar authenticates and delivers Replacement Certificates to the Beneficial Owners as described in subsection (b).

(b) (1) If the City determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Certificates being delivered to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Certificates, or (2) if the Certificate Registrar receives written notice from Participants having interests in not less than 50% of the Certificates Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Certificates being delivered to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Certificates, then the Certificate Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Certificate Registrar shall register in the name of and authenticate and deliver Replacement Certificates to the Beneficial Owners or their nominees in Principal Components representing the interest of each, making such adjustments as it may find necessary or appropriate as to



accrued Interest Components and previous calls for prepayment; provided, that in the case of a determination under (1)(A) or (1)(B) of this subsection (b), the City, with the consent of the Certificate Registrar, may select a successor securities depository in accordance with **Section 212(c)** below to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Certificate is registered in the name of the Securities Depository or its nominee. Upon the delivery of Replacement Certificates, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Certificate Registrar, to the extent applicable with respect to such Replacement Certificates. If the Securities Depository resigns and the City, the Certificate Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with **Section 212(c)**, then the Certificate Registrar shall authenticate and cause delivery of Replacement Certificates to Owners, as provided herein. The Certificate Registrar may rely on information from the Securities Depository and its Participants as to the names and addresses of and the amounts held by the Beneficial Owners of the Certificates. The cost of printing, registration, authentication and delivery of Replacement Certificates shall be paid for by the City.

(c) In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor Securities Depository provided the Certificate Registrar and the City receive written evidence with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Certificate Registrar upon its receipt of a Certificate or Certificates for cancellation shall cause the delivery of Certificates to the successor Securities Depository in appropriate denominations and form as provided herein.

### ARTICLE III

#### PREPAYMENT OF CERTIFICATES

**Section 301. Prepayment of Certificates Generally.** The Series 2020 Certificates shall be subject to prepayment prior to maturity in accordance with the terms and provisions set forth in this Article. Additional Certificates shall be subject to prepayment prior to maturity in accordance with the terms and provisions contained in this Article and as may be specified in the Supplemental Indenture authorizing such Additional Certificates.

**Section 302. Prepayment of Series 2020 Certificates.**

(a) **Optional Prepayment.** The Series 2020 Certificates are subject to prepayment on and after September 15, 20\_\_, as a whole or in part at any time at 100% of the Principal Component represented thereby, plus the Interest Component accrued thereon to the prepayment date.

(b) **Extraordinary Optional Prepayment.** The Certificates shall be subject to prepayment prior to the stated maturity thereof, upon instructions from the City, in whole or in part on any date, at a prepayment price equal to 100% of the principal amount of the Certificates to be prepaid plus interest accrued thereon to the prepayment date, upon the occurrence of any of the following conditions or events:

(1) if title to, or the use for a limited period of, all or substantially all of the Project or the Project Site is condemned by any authority having the power of eminent domain (other than the City or any entity controlled by or otherwise affiliated with the City);

(2) if title to all or substantially all of the Project or the Project Site is found to be deficient or nonexistent to the extent that the efficient utilization of the Project or the Project Site by the City is impaired;

(3) if all or substantially all of the Project or the Project Site is damaged or destroyed by fire or other casualty; or

(4) if as a result of changes in the constitution of the State, or of legislative or administrative action by the State or any political subdivision thereof, or by the United States, or by reason of any action instituted in any court, the Base Lease, the Lease or this Indenture shall become void or unenforceable, or impossible of performance without unreasonable delay, or in any other way, by reason of such change of circumstances, unreasonable burdens or excessive liabilities are imposed on the City with respect to the Base Lease, the Lease or this Indenture.

(c) **Mandatory Prepayment.** The Series 2020 Certificates or portions thereof bearing stated maturity dates of September 15, 2041 and September 15, 2044 (the “Term Certificates”), shall be subject to mandatory prepayment prior to their stated maturities at a Prepayment Price of 100% of the Principal Component so prepaid plus the Interest Component accrued thereon to the Prepayment Date, in the following principal amounts:

**September 15, 2041 Term Certificates**

<b><u>Prepayment Date</u></b>	<b><u>Principal Component</u></b>
-------------------------------	-----------------------------------

**September 15**

\*

\_\_\_\_\_  
\*Final Maturity

**September 15, 2044 Term Certificates**

<b><u>Prepayment Date</u></b>	<b><u>Amount</u></b>
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**September 15**

\*

\_\_\_\_\_  
\*Final Maturity

The Trustee shall in each year in which such Term Certificates are to be prepaid pursuant to the terms of the foregoing paragraph make timely selection of such Term Certificates or portions thereof and shall give notice thereof as hereinafter provided without further instructions from the City.

If permitted by law, moneys deposited in the Certificate Fund in excess of amounts necessary to pay amounts representing Principal Components and Interest Components with respect to the Term Certificates coming due on or prior to the next ensuing Payment Date may be used at any time to purchase Term Certificates in the open market, to the extent practical, at the written instruction of the City at a price not in excess of 100% of the principal amount thereof and to pay interest accrued on such Term Certificates so purchased at the specified rate thereon to the date of purchase.

At its option, to be exercised on or before the 45th day next preceding any mandatory prepayment date, the City may (i) deliver to the Trustee for cancellation Term Certificates in any aggregate principal amount desired or (ii) receive a credit in respect to the mandatory prepayment obligation provided above for the respective Term Certificates of the same maturity which prior to such date shall have been purchased or prepaid (other than through the operation of such mandatory prepayment provisions as aforesaid) and canceled by the Trustee and not theretofore applied against such mandatory prepayment obligation. Each Term Certificate so delivered or previously purchased or prepaid as described in the immediately preceding sentence shall be credited at 100% of the principal amount thereof against the obligation to prepay Term Certificates of the same maturity on the next succeeding mandatory prepayment date pursuant to this subsection and any excess of such amount shall be credited on future mandatory prepayment obligations for Term Certificates pursuant to this subsection in chronological order. If the City intends to exercise the option granted by clauses (i) or (ii) above, the City shall, on or before the 45th day next preceding each mandatory prepayment date, furnish the Trustee a certificate signed by an Authorized City Representative indicating to what extent said provisions of clauses (i) and (ii) are to be applied in respect to such mandatory prepayment requirement and the Term Certificates to be canceled.

### **Section 303. Selection of Certificates to Be Prepaid.**

(a) Certificates shall be prepaid only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Certificates of any series are to be prepaid prior to maturity (other than by mandatory sinking fund prepayment, if any), the City shall designate which maturities of such series of the Certificates shall be prepaid. Certificates to be prepaid of less than a full maturity shall be selected by the Trustee in \$5,000 units of face value by lot or in such other equitable manner as the Trustee may determine.

(b) In the case of a partial prepayment of Certificates when Certificates of denominations greater than \$5,000 units of face value are then Outstanding, then for all purposes in connection with such prepayment, each \$5,000 unit of face value shall be treated as though it were a separate Certificate. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Certificate is selected for prepayment, then upon notice of intention to prepay such \$5,000 unit or units, the Registered Owner of such Certificate or his duly authorized agent shall forthwith present and surrender such Certificate to the Trustee (1) for payment of the prepayment price (including amounts representing premium, if any, and Interest Components to the date fixed for prepayment) of the \$5,000 unit or units of face value called for prepayment, and (2) for exchange, without charge to the Registered Owner thereof, for a new Certificate or Certificates of the aggregate principal amount of the unprepaid portion of the principal amount of such Certificate. If the Registered Owner of any such Certificate of a denomination greater than \$5,000 fails to present such Certificate to the Trustee for payment and exchange as aforesaid, such Certificate shall, nevertheless, become due and payable on the prepayment date to the extent of the \$5,000 unit or units of face value called for prepayment (and to that extent only).

### **Section 304. Trustee's Duty to Prepay Certificates.**

(a) The Trustee shall call Certificates for prepayment and payment as herein provided and shall give notice of prepayment as provided in **Section 305** upon receipt by the Trustee at least 45 days

prior to the prepayment date of a written request of the City. Such request shall specify the principal amount of Certificates of each maturity to be called for prepayment, the applicable prepayment price or prices and the above-mentioned provision or provisions pursuant to which such Certificates are to be called for prepayment. The Trustee shall be entitled to rely conclusively on such written request in exercising its duty to give notice of the call for such prepayment as provided in **Section 305**.

(b) Reference is hereby made to **Section 5.6** of the Lease, wherein the City is given the right to direct the Trustee to prepay Certificates under certain circumstances under the foregoing provisions of this Article. The Trustee shall comply with any direction of the City given pursuant to said **Section 5.6** of the Lease upon satisfaction of the conditions specified therein precedent to the City's right to direct such a prepayment.

**Section 305. Notice and Effect of Call for Prepayment.** Official notice of any prepayment shall be given by the Trustee by mailing a copy of an official prepayment notice at least 20 days prior to the date fixed for prepayment by first class mail to the Purchaser of the Certificates and the Registered Owner of the Certificate or Certificates to be prepaid, unless waived by any Registered Owner thereof, at the address shown on the Certificate Register as of the date of the notice.

All official notices of prepayment shall be dated and shall state:

- (1) the prepayment date,
- (2) the prepayment price,
- (3) if less than all Outstanding Certificates are to be prepaid, the identification number, series, maturity date (and, in the case of partial prepayment of any Certificates, the respective principal amounts) of the Certificates to be prepaid,
- (4) that on the prepayment date the prepayment price will become due and payable upon each such Certificate or portion thereof called for prepayment, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such Certificates are to be surrendered for payment of the prepayment price, which place of payment shall be the corporate trust office of the Trustee or such other office as the Trustee shall designate.

With respect to optional prepayments, such notice may be conditioned upon moneys being on deposit with the Trustee on or prior to the prepayment date in an amount sufficient to pay the prepayment price on the prepayment date. If such notice is conditional and either the Trustee receives written notice from the City that moneys sufficient to pay the prepayment price will not be on deposit on the prepayment date, or such moneys are not received on the prepayment date, then such notice shall be of no force and effect, the Trustee shall not prepay such Certificates and the Trustee shall give notice, in the same manner in which the notice of prepayment was given, that such moneys were not or will not be so received and that such Certificates will not be prepaid.

The failure of any Owner of Certificates to receive notice given as provided in this Section, or any defect therein, shall not affect the validity of any proceedings for the prepayment of any Certificates.

On or prior to any prepayment date, funds shall be on deposit with the Trustee which are sufficient to pay the prepayment price of all the Certificates or portions of Certificates that are to be

prepaid on that date in addition to any amounts therein required for regularly scheduled payments of amounts representing Principal and Interest Components with respect to the Certificates.

Official notice of prepayment having been given as aforesaid, the Certificates or portions of Certificates so to be prepaid shall, on the prepayment date, become due and payable at the prepayment price therein specified, and from and after such date (unless the City shall default in the payment of the prepayment price), the Registered Owners of such Certificates or portion of Certificates shall no longer be entitled to receive any additional Interest Component of the Rental Payments. Upon surrender of such Certificates for prepayment in accordance with said notice, such Certificates shall be paid by the Trustee at the prepayment price. Installments of Interest Components due on or prior to the prepayment date shall be payable as herein provided for payment of Interest Components. Upon surrender for any partial prepayment of any Certificate, there shall be prepared for the Registered Owner a new Certificate or Certificates of the same maturity in the amount of the unpaid principal. All Certificates which have been prepaid shall be canceled and destroyed by the Trustee and shall not be redelivered.

Upon the happening of the above conditions, and notice having been given as provided above, the Registered Owners of such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to receive any additional Interest Component of the Rental Payments after the specified prepayment date, and such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

Any defect in any notice or the failure of any parties to receive any notice of prepayment shall not cause any Certificate called for prepayment to remain Outstanding.

For so long as the Securities Depository is effecting book-entry transfers of the Certificates, the Certificate Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Certificate (having been mailed notice from the Certificate Registrar, the Securities Depository, a Participant or otherwise) to notify the beneficial owner of the Certificate so affected, shall not affect the validity of the prepayment of such Certificate.

**Section 306. Revised Schedule of Rental Payments and Option Purchase Price.** Upon partial prepayment of Certificates, the Trustee shall provide the City with a revised schedule of Rental Payments and a revised schedule setting forth the Option Purchase Price which schedule shall take into account such prepayment or delivery and shall be and become for all purposes thereafter included in **Schedule 4** to the Lease; provided, however, that nothing herein shall be construed to authorize or permit a revision of the Optional Purchase Dates from those originally provided in the Lease.

## ARTICLE IV

### FORM OF CERTIFICATES

**Section 401. Forms Generally.** The Certificates shall be in substantially the form set forth in **Exhibit A** to this Indenture. Any Additional Certificates shall also be in substantially the form set forth in **Exhibit A**, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture or any Supplemental Indenture. The Certificates may have endorsed thereon

such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirement of law with respect thereto.

## ARTICLE V

### CREATION OF FUNDS; CUSTODY AND APPLICATION OF CERTIFICATE PROCEEDS

**Section 501. Creation of Funds.** There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the City to be designated as follows:

- (a) Certificate Fund;
- (b) Project Fund, with a Certificate Proceeds Account and a City Contribution Account; and
- (c) Reserve Fund.

Within each Fund created hereunder, a separate account shall be created for each series of Certificates. The Trustee is authorized to segregate moneys within such accounts, as instructed by the City, as necessary, on a book-entry basis or in such other manner as the Trustee may deem necessary or convenient.

In addition, the Escrow Agreement establishes the Escrow Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement.

**Section 502. Allocation of Certificate Proceeds and Other Moneys.** The net proceeds received from the sale of the Series 2020 Certificates, shall be deposited or applied as follows:

- (a) To the Escrow Agent for deposit in the Escrow Fund, an initial cash balance sufficient to provide for the defeasance and refunding of the Refunded Certificates in accordance with the Escrow Agreement.
- (b) To the Insurer, \$\_\_\_\_\_ from the proceeds for payments of premiums for the Insurance Policy and the Series 2020 Reserve Policy.
- (c) To the Certificate Account in the Project Fund, the balance of the proceeds to be received from the sale of the Series 2020 Certificates.

Other available funds for the Project in the amount of \$3,230,000 shall be deposited into the City Contribution Account in the Project Fund.

**Section 503. Deposits into the Project Fund.** The following moneys shall be paid over to and deposited by the Trustee in the applicable subaccount of the Project Fund, as and when received:

- (a) The proceeds from the sale of the Series 2020 Certificates and other available funds of the City, to the extent required by **Section 502** hereof.

(b) The proceeds from the sale of Additional Certificates (except Additional Certificates delivered to refund Outstanding Certificates), to the extent provided in the Supplemental Indenture authorizing such Additional Certificates;

(c) The Net Proceeds of casualty insurance, title insurance or condemnation awards required to be deposited into the Project Fund pursuant to the Lease;

(d) All payment and performance and labor and material bond payments and any and all payments from any contractors or other suppliers by way of breach of contract, refunds or adjustments required to be deposited into the Project Fund pursuant to the Lease; and

(e) Except as otherwise provided herein or in the Lease, any other moneys received by or to be paid to the Trustee from any other source for the acquisition, construction, improvement, furnishing and equipping of the Project, to the extent directed in writing by the Authorized City Representative to be deposited into the Project Fund.

#### **Section 504. Disbursements from the Project Fund.**

(a) So long as no Event of Default or Event of Nonappropriation has occurred and is continuing, the money in the Project Fund shall be disbursed by the Trustee for the payment of remaining Project Costs upon receipt of requisition certificates in substantially the form attached to the Lease as **Schedule 3**, and signed by an Authorized City Representative. All disbursements of Project Fund moneys shall, at the option of the City, be made either directly to the appropriate payees or to the City for reimbursement of Project Costs. The Trustee hereby covenants and agrees to disburse such money in accordance with the provisions of this Section. In making disbursements for Project Costs, the Trustee may conclusively rely as to the completeness and accuracy of all statements in such requisition certificate without inquiry or investigation if such requisition certificate is signed by the Authorized City Representative. It is understood that the Trustee shall not make any inspections of the Project nor any improvements thereon, make any provision to obtain completion certificates, mechanic's or materialmen's lien releases or otherwise supervise any phase of the acquisition, construction, improvement, furnishing or equipping of the Project. The receipt of a requisition signed by the Authorized City Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Project Fund have been completed.

Funds shall be disbursed from the Certificate Proceeds Account first and then from the City Contribution Account.

(b) The Trustee shall keep and maintain adequate records pertaining to the Project Fund (and the subaccounts therein), earnings thereon and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in **Section 505** below, the Trustee shall file with the City a final statement of receipts and disbursements with respect thereto.

**Section 505. Disposition upon Completion of the Project.** The completion of the Project and payment of all costs and expenses incidental thereto shall be evidenced by the filing with the Trustee by the Authorized City Representative of the Completion Certificate required by **Section 4.4** of the Lease. As soon thereafter as practicable, any balance remaining in the Project Fund (other than amounts retained by the Trustee as specified in said certificate) shall without further authorization be deposited in the applicable subaccount of the Certificate Fund and applied by the Trustee as directed in writing by the City solely (i) to pay amounts representing Principal Component or premium, if any, with respect to the Certificates upon the payment or prepayment thereof at the earliest date permissible under the terms of this Indenture, or (ii) at the option of the City, to purchase Certificates at such earlier date or dates as the

City may elect. The balance remaining in the Project Fund and transferred to the Certificate Fund shall be invested in accordance with the written direction of the City. Any investment direction of the City shall be in compliance with the Tax Compliance Agreement. Any earnings on such investments may be applied to pay amounts representing Principal Components, premium, if any, or Interest Components with respect to the Certificates. Any Certificates purchased by the Trustee pursuant to this provision with moneys from the Certificate Fund will be deemed canceled. From time to time as the proper disposition of the amounts retained by the Trustee and specified in said certificate shall be determined, to the extent that such amounts are not paid out by the Trustee pursuant to **Section 504** of this Indenture, the City shall so notify the Trustee by one or more certificates as aforesaid and amounts from time to time no longer to be so retained by the Trustee shall be so deposited in the applicable subaccount of the Certificate Fund and applied by the Trustee as aforesaid.

**Section 506. Disposition upon Acceleration.** If any of the Certificates shall have become due and payable pursuant to **Section 802** of this Indenture, upon the date of payment by the Trustee of any money due as hereinafter provided in **Article IX** of this Indenture, any balance remaining in the Project Fund shall without further authorization be deposited in the applicable subaccount of the Certificate Fund by the Trustee with written notice to the City of such action.

## ARTICLE VI

### REVENUES AND FUNDS

**Section 601. Deposits into the Certificate Fund.** The Trustee shall deposit into the applicable subaccount of the Certificate Fund, as and when received, the following moneys:

- (a) All Rental Payments payable by the City to the Trustee specified in the Lease;
- (b) Any amount remaining in the Project Fund to be transferred to the Certificate Fund pursuant to **Section 505** of this Indenture upon completion of the Project and any amount remaining in the Project Fund to be transferred to the Certificate Fund pursuant to **Section 506** of this Indenture upon acceleration of the maturity of any of the Certificates;
- (c) The balance of any Net Proceeds of insurance or condemnation awards received by the Trustee pursuant to **Article VIII** of the Lease;
- (d) All interest and other income derived from investments of moneys required to be transferred to the Certificate Fund as provided in **Section 702** of this Indenture; and
- (e) All other moneys received by the Trustee when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Certificate Fund.

**Section 602. Application of Moneys in the Certificate Fund.**

- (a) Except as provided in this Section and in **Section 807** of this Indenture, moneys in the Certificate Fund shall be expended solely for (1) the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates as the same mature and become due or upon the prepayment thereof, or (2) to purchase Certificates for cancellation prior to maturity.
- (b) The Trustee is hereby authorized and directed to withdraw sufficient moneys from the applicable subaccount of the Certificate Fund to pay the Principal Component, premium, if any, and



Interest Component of the Rental Payments represented by the Certificates as the same become due and payable and to make said moneys available to the Paying Agent for the purpose of paying such amounts.

(c) The Trustee, upon written direction of the City, shall use any moneys in the Certificate Fund (1) to prepay all or part of the Certificates Outstanding and the Interest Component of Rental Payments to accrue with respect thereto prior to such prepayment, in accordance with and to the extent permitted by **Article III** of this Indenture so long as the City is not in default with respect to any payments under the Lease and to the extent said moneys are in excess of the amount required for payment of Certificates theretofore matured or called for prepayment, and (2) to pay past due interest in all cases when such Certificates have not been presented for payment. The City may cause such excess moneys in the Certificate Fund or such part thereof or other moneys of the City, as the City may direct, to be applied by the Trustee to purchase Certificates in the open market for the purpose of cancellation, at prices not exceeding the principal amount thereof plus interest accrued with respect thereto to the date of delivery for cancellation.

(d) After payment or provision for payment in full of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates, and the fees, charges and expenses of the Trustee and any Paying Agent and any other amounts required to be paid under this Indenture and the Lease, all amounts remaining in the Certificate Fund shall be paid to the City.

#### **Section 603. Reserve Fund.**

(a) Except as otherwise provided herein, money in the Reserve Fund shall be used solely (i) to make up any deficiencies in the Certificate Fund and, if the money in the Certificate Fund is insufficient to pay the Principal Component or the Interest Component of the Rental Payments as the same become due, the Trustee shall without further authorization transfer any funds available to make up such deficiency from the Reserve Fund to the Certificate Fund or (ii) to make all or a portion of the last payment of the Principal Component of the Rental Payments.

(b) Any Permitted Investments held in the Reserve Fund shall be valued at the market value thereof. The Trustee shall value the Reserve Fund (1) annually as of the last Business Day preceding each September 1 (each, a "Valuation Date"), and (2) on any date there is a draw on the Reserve Fund pursuant to **Section 603(a)**, and shall furnish a copy of such valuation to the City. If on any such Valuation Date the Reserve Fund exceeds the Reserve Requirement, the Trustee shall promptly thereafter transfer such excess to the Certificate Fund. If on any such date the amount in the Reserve Fund is less than the applicable Reserve Requirement, the Trustee shall promptly notify the City and direct the City to replenish the Reserve Fund in the manner provided in **Section 5.2** of the Lease.

(c) All or a portion of the Reserve Requirement may be satisfied by deposits in cash, Permitted Investments, or a Reserve Fund Credit Instrument. On the date of execution and delivery of the Series 2020 Certificates, the Insurer will issue the Series 2020 Reserve Policy in an amount equal to the Reserve Requirement. The provisions set forth on **Exhibit B** hereto relating to the Series 2020 Reserve Policy are incorporated into this Indenture as if set forth herein.

**Section 604. Payments Due on Days Other than Business Days.** In any case where any amount representing Principal Component, premium, if any, or Interest Component with respect to any Certificate is payable on a day other than a Business Day, then such amounts with respect to the Certificates need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made when due, and no interest shall accrue for the period after such date.

**Section 605. Nonpresentment of Certificates.** In the event that any Certificate is not presented for payment when the Principal Component and premium, if any, with respect thereto becomes due, whether at maturity, upon prepayment or otherwise, or at the date fixed for prepayment thereof, if funds sufficient to pay such Certificate shall have been made available to the Trustee, all liability of the City to the Registered Owner thereof for the payment of such Certificate shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for Interest Components with respect thereto, for the benefit of such Registered Owner of such Certificate, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture with respect to such Certificate. If any Certificate is not presented for payment within one year following the date when such Certificate becomes due, whether by maturity, upon prepayment or otherwise, the Trustee upon the request of the City shall repay to the City without liability for interest thereon the funds theretofore held by the Trustee for payment of such Certificate, and such Certificate shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

## ARTICLE VII

### SECURITY FOR DEPOSITS AND INVESTMENT OF MONEYS

**Section 701. Moneys to Be Held in Trust.** All moneys deposited with or paid to the Trustee for the account of any Fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Lease and, until used or applied as so provided, shall constitute part of the Trust Estate and be subject to the lien of this Indenture. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys except as provided herein.

#### **Section 702. Investment of Moneys in Funds.**

(a) Money in the Funds held by the Trustee hereunder shall, pursuant to the City's direction given by the Authorized City Representative, confirmed in writing, and subject to the Tax Compliance Agreement, be separately invested and reinvested by the Trustee in Permitted Investments which mature or are subject to prepayment by the holder prior to the date when such money will be needed or, if such written directions are not received, then the Trustee shall hold such moneys in uninvested cash. After the Trustee has notice pursuant to **Section 901(h)** of this Indenture of the existence of an Event of Default or an Event of Nonappropriation, the Trustee shall direct the investment of money in the Funds held by it hereunder. The Trustee shall sell and reduce to cash a sufficient amount of such Permitted Investments whenever the cash balance in any Fund is insufficient for the purposes of such Fund. The Trustee may make any and all investments permitted by the provisions of this Section through its own bond department or any affiliate or short-term investment department. The Trustee shall be entitled to rely on any written investment direction of an Authorized City Representative as to the suitability and legality of such directed investment and, if the Interest Component of Rental Payments is excluded from gross income for federal income tax purposes, that such written investment direction complies with the requirements of the Tax Compliance Agreement.

(b) Any Permitted Investments shall be held by or under the control of the Trustee and will be deemed at all times to be a part of the Fund in which such money is originally held. The interest earnings and any profit realized from Permitted Investments in any Fund hereunder shall be credited to

the applicable subaccount of the Certificate Fund. However, prior to the Completion Date, the City may, in its sole discretion, direct the Trustee in writing to deposit all interest earnings and profit realized from Permitted Investments to the applicable subaccount of the Project Fund. Any loss resulting from Permitted Investments shall be charged to the applicable Fund.

(c) In determining the balance in any Fund, investments in such Funds shall be valued at the lower of their original cost or their fair market value as of the most recent Record Date, or as frequently as deemed necessary.

(d) Although the City recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the City hereby agrees that confirmations of Investment Securities are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

## **ARTICLE VIII**

### **DEFAULT AND REMEDIES**

**Section 801. Events of Default.** If any of the following events occur, it is hereby defined as and declared to be and to constitute an Event of Default under this Indenture:

(a) Default in the due and punctual payment of any amount representing Interest Components with respect to any Certificate;

(b) Default in the due and punctual payment of any amount representing Principal Components or premium, if any, with respect to any Certificate, whether at maturity, upon prepayment or otherwise;

(c) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the City in this Indenture or in the Certificates contained (other than a default described in (a) or (b) above) or in any other document or instrument that secures or otherwise relates to the obligations hereby secured, and the continuance thereof for a period of 30 days after written notice thereof shall have been given to the City by the Trustee, or to the Trustee (which notice of default the Trustee shall be required to accept) and the City by the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding; provided, however, if any default shall be such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the City within such period and diligently pursued until the default is corrected, so long as said default is corrected within 60 days after written notice thereof was first given as hereinabove provided unless the Trustee otherwise consents; or

(d) An Event of Default as specified in **Section 12.1** of the Lease shall have occurred.

**Section 802. Acceleration of Maturity.**

(a) If an Event of Default or an Event of Nonappropriation shall have occurred and be continuing, (1) the Trustee may, and (2) the Trustee shall, at the written direction of the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding, by notice in writing delivered to the City, declare the Rental Payments and Additional Payments payable during the current Renewal Term immediately due and payable, and such Rental Payments and Additional Payments

shall thereupon become and be immediately due and payable, anything in this Indenture or in the Certificates to the contrary notwithstanding.

(b) If, at any time after such declaration, but before the Certificates shall have matured by their terms, all overdue installments representing Principal and Interest Components with respect to the Certificates, together with the reasonable and proper costs, charges, fees and expenses of the Trustee, and all other sums then payable by the City under this Indenture either has been paid or provision satisfactory to the Trustee for such payment has been made, then and in every such case the Trustee shall, upon the written request of the Registered Owners of not less than a majority in aggregate Principal Components of the Certificates Outstanding, rescind such declaration and annul such default in its entirety. In such event, the Trustee shall rescind any declaration of acceleration of installments of Rental Payments made pursuant to **Section 12.2** of the Lease.

(c) In case of any rescission, then and in every such case the City, the Trustee and the Registered Owners shall be restored to their former position and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or Event of Nonappropriation or impair any right consequent thereon.

**Section 803. Surrender of Possession of Project Site; Rights and Duties of Trustee in Possession.** If an Event of Default or an Event of Nonappropriation shall have occurred and be continuing, the City, upon written demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of the Project Site, together with the books, records and accounts of the City pertaining thereto, and the Trustee may exercise all rights under the Lease and/or the Base Lease, and to hold, operate and manage the Project Site, and the right from time to time to make all needful repairs and improvements as shall be deemed wise by the Trustee; and the Trustee may lease the Project Site or any part thereof, and collect, receive and sequester the payments, revenues and receipts therefrom, and out of the same and any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including without limitation (i) reasonable compensation to the Trustee, its agents and counsel, (ii) any charges of the Trustee hereunder, (iii) any taxes and assessments and other charges prior to the lien of this Indenture or the leasehold interest granted by the Base Lease, which the Trustee may deem it wise to pay, and (iv) all expenses of such repairs and improvements, and the Trustee shall apply the remainder of the moneys so received in accordance with the provisions of **Section 808** of this Indenture. Whenever all amounts with respect to the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates shall have been paid and all defaults made good, the Trustee shall surrender possession of the Project Site to the City, its successors or assigns, the same right of entry, however, to exist upon any subsequent Event of Default or Event of Nonappropriation. While in possession of such property, the Trustee shall render annually to the City a summarized statement of receipts and expenditures in connection therewith.

**Section 804. Appointment of Receivers.** If an Event of Default or an Event of Nonappropriation shall have occurred and be continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights and remedies of the Trustee and of the Registered Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate, or any part thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 805. Exercise of Remedies by the Trustee.**

(a) If an Event of Default or Event of Nonappropriation has occurred and is continuing, (1) the Trustee may, and (2) the Trustee shall, upon the written request of the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding, and upon being indemnified as provided in **Section 901(i)** of this Indenture, pursue and exercise any available remedy at law or in equity by suit, action, mandamus or other proceeding or exercise such one or more of the rights and remedies conferred by this Indenture, the Lease and the Base Lease as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Registered Owners, to enforce the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates then Outstanding and to enforce and compel the performance of the duties and obligations of the City under the Lease.

(b) All rights of action under this Indenture or under any of the Certificates may be enforced by the Trustee without the possession of any of the Certificates or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without necessity of joining as plaintiffs or defendants any Registered Owners of the Certificates, and any recovery of judgment shall, subject to the provisions of **Section 808** of this Indenture, be for the equal benefit of all the Registered Owners of the Outstanding Certificates.

**Section 806. Limitation on Exercise of Remedies by Registered Owners.** No Registered Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (a) an Event of Default or Event of Nonappropriation has occurred of which the Trustee has been notified or is deemed to have notice as provided in **Section 901(h)** of this Indenture, (b) the Registered Owners of not less than 25% in aggregate principal amount of Certificates then Outstanding shall have made written request to the Trustee and have furnished the Trustee reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and have furnished to the Trustee indemnity as provided in **Section 901(i)** of this Indenture, and (c) the Trustee thereafter fails or refuses to exercise the powers and remedies herein granted or to institute such action, suit or proceeding in its own name. No one or more Registered Owners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided. All proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Registered Owners of all Certificates then Outstanding. Nothing in this Indenture contained shall, however, affect or impair the right of any Registered Owner to payment of amounts representing Principal and Interest Components of the Rental Payments represented by any Certificate at and after the maturity thereof or the obligation of the City to provide for payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by any Certificate delivered hereunder to the respective Registered Owners thereof at the time, place, from the source and in the manner herein and in the Certificates expressed.

**Section 807. Right of Registered Owners to Direct Proceedings.** Anything in this Indenture to the contrary notwithstanding, the Registered Owners of not less than a majority in aggregate Principal Components with respect to the Certificates then Outstanding shall have the right at any time, upon an Event of Default or an Event of Nonappropriation, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and to the extent not inconsistent with this Section.

**Section 808. Application of Moneys in Event of Default or Event of Nonappropriation.**

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs, fees, charges, and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee, including any attorneys' fees and expenses, be deposited in the applicable subaccount of the Certificate Fund. All moneys so deposited in the Certificate Fund shall be applied as follows:

(1) Unless any of the Principal Components with respect to any Certificates shall have become or shall have been declared due and payable, all such moneys shall be applied:

First -- To the payment to the persons entitled thereto of all installments of amounts representing Interest Components then due and payable with respect to any Certificates, in the order in which such interest installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such Interest Component installment, to the persons entitled thereto, without any discrimination or privilege; and

Second -- To the payment to the persons entitled thereto of the unpaid amounts representing Principal Components with respect to any of the Certificates which have become due and payable (other than Certificates called for prepayment for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates and, if the amount available shall not be sufficient to pay in full amounts representing Principal Components due with respect to Certificates on any particular date, then to the payment, ratably, according to the amount of Principal Components due on such date, to the persons entitled thereto without any discrimination or privilege.

(2) If any of the Principal Component of the Rental Payments represented by the Outstanding Certificates has become due or been declared due and payable, all such moneys shall be applied to the payment of the amounts then due and unpaid with respect to such Certificates, without preference or priority of Principal Component over Interest Component or of Interest Component over Principal Component or of any installment of Interest Component over any other installment of Interest Component or of any Certificate over any other Certificate, ratably, according to the amounts due respectively for the Principal Component and Interest Component, to the persons entitled thereto, without any discrimination or privilege.

(3) If the Principal Component of the Rental Payments represented by any of the Outstanding Certificates has been declared due and payable, and if such declaration thereafter has been rescinded and annulled under the provisions of **Section 802** of this Indenture, then, subject to the provisions of subsection (a)(2) above of this Section in the event that the Principal Component with respect to any of the Outstanding Certificates later becomes due or is declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a)(1) of this Section.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Certificate Payment Date unless the Trustee shall deem another date more suitable) upon which such

application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Registered Owner of any unpaid Certificate until such Certificate shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(c) Whenever all amounts representing Principal and Interest Components with respect to all Outstanding Certificates have been paid under the provisions of this Section, and all expenses and charges of the Trustee and the Paying Agents have been paid, any balance remaining in the Certificate Fund shall be paid to the City.

**Section 809. Remedies Cumulative.** No remedy herein 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 to the Trustee or the Registered Owners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default or Event of Nonappropriation shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or Event of Nonappropriation or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default or Event of Nonappropriation hereunder, whether by the Trustee or the Registered Owners, shall extend to or shall affect any subsequent Event of Default or Event of Nonappropriation or shall impair any rights or remedies consequent thereon.

**Section 810. Waivers of Event of Default or Event of Nonappropriation.** Subject to the provisions of **Section 802** of this Indenture, the Trustee may waive any Event of Default or any Event of Nonappropriation hereunder and its consequences and rescind any declaration of maturity of Rental Payments and Additional Payments, and shall do so upon the written request of the Owners of at least a majority in aggregate principal amount of all Certificates then Outstanding. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee under this Indenture on account of any such Event of Default or Event of Nonappropriation are discontinued or abandoned for any reason, or are determined adversely, then and in every such case the Trustee and the Registered Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been undertaken.

## ARTICLE IX

### THE TRUSTEE

**Section 901. Acceptance of the Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts as a prudent person, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default or an Event of Nonappropriation and after the curing of all Events of Default or Events of Nonappropriation which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default or an Event of Nonappropriation shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and

shall use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs in exercising any rights or remedies or performing any of its duties hereunder.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers. The Trustee shall be entitled to act or refrain from acting upon the opinion or advice of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of Counsel.

(c) The Trustee shall file continuation statements to the extent required by the Uniform Commercial Code of the State. The Trustee shall not be responsible for any recital herein or in the Certificates, or for the recording or re-recording, filing or re-filing of this Indenture or any financing statements (other than continuation statements) in connection therewith, or for insuring the Project Site or collecting any insurance moneys, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency of the security for the Certificates. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it in accordance with **Article VII** of this Indenture.

(d) The Trustee shall not be accountable for the use of any Certificates executed and delivered as provided hereunder. The Trustee, in its individual or any other capacity, may become the Registered Owner or pledgee of Certificates with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any Ordinance, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document specified by this Indenture and believed by the Trustee to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authorized consent of any Person who, at the time of making such request or giving such authority or consent is the Registered Owner of any Certificate, shall be conclusive and binding upon all future Registered Owners of the same Certificate and upon Certificates delivered in exchange therefor or upon transfer or in substitution thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture, the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by an Authorized City Representative as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Trustee has been notified as provided in **Section 901(h)** of this Indenture or of which by said Section the Trustee is deemed to have notice, the Trustee may also accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.



(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the City to cause to be made any of the payments to the Trustee required to be made in **Article VI** of this Indenture and **Article V** of the Lease, unless the Trustee shall be specifically notified in writing of such Event of Default by the Registered Owners of at least 10% in aggregate Principal Components with respect to all Certificates then Outstanding, which notice of Event of Default the Trustee shall be required to accept.

(i) At any and all reasonable times the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect any and all books, papers and records of the City pertaining to the Project and the Certificates, and to take such memoranda from and in regard thereto as may be desired.

(j) The Trustee shall not be required to give any bond or surety in respect to the execution of its trusts and powers hereunder or otherwise with respect to the Project Site or the Project. The Trustee shall have no duty to analyze or review any financial report received by the Trustee or express any opinion concerning the contents of any financial report or the Official Statement and shall have no responsibility for the contents or accuracy of such reports or the Official Statement.

(k) The Trustee shall have the right, but shall not be required, to demand, with respect to the execution of any Certificates, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right to the withdrawal of any cash, the release of any property, or the taking of any other action by the Trustee.

(l) Before taking any action under this Indenture, other than the making of payments to Registered Owners of Principal and Interest Components of the Rental Payments represented by the Certificates or accelerating the maturity of Certificates pursuant to **Section 802** of this Indenture, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) The Trustee may elect not to proceed in accordance with the directions of the Owners of the Certificates without incurring any liability to the Certificate Owners if in the opinion of the Trustee such direction may result in environmental or other liability to the Trustee, in its individual capacity, for which the Trustee has not received indemnity pursuant to this Section, and the Trustee may rely conclusively upon an Opinion of Counsel in determining whether any action so directed may result in such liability.

(n) The Trustee may inform the Certificate Owners of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event no fiduciary duty exists which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not received indemnity pursuant to this Section.

(o) Notwithstanding any other provision of this Indenture to the contrary, any provision intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee shall be interpreted to include any action of the Trustee whether it is deemed to be in its capacity as Trustee, Certificate Registrar or Paying Agent.

(p) The Trustee shall not be responsible for and makes no representation as to the legality, effectiveness or sufficiency of any security document or for the creation, perfection, priority or protection of any lien securing the Certificates. The Trustee shall not be responsible for filing or for the sufficiency or accuracy of any financing statements initially filed to perfect security interests granted under this Indenture. The Trustee shall file continuation statements with respect to each U.C.C. financing statement filed at the time of the issuance of the Certificates; provided that a copy of the filed initial financing statement is timely delivered to the Trustee. In addition, unless the Trustee shall have been notified in writing by the City that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in (a) relying on such initial filing and descriptions in filing any financing or continuation statements or modifications thereto pursuant to this Section and (b) filing any continuation statements in the same filing offices as the initial filings were made. The City shall be responsible for the customary fees charged by the Trustee for the preparation and filing of continuation statements and for the reasonable costs incurred by the Trustee in the preparation and filing of all continuation statements hereunder.

**Section 902. Fees, Charges and Expenses of the Trustee.** The Trustee shall be entitled to payment of or reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and other ordinary expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary for the Trustee to perform extraordinary services, the Trustee shall be entitled to reasonable additional compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent for the Certificates. Pursuant to the provisions of **Section 5.2** of the Lease, the City has agreed to pay, as Additional Payments, to the Trustee all fees, charges and expenses of the Trustee under this Indenture. Upon the occurrence of an Event of Default or an Event of Nonappropriation and during its continuance, the Trustee shall have a first lien with right of payment prior to payment on account of amounts representing Principal Components, premium, if any, or Interest Components with respect to any Certificate, upon all moneys in its possession under any provisions of this Indenture for the foregoing advances, fees, costs and expenses incurred and unpaid.

**Section 903. Notices to Registered Owners.** If a default occurs of which the Trustee is by **Section 901(h)** of this Indenture required to take notice, or if notice of default is given as provided in said Section, or if the Trustee has actual knowledge that there has been a failure to renew or a deficiency in the insurance coverages required by the Lease, then the Trustee shall, immediately after knowledge of such default, give written notice thereof to the Registered Owners of all Certificates then Outstanding, as shown by the Certificate Register.

**Section 904. Intervention by the Trustee.** In any judicial proceeding to which the City is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Registered Owners, the Trustee may intervene on behalf of Registered Owners and shall do so if requested in writing by the Registered Owners of at least 25% of the aggregate principal amount of Certificates then Outstanding if provided with indemnity pursuant to **Section 901(i)** of this Indenture.

**Section 905. Successor Trustee upon Merger, Consolidation or Sale.** Any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale,

consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

**Section 906. Resignation of the Trustee.** The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the City and the Registered Owners whose names and addresses are on file with the Trustee, and such resignation shall take effect upon the earlier of (i) the end of such 30 days or (ii) the appointment of a successor Trustee by the City or by the Owners of at least a majority in aggregate stated Principal Components represented by the Certificates then Outstanding in accordance with **Section 908** of this Indenture; provided, however, that in no event shall the resignation of a Trustee or successor Trustee become effective until such time as a successor Trustee has been appointed and has accepted the appointment in accordance with **Section 909** of this Indenture. If at any time the Trustee shall cease to be eligible to act as trustee in accordance with the provisions of this Indenture, the Trustee shall immediately resign in the manner provided in this Section. In the event that the City or the Registered Owners of at least a majority in aggregate Principal Components represented by the Certificates then Outstanding fail to appoint a successor Trustee within 30 days after notice of resignation has been given by the Trustee, the Trustee shall have the right to petition a court to appoint a successor Trustee.

**Section 907. Removal of the Trustee.** The Trustee may be removed at any time for any breach of trust or by an instrument or concurrent instruments in writing delivered (a) to the Trustee and the City and signed by the Registered Owners of not less than a majority in aggregate Principal Components represented by the Certificates then Outstanding, or (b) to the Trustee and the Registered Owners and signed by the City (so long as no Event of Default or Event of Nonappropriation shall have occurred and being continuing). In no event shall the removal of a Trustee or successor Trustee become effective until such time as a successor Trustee has been appointed and has accepted such appointment. In the event that the City or the Registered Owners of at least a majority in aggregate Principal Components represented by the Certificates then Outstanding fail to appoint a successor Trustee within 30 days after said instrument or concurrent instruments removing the Trustee are delivered to the Trustee, the Trustee shall have the right to petition a court to appoint a successor Trustee.

**Section 908. Appointment of Successor Trustee.** In case the Trustee shall resign or be removed, or shall otherwise become incapable of acting, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed by the Registered Owners of a majority in aggregate principal amount of Certificates then Outstanding by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy and so long as no Event of Default or Event of Nonappropriation hereunder shall have occurred and be continuing, the City, by an instrument executed and signed by its Mayor and attested by its City Clerk under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners or the City in the manner above provided; and any such temporary Trustee so appointed by the City shall immediately and without further act be superseded by the successor Trustee so appointed by such Registered Owners. Every such Trustee appointed pursuant to the provisions of this Section shall warrant at the time of accepting such trust and exercising the powers of the Trustee hereunder that (i) it is a trust company or bank in good standing located in or incorporated under the laws of one of the states of the United States of America, (ii) it is duly authorized to exercise trust powers and is qualified to accept such trust, (iii) it is subject to examination by a federal or state authority, and (iv) it shall maintain a reported capital and surplus of not less than \$75,000,000. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section, the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

**Section 909. Vesting of Trusts in Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but such predecessor shall, nevertheless, on the written request of the City, and upon receipt of the payment of its outstanding fees and expenses, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver to its successor all securities and moneys held by such predecessor as Trustee hereunder and the duties and obligations of the predecessor Trustee hereunder shall thereafter cease and terminate. Should any instrument in writing from the City be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

**Section 910. Right of Trustee to Pay Taxes and Other Charges.** In case any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Project Site is not paid as required herein or in the Lease, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Registered Owners hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at a rate per annum equal to the Prime Rate in effect at the time plus 2%, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of amounts representing Principal Components, premium, if any, or Interest Components with respect to the Certificates, and shall be paid out of the proceeds of payments, revenues and receipts collected from the Project Site, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the Registered Owners of at least 25% of the aggregate principal amount of Certificates then Outstanding and shall have been provided adequate funds for the purpose of such payment.

**Section 911. Trust Estate May Be Vested in Co-Trustee.**

(a) It is the intent of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations or trust companies to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture, the Lease or the Base Lease, and in particular in case of the enforcement of one or more of the same on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction the Trustee may not exercise any of the powers, rights or remedies herein granted to it, or to take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable for the Trustee to appoint an additional individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee.

(b) Any co-trustee appointed pursuant to this Section must comply with clause (iii) of **Section 908** of this Indenture; relating to the size of such co-trustee.

(c) In the event that the Trustee appoints an additional individual or institution as a co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to

enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(d) Should any deed, conveyance or instrument in writing from the City be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to the co-trustee or separate trustee such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the City.

(e) In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

**Section 912. Annual Accounting.** The Trustee shall render an accounting at least annually to the City and to any Registered Owner requesting the same, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any Funds created by this Indenture as of the beginning and close of such accounting period.

**Section 913. Performance of Duties under the Lease.** The Trustee hereby accepts and agrees to perform all duties and obligations specifically assigned to it under the Lease.

## ARTICLE X

### SUPPLEMENTAL INDENTURES

**Section 1001. Supplemental Indentures Not Requiring Consent of Registered Owners.** The City and the Trustee may from time to time, subject to the provisions of **Section 1303** of this Indenture, without the consent of or notice to any of the Registered Owners, enter into a Supplemental Indenture or Supplemental Indentures not inconsistent with the terms and provisions of this Indenture, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture or make any other change which in the judgment of the Trustee is not prejudicial to the Trustee or materially adverse to the security of the Registered Owners (provided the Trustee is entitled to receive and rely upon an opinion of counsel in exercising such judgment);

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

(c) To more precisely identify the Project or the Project Site or the Trust Estate or to add property thereto;

(d) To subject to this Indenture additional revenues, properties or collateral;

(e) To comply with the arbitrage rebate requirements of Section 148(f) of the Code; and

(f) To deliver Additional Certificates as provided in **Section 209** of this Indenture.

**Section 1002. Supplemental Indentures Requiring Consent of Registered Owners.**

(a) Exclusive of Supplemental Indentures covered by **Section 1001** above and subject to the terms and provisions contained in this Section and **Section 1303** of this Indenture, with the prior written consent of the Registered Owners of not less than a majority in aggregate Principal Components represented by the Certificates then Outstanding, the City and the Trustee shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to execute such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the City for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section contained shall permit or be construed as permitting without the consent of the Registered Owners of 100% in aggregate Principal Components represented by the Certificates then Outstanding (1) an extension of the maturity or mandatory prepayment date of any installment representing Principal or Interest Components with respect to any Certificate delivered hereunder, (2) a reduction in the Principal Component represented by any Certificate or the rate of interest with respect thereto, (3) a privilege or priority of any Certificate or Certificates over any other Certificate or Certificates, (4) a reduction in the aggregate Principal Components represented by the Certificates, (5) a change to the optional, extraordinary optional or special mandatory prepayment provisions in this Indenture, or (6) a change to this Section.

(b) If at any time the City requests the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed to each Registered Owner as shown on the Certificate Register. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the corporate trust office of the Trustee for inspection. If within 60 days or such longer period as may be prescribed by the City following the mailing of such notice, the requisite percentage of Registered Owners shall have consented to and approved the execution thereof as herein provided, no Registered Owner of any Certificate shall have any right 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 City from executing the same or from taking any action pursuant to the provisions thereof.

**Section 1003. Opinion of Counsel.** Before the City and the Trustee enter into any Supplemental Indenture pursuant to this Article, there shall have been delivered to the City and the Trustee an Opinion of Special Counsel stating that such Supplemental Indenture is authorized or permitted by this Indenture, will upon the execution and delivery thereof be valid and binding upon the City in accordance with its terms, and will not adversely affect the validity of the Certificates or the exclusion from federal gross income of interest on any Certificates that have been delivered.

**ARTICLE XI**

**AMENDMENTS TO THE BASE LEASE OR THE LEASE**

**Section 1101. Amendments to the Base Lease or the Lease Not Requiring Consent of Registered Owners.** The City and the Trustee shall, without the consent of or notice to any of the Registered Owners, enter into any amendment, change or modification of the Base Lease or the Lease as may be required (a) by the provisions of the Base Lease, the Lease or this Indenture, (b) for the purpose of curing any ambiguity or formal defect or omission in the Base Lease, the Lease or in connection with any other change therein which, in the judgment of the Trustee, is not to the prejudice of the Trustee or

materially adverse to the security for the Registered Owners (provided the Trustee is entitled to receive and rely upon an opinion of counsel in exercising such judgment), (c) so as to more precisely identify the Project or the Project Site or add property thereto, or (d) in connection with the delivery of Additional Certificates under **Section 209** of this Indenture.

**Section 1102. Amendments to the Base Lease or the Lease Requiring Consent of Registered Owners.** Except for the amendments, changes or modifications as specified in **Section 1101** of this Indenture, neither the City nor the Trustee shall execute any other amendment, change or modification of the Base Lease or the Lease without the giving of notice and the obtaining of the written approval or consent of the Registered Owners of not less than a majority in aggregate Principal Components represented by the Certificates at the time Outstanding given and obtained as provided in **Section 1002** of this Indenture. The Trustee shall cause notice of such proposed amendment, change or modification to be given in the same manner as provided in **Section 1002** of this Indenture with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the same are on file at the corporate trust office of the Trustee or such other office as the Trustee shall designate for inspection by all Certificate Owners.

**Section 1103. Opinion of Counsel.** Before the City and the Trustee consent to any amendment, change or modification of the Base Lease or the Lease, there shall have been delivered to the City and the Trustee an Opinion of Special Counsel stating that the amendment, change or modification of the Base Lease or the Lease is authorized or permitted by this Indenture and the instrument amended, changed or modified, will upon the execution and delivery thereof be valid and binding upon the City in accordance with its terms, and will not adversely affect the validity of the Certificates or the exclusion from federal gross income of interest on any Certificates that have been delivered.

## ARTICLE XII

### SATISFACTION AND DISCHARGE OF THIS INDENTURE

#### **Section 1201. Satisfaction and Discharge of this Indenture.**

(a) When the Principal Components, premium, if any, and Interest Components with respect to all the Certificates shall have been paid in accordance with their terms or provision has been made for such payment, as provided in **Section 1202** of this Indenture, and provision has also been made for paying all other sums payable hereunder, including the fees, costs, charges and expenses of the Trustee and the Paying Agent to the date of retirement of the Certificates and all sums payable under the Lease, then the right, title and interest of the Trustee under this Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release this Indenture and shall execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the City any property at the time subject to this Indenture which may then be in the Trustee's possession, except funds or securities in which such moneys are invested and held by the Trustee for the payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates.

(b) The City is hereby authorized to accept a certificate of the Trustee stating that all amounts with respect to the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates due and payable upon all of the Certificates then Outstanding has been paid or provision for such payment has been made in accordance with **Section 1202** of this Indenture as evidence of satisfaction of this Indenture.

## **Section 1202. Certificates Deemed to Be Paid.**

(a) Certificates or any portion thereof shall be deemed to be paid within the meaning of this Article when payment of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates being paid to the due date thereof (whether such due date is by reason of maturity or upon prepayment as provided in this Indenture, or otherwise), either (1) shall have been made or caused to be made in accordance with the terms hereof, or (2) provision therefor shall have been made by depositing with the Trustee or other duly authorized escrow agent, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment or (ii) Defeasance Obligations maturing as to principal and interest, without reinvestment, in such amount and at such times as will ensure the availability of sufficient moneys to make such payment. At such time as a Certificate shall be deemed to be paid hereunder as aforesaid, such Certificate shall no longer be secured by or be entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Defeasance Obligations.

(b) Notwithstanding the foregoing, in the case of any Certificate which by its terms may be prepaid prior to the stated maturity thereof, no deposit under clause (2) of subsection (a) above shall be deemed a payment of such Certificates as aforesaid until, as to all such Certificates which are to be prepaid prior to their respective stated maturities, (1) proper notice of such prepayment shall have been given in accordance with **Article III** of this Indenture or irrevocable instructions shall have been given to the Trustee to give such notice and (2) in the case of Certificates which do not mature or will not be prepaid within 90 days of the deposit referred to in (a) above, there shall have been delivered to the Trustee a verification report of an independent certified public accounting firm as to the adequacy of the trust funds to fully pay the Certificates deemed to be paid.

(c) Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Defeasance Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of Certificates (including premium, if any) and Interest Components with respect thereto shall be applied to and be used solely for the payment of the particular Certificates (including premium, if any) and Interest Components with respect thereto to which such moneys and Defeasance Obligations have been so set aside in trust.

(d) Provision for payment of the Certificates Outstanding hereunder may not be made as aforesaid nor may this Indenture be discharged if under any circumstances the Interest Component of the Rental Payments represented by such Certificates is thereby made subject to federal income taxation. In determining the foregoing, the Trustee may rely upon an opinion of Special Counsel to the effect that so providing for the payment of any Certificates will not cause the Interest Component of the Rental Payments to be includable in gross income for federal income tax purposes.



## ARTICLE XIII

### MISCELLANEOUS PROVISIONS

**Section 1301. Insurer Provisions.** The Insurer Provisions attached hereto as **Exhibit B** are hereby incorporated into and made a part of this Indenture. In the event of any conflict or inconsistency with other provisions of this Indenture, the Insurer Provisions shall control.

**Section 1302. Consents and Other Instruments by Registered Owners.**

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Registered Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Registered Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Certificates, (other than the assignment of ownership of a Certificate as set forth in the form of Certificate) if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

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

(2) The fact of ownership of Certificates, the amount or amounts, numbers and other identification of Certificates, and the date of holding the same shall be proved by the Certificate Register maintained by the Trustee.

(b) In determining whether the Registered Owners of the requisite principal amount of Certificates Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Certificates owned by the City shall be disregarded and deemed not to be Outstanding under this Indenture.

**Section 1303. Limitation of Rights under this Indenture.** With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Certificates is intended or shall be construed to give any person, other than the parties hereto, or the Registered Owners of the Certificates, any right, remedy or claim under or with respect to this Indenture, this Indenture and all of the covenants, conditions and provisions of this Indenture being intended to be and being for the sole and exclusive benefit of the parties hereto, and the Registered Owners of the Certificates as herein provided.

**Section 1304. Notices.** Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Indenture shall be in writing and shall be deemed duly given or filed if the same shall be duly mailed by first class, registered or certified mail (unless otherwise provided herein), postage prepaid, addressed as follows provided that any of the foregoing given to the Trustee shall be effective only upon receipt:

(a) To the City:

City of Sedalia, Missouri  
200 South Osage Ave.

Sedalia, MO 65301  
Attention: City Administrator

(b) To the Trustee:

BOKF, N.A., as Trustee  
2405 Grand Boulevard, Suite 840  
Kansas City, Missouri 64108  
Attention: Corporate Trust Department

(c) To the Purchaser:

Stifel, Nicolaus & Company, Incorporated  
501 North Broadway, 8<sup>th</sup> Floor  
St. Louis, Missouri 63102  
Attention: Public Finance

(d) To the Insurer:

Build America Mutual Assurance Company  
200 Liberty Street, 27<sup>th</sup> Floor  
New York, New York 10281  
Attention: Surveillance, Re: Policy No. \_\_\_\_\_

(e) To the Registered Owners if the same shall be duly mailed by first class mail (unless otherwise provided for herein) addressed to each of the Registered Owners of Certificates at the time Outstanding as shown by the Certificate Register.

All notices given by first class, certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed. The Trustee and the City may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

**Section 1304. Suspension of Mail Service.** If, because of the suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such publication, electronic delivery or hand delivery in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient notice.

**Section 1305. Severability.** If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions of this Indenture or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

**Section 1306. Execution in 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 1307. Governing Law.** This Indenture shall be governed exclusively by and be construed in accordance with applicable laws of the State.

**Section 1308. Electronic Storage of Documents.** The City and the Trustee agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of this page intentionally left blank]

**IN WITNESS WHEREOF**, the **CITY OF SEDALIA, MISSOURI** has caused this Indenture to be signed in its name and behalf and attested by its duly authorized officers, and to evidence its acceptance of the trusts hereby created, **BOKF, N.A.** has caused this Indenture to be signed in its name and behalf and attested by its duly authorized officers, all as of the date first above written.

**CITY OF SEDALIA, MISSOURI**

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

Name: John Kehde

Title: Mayor

(Seal)

ATTEST:

\_\_\_\_\_  
Name: Arlene Silvey

Title: City Clerk

**BOKF, N.A.,  
as Trustee**

By: \_\_\_\_\_  
Name:  
Title:

ATTEST:

By \_\_\_\_\_  
Name:  
Title:

**SCHEDULE 1 TO TRUST INDENTURE**  
**THE PROJECT SITE**

## **SCHEDULE 2 TO TRUST INDENTURE**

### **THE PROJECT**

The Project includes the construction of an approximately 92,000 square foot Community Center housing gymnasiums, a competitive style pool with diving well, a separate leisure style pool, meeting rooms, convention space, a full commercial kitchen, a catering kitchen, concession stand, senior center, fitness area, elevated walking track, party rooms, office space and a studio for yoga, aerobic and dance.

**EXHIBIT A TO TRUST INDENTURE**

**(FORM OF CERTIFICATE OF PARTICIPATION)**

No. R-\_\_\_\_\_

\$\_\_\_\_\_

**EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE (DESCRIBED HEREIN), THIS GLOBAL CERTIFICATE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (DESCRIBED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.**

**UNITED STATES OF AMERICA**

**STATE OF MISSOURI**

**CITY OF SEDALIA, MISSOURI**

**REFUNDING AND IMPROVEMENT CERTIFICATE OF PARTICIPATION  
SERIES 2020**

**Interest Rate**

**Maturity Date**

**Dated Date**

**CUSIP Number**

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

**Principal Amount:** \_\_\_\_\_ **DOLLARS**

**THIS CERTIFIES THAT** the Registered Owner shown above, or registered assignee, is the owner of an undivided interest in the right to receive Rental Payments (hereinafter described) from City of Sedalia, Missouri, as lessee (the “**City**”), under an annually renewable Lease Agreement dated as of April 15, 2020, as amended and supplemented from time to time in accordance with the provisions thereof (the “**Lease**”), between the City, as lessor and BOKF, N.A., Kansas City, Missouri, as Trustee (the “**Trustee**”). Payments under the Lease and this Certificate are secured by a pledge and assignment by the City of all of the City’s rights and interest under the Lease and the Base Lease dated as of April 15, 2020, as amended and supplemented from time to time in accordance with the provisions thereof (the “**Base Lease**”), between the City and the Trustee, pursuant to a Trust Indenture dated as of April 15, 2020 (said Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the “**Indenture**”), between the Trustee and the City. Under the Lease and the Indenture, the Registered Owner shown above, or registered assigns, is entitled to receive, but solely from Rental Payments to be made by the City under the Lease, upon the presentation and surrender of this Certificate, the Principal Amount shown above on the Maturity Date shown above, except as the provisions hereinafter set forth with respect to prepayment prior to maturity may become applicable hereto, and in like manner to receive interest on said Principal Amount at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent interest payment date to which interest has been paid or duly provided for, payable semiannually on March 15 and September 15 in each year beginning September 15, 2020, until said Principal Amount is paid.



The Principal Component, premium, if any, and Interest Component of the Rental Payments represented by this Certificate shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. Amounts representing the Principal Component and premium, if any, with respect to this Certificate shall be payable to the Registered Owner at the maturity or prepayment date hereof upon presentation and surrender of this Certificate at the payment office of the Trustee, or such other office designated by the Trustee. The Interest Components payable with respect to this Certificate on any interest payment date shall be paid by check or draft mailed by the Trustee to the person in whose name this Certificate is registered at the close of business on the Record Date for such interest, which shall be the first day (whether or not a Business Day) of the calendar month in which such interest payment date occurs. Upon the request and at the expense of any Registered Owner of Certificates representing at least \$500,000 in Principal Component payments with respect to the Certificates shall be made by electronic transfer to the bank for credit to the ABA routing number and the account name and account number designated to the Trustee by such Registered Owner no later than the five (5) Business Days preceding the Record Date.

This Certificate is one of a series of Certificates of Participation consisting of \$28,995,000 principal amount of City of Sedalia, Missouri Refunding and Improvement Certificates of Participation, Series 2020 (the “**Series 2020 Certificates**”), which evidence the proportionate interests of the Registered Owners thereof in the right to receive certain Rental Payments from the City under the Lease. The Certificates have been delivered and sold for the purposes of (1) providing funds to pay the costs of a project located on certain real estate and any existing buildings and fixtures thereon (the “**Project Site**”), to be leased to the City under the terms of the Lease, and (2) providing funds to current refund the Refunded Certificates.

Subject to the terms of the Indenture, the Trustee may deliver Additional Certificates on a parity with the Series 2020 Certificates (together with Additional Certificates, the “**Certificates**”). Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Series 2020 Certificates, the rights, duties and obligations of the Trustee and the owners of the Series 2020 Certificates, and the terms upon which the Series 2020 Certificates are delivered and secured. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.

The Series 2020 Certificates shall be subject to prepayment prior to maturity upon instructions from the City, on and after September 15, \_\_\_\_, as a whole or in part at any time, at a prepayment price of 100% of the principal component of the Rental Payments represented by the Series 2020 Certificates being prepaid, plus the interest component of the Rental Payments accrued to the prepayment date.

The Series 2020 Certificates, or portions thereof, maturing on September 15, 2041 and September 15, 2044 are subject to mandatory prepayment prior to maturity at a prepayment price of 100% of the principal amount thereof, plus accrued interest thereon to the prepayment date, in the amounts and on the dates provided in the Indenture.

The Series 2020 Certificates are also subject to prepayment prior to maturity upon instructions from the City, in whole or in part on any date at a prepayment price of 100% of the principal amount thereof, plus accrued interest thereon to the prepayment date upon the occurrence of certain extraordinary events described in the Indenture.

In the event any of the Certificates are called for prepayment as aforesaid, notice thereof identifying the Certificates to be prepaid will be given by mailing a copy of the prepayment notice at least

20 days prior to the prepayment date to the Registered Owner of each Certificate to be prepaid at the address shown on the Certificate Register maintained by the Trustee. Any notice of prepayment shall state the date and place of prepayment, the series, maturities and numbers of the Certificates or portions of Certificates to be prepaid (and in the case of the prepayment of a portion of any Certificate the principal amount thereof being prepaid), the prepayment price and that the Registered Owner will no longer be entitled to receive any additional Interest Component of the Rental Payments from and after the prepayment date. The Registered Owners of such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to receive any additional Interest Component of the Rental Payments after the specified prepayment date, and such Certificates or portion of the Principal Component with respect to the Certificates thus called for prepayment shall no longer be entitled to the protection, benefit or security of the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

Each Certificate shall evidence the undivided interest of the Registered Owner thereof in the rights of the Trustee to receive Rental Payments from the City under the Lease. The Certificates are payable solely out of the Rental Payments and other payments, revenues and receipts derived from the City under the Lease (including, in certain circumstances, Certificate proceeds and income from the temporary investment thereof and Net Proceeds). The Certificates and the interest with respect thereto are secured by a pledge and assignment of the Trust Estate by the Trustee in favor of the Registered Owners of the Certificates, as provided in the Indenture. The Certificates shall not constitute a liability or obligation of the City beyond the Lease Term in effect at any time. The Certificates shall not constitute a general obligation or indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction.

**NO PROVISION, COVENANT OR AGREEMENT CONTAINED HEREIN OR IN THE INDENTURE OR IN THE LEASE, OR ANY OBLIGATION HEREIN OR THEREIN IMPOSED ON THE TRUSTEE OR THE BREACH THEREOF, SHALL (1) CONSTITUTE OR GIVE RISE TO OR IMPOSE UPON THE TRUSTEE A PECUNIARY LIABILITY OR A CHARGE UPON THE GENERAL CREDIT OF THE TRUSTEE, OR (2) IMPOSE ANY PERSONAL LIABILITY ON ANY DIRECTOR, OFFICER, AGENT, OR EMPLOYEE OF THE TRUSTEE.**

Pursuant to the provisions of the Lease, Rental Payments sufficient for the prompt payment when due of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by the Certificates are to be made by the City directly to the Trustee and deposited in a special trust account created by the Indenture and designated “**Certificate Fund.**”

The Registered Owner of this Certificate shall have no right to enforce the provisions of the Indenture or to institute any action to enforce the covenants therein, or to take any action with respect to any Event of Default or any Event of Nonappropriation under the Indenture (as defined therein), or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, amounts representing Principal Components with respect to all of the Certificates delivered under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. The Indenture may be modified, amended or supplemented only to the extent and under the circumstances permitted by, and subject to the terms and conditions of, the Indenture.

The Certificates are delivered in the form of fully registered Certificates without coupons in the denominations of \$5,000 or any integral multiple thereof.

The Certificates are being delivered by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Indenture. One certificate with respect to each date on which the Certificates are stated to mature or with respect to each form of Certificates, registered in the nominee name of the Securities Depository, is being delivered. The book-entry system will evidence positions held in the Certificates by the Securities Depository's participants, beneficial ownership of the Certificates in authorized denominations pursuant to the Indenture being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The City and the Trustee will recognize the Securities Depository nominee, while the registered owner of this Certificate, as the owner of this Certificate for all purposes, including (i) payments representing Principal Components, premium, if any, and Interest Components with respect to this Certificate, (ii) notices and (iii) voting. Transfer of amounts representing Principal and Interest Components and any premium payments to participants of the Securities Depository, and transfer of amounts representing Principal and Interest Components and any premium payments to beneficial owners of the Certificates by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The City and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Certificate, notwithstanding the provision hereinabove contained, payments of the Principal Component, premium, if any, and Interest Component of the Rental Payments represented by this Certificate shall be made in accordance with existing arrangements among the City, the Trustee and the Securities Depository.

**EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE, THIS GLOBAL CERTIFICATE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.**

This Certificate may be transferred or exchanged, as provided in the Indenture, only upon the registration books kept for that purpose at the above-mentioned office of the Trustee, upon surrender of this Certificate together with a written instrument of transfer or authorization for exchange satisfactory to the Trustee and duly executed by the Registered Owner or his duly authorized attorney, and thereupon a new Certificate or Certificates, in any authorized denomination of the same maturity and in the same aggregate principal amount shall be delivered by the Trustee to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Trustee and any Paying Agent may deem and treat the Person in whose name this Certificate is registered on the Certificate Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, amounts representing the Principal Component, premium, if any, and Interest Component due with respect hereto and for all other purposes.

Subject to the conditions and upon the payment of the charges provided in the Indenture, the owner of any Certificate or Certificates may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the Registered Owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of Certificates of any other authorized denominations.

This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until it has been executed by the Trustee.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and of this Certificate do exist, have happened and have been performed in due time, form and manner as required by law.

**IN WITNESS WHEREOF**, BOKF, N.A., has caused this Certificate to be executed in its name by the manual signature of its authorized signatory and has caused this Certificate to be dated as of the Dated Date shown above.

**BOKF, N.A.,**  
Trustee and Paying Agent

By \_\_\_\_\_  
Authorized Signatory

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(FORM OF ASSIGNMENT)

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

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Print or Type Name, Address and Social Security Number  
or other Taxpayer Identification Number of Transferee

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ agent to transfer the within Certificate on the books kept by the Trustee for the registration and transfer of Certificates, with full power of substitution in the premises.

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

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NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Certificate in every particular and must be guaranteed by an eligible guarantor.

Medallion Signature Guarantee:

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## STATEMENT OF INSURANCE

Build America Mutual Assurance Company (“BAM”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the schedule payments due of principal of and interest on this Certificate to BOKF, N.A., Kansas City, Missouri, or its successor, as trustee for the Certificates (the “Trustee”). Said policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from BAM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Certificates, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Trust Indenture, as amended and supplemented, or this Certificate, BAM shall be deemed to be the sole owner of the Certificates for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Certificates or the Trustee, paying agent, registrar or similar agent for the benefit of such owners under the Trust Indenture, at law or in equity.

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**LEGAL OPINION**

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Special Counsel, which was dated and issued as of the date of original execution and delivery of the Certificates:

**GILMORE & BELL, P.C.**  
**2405 Grand Boulevard, Suite 1100**  
**Kansas City, Missouri 64108**

[APPROVING LEGAL OPINION OF SPECIAL COUNSEL]

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## INSURER PROVISIONS

### Provisions Relating to the Insurance Policy

1. Notice and Other Information to be given to Insurer. The City will provide Insurer with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement related to the Series 2020 Certificates and (ii) to the holders of Series 2020 Certificates or the Trustee under this Indenture, the Base Lease, the Lease, the Series 2020 Certificates and/or any additional or supplemental document executed in connection with the Series 2020 Certificates (collectively, the “Security Documents”).

The notice address of Insurer is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Insurance Policy No. \_\_\_\_\_, Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: [notices@buildamerica.com](mailto:notices@buildamerica.com). In each case in which notice or other communication refers to an event of default or a claim on the Insurance Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at [claims@buildamerica.com](mailto:claims@buildamerica.com) or at Telecopier: (212) 235-5214 and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

2. Defeasance. The investments in the defeasance escrow relating to Series 2020 Certificate shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise maybe authorized under State law and approved by Insurer.

At least (three) 3 Business Days prior to any defeasance with respect to the Series 2020 Certificates, the City shall deliver to Insurer draft copies of an escrow agreement, an opinion of Bond Counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Series 2020 Certificates, a verification report (a “Verification Report”) prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to Insurer and shall be in form and substance satisfactory to Insurer. In addition, the escrow agreement shall provide that:

- a) Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Series 2020 Certificates is excludable) from gross income of the holders of the Series 2020 Certificates of the interest on the Series 2020 Certificates for federal income tax purposes and the prior written consent of Insurer, which consent will not be unreasonably withheld.
- b) The City will not exercise any prior optional redemption of Series 2020 Certificates secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding obligations, and (ii) as a condition to any such redemption there shall be provided to Insurer a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.
- c) The City shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of Insurer.



3. Trustee and Paying Agent.

- a) Insurer shall receive prior written notice of any name change of the trustee (the “Trustee”) or, if applicable, the paying agent (the “Paying Agent”) for the Series 2020 Certificates or the resignation or removal of the Trustee or, if applicable, the Paying Agent. Any Trustee must be (A) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least \$250 million of assets, (B) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets, or (C) otherwise approved by Insurer in writing.
- b) No removal, resignation or termination of the Trustee or, if applicable, the Paying Agent shall take effect until a successor, meeting the requirements above or acceptable to Insurer, shall be qualified and appointed.

4. Amendments, Supplements and Consents. Insurer’s prior written consent is required for all amendments and supplements to the Security Documents, with the exceptions noted below. The City shall send copies of any such amendments or supplements to Insurer and the rating agencies which have assigned a rating to the Series 2020 Certificates.

- a) *Consent of Insurer.* Any amendments or supplements to the Security Documents shall require the prior written consent of Insurer with the exception of amendments or supplements:
  - i. To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the transaction documents or in any supplement thereto, or
  - ii. To grant or confer upon the holders of the Series 2020 Certificates any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the holders of the Series 2020 Certificates, or
  - iii. To add to the conditions, limitations and restrictions on the issuance of Additional Certificates under the provisions of the Security Documents other conditions, limitations and restrictions thereafter to be observed, or
  - iv. To add to the covenants and agreements of the City in the Security Documents other covenants and agreements thereafter to be observed by the City or to surrender any right or power therein reserved to or conferred upon the City, or
  - v. To issue Additional Certificates in accordance with the requirements set forth in the Security Documents (unless otherwise specified herein).
- b) *Consent of Insurer in Addition to Bondholder Consent.* Whenever any Security Document requires the consent of holders of Series 2020 Certificates, Insurer’s consent shall also be required. In addition, any amendment, supplement, modification to, or waiver of, any of the Security Documents that adversely affects the rights or interests of Insurer shall be subject to the prior written consent of Insurer.
- c) *Insolvency.* Any reorganization or liquidation plan with respect to the City must be acceptable to Insurer. The Trustee and each owner of the Series 2020 Certificates hereby appoint Insurer as their agent and attorney-in-fact with respect to the Series 2020

Certificates and agree that Insurer may at any time during the continuation of any proceeding by or against the City under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each owner of the Series 2020 Certificates delegate and assign to Insurer, to the fullest extent permitted by law, the rights of the Trustee and each owner of the Series 2020 Certificates with respect to the Series 2020 Certificates in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

- d) *Control by Insurer Upon Default.* Anything in the Security Documents to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Series 2020 Certificates or the Trustee or Paying Agent for the benefit of the holders of the Series 2020 Certificates under any Security Document. No default or event of default may be waived without Insurer’s written consent.
- e) *Insurer as Owner.* Upon the occurrence and continuance of a default or an event of default, Insurer shall be deemed to be the sole owner of the Series 2020 Certificates for all purposes under the Security Documents, including, without limitations, for purposes of exercising remedies and approving amendments.
- f) *Consent of Insurer for acceleration.* Insurer’s prior written consent is required as a condition precedent to and in all instances of acceleration.
- g) *Grace Period for Payment Defaults.* No grace period shall be permitted for payment defaults on the Series 2020 Certificates. No grace period for a covenant default shall exceed 30 days without the prior written consent of Insurer.
- h) *Special Provisions for Insurer Default.* If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraphs 4(a)-(e) above to the contrary, (1) if at any time prior to or following an Insurer Default, Insurer has made payment under the Insurance Policy, to the extent of such payment Insurer shall be treated like any other holder of the Series 2020 Certificates for all purposes, including giving of consents, and (2) if Insurer has not made any payment under the Insurance Policy, Insurer shall have no further consent or other rights to direct remedies until the particular Insurer Default is no longer continuing or Insurer makes a payment under the Insurance Policy and the Series 2020 Reserve Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph, “Insurer Default” means: (A) Insurer has failed to make any payment under the Insurance Policy or the Series 2020 Reserve Policy when due and owing in accordance with their terms; or (B) Insurer shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the

material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Insurance Policy or the Series 2020 Reserve Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of Insurer (including without limitation under the New York Insurance Law).

5. Lease.

- a) The security for the Series 2020 Certificates shall include a pledge and assignment of the Lease and Base Lease and a default under the Lease and the Base Lease shall constitute an Event of Default under the Security Documents.
- b) Any payments by the City under the Lease that will be applied to the payment of debt service on the Series 2020 Certificates shall be made directly to the Trustee at least fifteen (15) days prior to each debt service payment date for the Series 2020 Certificates.

6. Insurer as Third-Party Beneficiary. Insurer is recognized as and shall be deemed to be a third-party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

7. Payment Procedure Under the Insurance Policy. In the event that principal and/or interest due on the Series 2020 Certificates shall be paid by Insurer pursuant to the Insurance Policy, the Series 2020 Certificates shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the City to the registered owners shall continue to exist and shall run to the benefit of Insurer, and Insurer shall be subrogated to the rights of such registered owners.

In the event that on the second (2nd) business day prior to any payment date on the Series 2020 Certificates, the Paying Agent or Trustee has not received sufficient moneys to pay all principal of and interest on the Series 2020 Certificates due on such payment date, the Paying Agent or Trustee shall immediately notify the Insurer or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Paying Agent or Trustee shall so notify Insurer or its designee.

In addition, if the Paying Agent or Trustee has notice that any holder of the Series 2020 Certificates has been required to disgorge payments of principal of or interest on the Series 2020 Certificates pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the Paying Agent or Trustee shall notify Insurer or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of Insurer. The Paying Agent or Trustee shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Series 2020 Certificates as follows:

- a) If there is a deficiency in amounts required to pay interest and/or principal on the Series 2020 Certificates, the Paying Agent or Trustee shall (i) execute and deliver to Insurer, in form satisfactory to Insurer, an instrument appointing Insurer as agent and attorney-in-fact for such holders of the Series 2020 Certificates in any legal proceeding related to the payment and assignment to Insurer of the claims for interest on the Series 2020 Certificates, (ii) receive as designee of the respective holders (and not as Paying Agent)

in accordance with the tenor of the Insurance Policy payment from Insurer with respect to the claims for interest so assigned, (iii) segregate all such payments in a separate account (the “Insurer Insurance Policy Payment Account”) to only be used to make scheduled payments of principal of and interest on the Series 2020 Certificate, and (iv) disburse the same to such respective holders; and

- b) If there is a deficiency in amounts required to pay principal of the Series 2020 Certificates, the Paying Agent or Trustee shall (i) execute and deliver to Insurer, in form satisfactory to Insurer, an instrument appointing Insurer as agent and attorney in fact for such holder of the Series 2020 Certificates in any legal proceeding related to the payment of such principal and an assignment to Insurer of the Series 2020 Certificates surrendered to Insurer, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Insurance Policy payment therefore from Insurer, (iii) segregate all such payments in the Insurer Insurance Policy Payment Account to only be used to make scheduled payments of principal of and interest on the Series 2020 Certificate, and (iv) disburse the same to such holders. The Trustee shall designate any portion of payment of principal on Series 2020 Certificates paid by 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 Series 2020 Certificates registered to the then current holder, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2020 Certificate to Insurer, registered in the name directed by Insurer, 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 Series 2020 Certificate shall have no effect on the amount of principal or interest payable by the City on any Series 2020 Certificate or the subrogation or assignment rights of Insurer.

Payments with respect to claims for interest on and principal of Series 2020 Certificates disbursed by the Paying Agent or Trustee from proceeds of the Insurance Policy shall not be considered to discharge the obligation of the City with respect to such Series 2020 Certificates, and Insurer shall become the owner of such unpaid Series 2020 Certificates and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise. The Security Documents shall not be discharged or terminated unless all amounts due or to become due to Insurer have been paid in full or duly provided for.

Irrespective of whether any such assignment is executed and delivered, the City and the Paying Agent and Trustee agree for the benefit of Insurer that:

- a) They recognize that to the extent Insurer makes payments directly or indirectly (*e.g.*, by paying through the Paying Agent or Trustee), on account of principal of or interest on the Series 2020 Certificates, Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the City, with interest thereon, as provided and solely from the sources stated in the Security Documents and the Series 2020 Certificates; and
- b) They will accordingly pay to Insurer the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Series 2020 Certificates, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Series 2020 Certificates to holders, and will otherwise treat Insurer as the owner of such rights to the amount of such principal and interest.

8. Additional Payments. The City agrees unconditionally that it will, subject to the provisions of Sections 3.2 and 5.4 of the Lease, pay or reimburse Insurer on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that Insurer may pay or incur, including, but not limited to, fees and expenses of Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Security Documents ("Administrative Costs"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of Insurer spent in connection with the actions described in the preceding sentence. The City agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to Insurer until the date Insurer is paid in full. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2020 Certificates and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as Insurer, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to Insurer shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

Notwithstanding anything herein to the contrary, but subject to the provisions of Sections 3.2 and 5.4 of the Lease, the City agrees to pay to Insurer (i) a sum equal to the total of all amounts paid by Insurer under the Insurance Policy ("Insurer Insurance Policy Payment"); and (ii) interest on such Insurer Insurance Policy Payments from the date paid by Insurer until payment thereof in full by the City, payable to Insurer at the Late Payment Rate per annum (collectively, "Insurer Reimbursement Amounts") compounded semi-annually. Notwithstanding anything to the contrary, including without limitation the post default application of revenue provisions, Insurer Reimbursement Amounts shall be, and the City hereby covenants and agrees that the Insurer Reimbursement Amounts are, payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to the Series 2020 Certificates on a parity with debt service due on the Series 2020 Certificates.

9. Debt Service Reserve Fund. The prior written consent of Insurer shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Debt Service Reserve Fund other than the Series 2020 Reserve Policy, if any. Amounts on deposit in the Debt Service Reserve Fund shall be applied solely to the payment of debt service due on the Series 2020 Certificates.

10. Exercise of Rights by Insurer. The rights granted to Insurer under the Security Documents to request, consent to or direct any action are rights granted to Insurer in consideration of its issuance of the Insurance Policy. Any exercise by Insurer of such rights is merely an exercise of Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Series 2020 Certificates and such action does not evidence any position of Insurer, affirmative or negative, as to whether the consent of the holders of the Series 2020 Certificates or any other person is required in addition to the consent of Insurer.

11. Insurer shall be entitled to pay principal or interest on the Series 2020 Certificates that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the City (as such terms are defined in the Insurance Policy) and any amounts due on the Series 2020 Certificates as a result of acceleration of the maturity thereof in accordance with the Security Documents, whether or not Insurer has received a claim upon the Insurance Policy.

12. So long as the Series 2020 Certificates are outstanding or any amounts are due and payable to Insurer, the City shall not sell, lease, transfer, encumber or otherwise dispose of the Leased Property (as defined in the Lease) or any material portion thereof, except upon obtaining the prior written consent of Insurer. It being understood that the Base Lease and the Lease between the City and the Trustee are acceptable to Insurer.

13. No contract shall be entered into or any action taken by which the rights of Insurer or security for or source of payment of the Series 2020 Certificates may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of Insurer.

14. If an event of default occurs under any agreement pursuant to which any Obligation of the City has been incurred or issued and that permits the holder of such Obligation or trustee to accelerate the Obligation or otherwise exercise rights or remedies that are adverse to the interest of the holders of the Series 2020 Certificates or Insurer, as Insurer may determine in its sole discretion, then an event of default shall be deemed to have occurred under this Indenture and the related Security Documents for which Insurer or the Trustee, at the direction of Insurer, shall be entitled to exercise all available remedies under the Security Documents, at law and in equity. For purposes of the foregoing "Obligation" shall mean any bonds, loans, certificates, installment or lease payments or similar obligations that are payable and/or secured on a parity or subordinate basis to the Series 2020 Certificates.

#### **Provisions Relating to the Series 2020 Reserve Policy**

With respect to the Series 2020 Reserve Policy, notwithstanding anything to the contrary set forth in the Trust Indenture, the City and the Trustee agree to comply with the following provisions:

- (a) The City shall, subject to the provisions of Sections 3.2 and 5.4 of the Lease, repay any draws under the Series 2020 Reserve Policy and pay all related reasonable expenses incurred by the Insurer. Interest shall accrue and be payable on such draws and expenses from the date of payment by the Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Insurer on account of principal due, the coverage under the Series 2020 Reserve Policy will be increased by a like amount, subject to the terms of the Series 2020 Reserve Policy.

All cash and investments in the Reserve Fund established for the Series 2020 Certificates shall be transferred to the Certificate Fund for payment of the debt service on the Series 2020 Certificates before any drawing may be made on the Series 2020 Reserve Policy or any other Reserve Fund Credit Instrument in lieu of cash.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Fund Credit Instruments (including the Series 2020 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Fund Credit Instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

- (b) Draws under the Series 2020 Reserve Policy may only be used to make payments on Series 2020 Certificates insured by the Insurer.
- (c) If the City shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Trust Indenture other than (i) acceleration of the maturity of the Series 2020 Certificates, or (ii) remedies which would adversely affect owners of the Series 2020 Certificates.
- (d) This Indenture shall not be discharged until all Policy Costs owing to the Insurer shall have been paid in full. The City’s obligation to pay such amount shall expressly survive payment in full of the Series 2020 Certificates.
- (e) The Trustee shall ascertain the necessity for a claim upon the Series 2020 Reserve Policy in accordance with the provisions of paragraph (a) hereof and provide notice to the Insurer at least three business days prior to each date upon which interest or principal is due on the Series 2020 Certificates.
- (f) The Series 2020 Reserve Policy shall expire on the earlier of the date the Series 2020 Certificates are no longer outstanding and the final maturity date of the Series 2020 Certificates.
- (g) Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional certificates test and the rate covenant in this Indenture.