

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
BRIDGEVIEW FINANCE CORPORATION**

**AUTHORIZING THE DELEGATION OF AUTHORITY TO ANY  
AUTHORIZED OFFICER OF THE CORPORATION AND THE APPROVAL  
OF VARIOUS DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF  
THE SALES TAX SECURITIZED BONDS, SERIES 2017**

**WHEREAS**, Public Act 100-0023, effective July 6, 2017, adding Division 13 to Article 8 of the Illinois Municipal Code, 65 ILCS 5/8-13-5 *et seq.* (the “Authorizing Statute”), authorizes any home rule municipality to enter into agreements to assign, sell, transfer or otherwise convey its interest in all or any part of any revenues or taxes that it receives from a State Entity (as defined in the Authorizing Statute); and

**WHEREAS**, the Bridgeview Finance Corporation (the “Corporation”) is organized in accordance with Ordinance No. 17-24 passed by the Mayor and Board of Trustees (the “Board”) of the Village of Bridgeview, Cook County, Illinois (the “Village”) on September 20, 2017 (the “Authorizing Ordinance”); and

**WHEREAS**, the Authorizing Statute authorizes the Village to sell to the Corporation and the Corporation desires to purchase from the Village certain Sales Tax Revenues (as defined herein); and

**WHEREAS**, the Corporation has been established as a not-for-profit corporation and instrumentality of the Village in order to issue obligations pursuant to the grant of power from the Village contained in the Authorizing Ordinance, the proceeds of which will be used to (i) provide funding for any lawful purpose of the Village, including but not limited to, funding for capital and infrastructure requirements of the Village, refunding any outstanding obligations of the Village and to refund outstanding obligations of the Corporation, and (ii) make payments to the Village in consideration for the Village’s assignment of the Sales Tax Revenues; and

**WHEREAS**, in order to provide financing for the foregoing and for certain other related purposes, the Corporation intends to issue obligations (the “Bonds”) pursuant to the Master Trust Indenture to be dated as of December 20, 2017, by and between the Corporation and U.S. Bank National Association, as Trustee (the “Trustee”) (substantially in the form attached hereto as Exhibit A, as the same is amended and supplemented from time to time in accordance with the provisions thereof, the “Master Indenture”), in various principal amounts and at various times; and

**WHEREAS**, any Bonds issued pursuant to the Master Indenture will be payable from and secured by the Trust Estate with the priority set forth in the Master Indenture, including all Sales Tax Revenues assigned to the Corporation pursuant to an Assignment, Purchase and Sale Agreement, to be dated as of December 20, 2017, by and among the Village, the Corporation and the Trustee (substantially in the form attached hereto as Exhibit D, the “Sale Agreement”), under which the Village has agreed to assign the Sales Tax Revenues to the Corporation for application in accordance with the terms of the Master Indenture; and

**WHEREAS**, the Authorizing Ordinance provides that the Corporation shall not issue obligations for the purposes described above unless the issuance of such obligations has been requested

by the Village and approved by the adoption of an ordinance of the Village approving such financing; and

**WHEREAS**, by adoption of the Authorizing Ordinance, the Village has approved the issuance of the obligations authorized to be issued by the Corporation pursuant to this Authorizing Resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Corporation, as follows:

## **ARTICLE I.**

### **DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Definitions.** (A) Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to such terms in the form of the Master Indenture presented at this meeting. In addition, the following terms shall have the following respective meanings:

*“Authorized Officer”* means in the case of the Corporation, the Chairman, and the Secretary-Treasurer, and when used with reference to any act or document also means any other person authorized by a resolution or the by-laws of the Corporation to perform such act or execute such document.

*“First Supplemental Indenture”* means the First Supplemental Trust Indenture, to be dated as of December 20, 2017, by and between the Corporation and the Trustee, authorizing the issuance of the Series 2017A Bonds and the Series 2017B Bonds.

*“Authorizing Resolution”* means this Resolution relating to the issuance of the Corporation’s Sales Tax Securitization Bonds, Series 2017 Bonds.

*“Series 2017 Bonds”* means, collectively, the Series 2017A Bonds and the Series 2017B Bonds.

*“Series 2017A Bonds”* means the Series 2017A Bonds to be issued pursuant to the First Supplemental Indenture authorized pursuant to Section 2.01 of this Authorizing Resolution.

*“Series 2017B Bonds”* means the Taxable Series 2017B Bonds to be issued pursuant to the First Supplemental Indenture authorized pursuant to Section 2.01 of this Authorizing Resolution.

(B) 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, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

(C) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Authorizing Resolution, refer to the Authorizing Resolution.

## ARTICLE II.

### DELEGATION OF AUTHORITY AND APPROVAL OF SERIES 2017 BONDS

**SECTION 2.01. Delegation of Authority.** There is hereby delegated to the Authorized Officers of the Corporation, subject to the limitations contained herein and in the Master Indenture, the Authorizing Ordinance and the Corporation's Bylaws, the power with respect to the Series 2017 Bonds to determine and carry out the following:

- (a) The sale of the Series 2017 Bonds at public or private sale at such price or prices as shall be determined by an Authorized Officer of the Corporation;
- (b) The principal amount of the Series 2017 Bonds to be issued; *provided, however,* that the aggregate principal amount of the Series 2017 Bonds shall not exceed \$50,000,000;
- (c) The date or dates, maturity date or dates and principal amount of each maturity of the Series 2017 Bonds and which Series 2017 Bonds are Term Bonds, if any; *provided, however,* that no Series 2017 Bonds shall mature later than January 1 immediately succeeding the 40<sup>th</sup> anniversary of the date on which such Series 2017 Bonds were initially issued;
- (d) The interest rate or rates of the Series 2017 Bonds, *provided however,* that such interest rate or rates shall not exceed 10% per annum, the date from which interest on the Series 2017 Bonds shall accrue and the first interest payment date therefor;
- (e) The denomination or denominations of and the manner of numbering and lettering the Series 2017 Bonds;
- (f) The Series 2017 Bonds which are Book Entry Bonds, if any, and the Depository therefor;
- (g) The municipal bond insurer, if any;
- (h) The Reserve Fund Facility, if any;
- (i) The Trustee and any other Paying Agent or Paying Agents and the place or places of payment of the principal, or Redemption Price of and interest on the Series 2017 Bonds;
- (j) The Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2017 Bonds;
- (k) Provisions for the sale or exchange of the Series 2017 Bonds and for the delivery thereof at public or private sale; *provided, however,* that the purchase price shall not be less than 85% of the principal amount of the Series 2017 Bonds sold;
- (l) The forms of the Series 2017 Bonds and the forms of the Trustee's certificate of authentication thereon;
- (m) Provisions with respect to funds and accounts and subaccounts therein, if applicable, and the revenues and application thereof;
- (n) The Series 2017 Bonds which are tax exempt and which are taxable;

(o) Directions for the application of the proceeds from the sale of the Series 2017 Bonds;

(p) Any other provisions deemed advisable by an Authorized Officer of the Corporation, not in conflict with the provisions hereof or of the Master Indenture.

**SECTION 2.02. Approval of Master Indenture.** The form of the Master Indenture by and between the Corporation and the Trustee, attached hereto as Exhibit A, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the Master Indenture in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

**SECTION 2.03. Approval of First Supplemental Trust Indenture.** The form of the First Supplemental Trust Indenture related to the Series 2017 Bonds by and between the Corporation and the Trustee, attached hereto as Exhibit B, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the First Supplemental Trust Indenture related to the Series 2017 Bonds in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved in each document by said Authorized Officer, said execution being conclusive proof of the approval of each such document.

**SECTION 2.04. Approval of Bond Purchase Agreement.** The form of the Bond Purchase Agreement relating to the sale of the Series 2017 Bonds, by and between the Corporation and George K. Baum & Company, Chicago, Illinois (the “Underwriter”), attached hereto as Exhibit C, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the Bond Purchase Agreement in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

**SECTION 2.05. Approval of Sale Agreement.** The form of the Sale Agreement, attached hereto as Exhibit D, is hereby approved. Any Authorized Officer of the Corporation is hereby authorized to execute the Sale Agreement in the name and on behalf of the Corporation substantially in such form, with such changes, insertions and omissions as may be approved by said Authorized Officer, said execution being conclusive proof of such approval.

**SECTION 2.06. Authorization and Ratification of the Preliminary Official Statement.** The form of the Preliminary Official Statement relating to the offering of the Series 2017 Bonds, attached hereto as Exhibit E (the “Preliminary Official Statement”), is hereby approved. The use and distribution of the Preliminary Official Statement by the Underwriter is hereby approved.

The Corporation authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

**SECTION 2.07. Approval of the Official Statement.** Any Authorized Officer of the Corporation is hereby authorized to execute, deliver and distribute, in the name and on behalf of the Corporation, a final Official Statement substantially in the form of the Official Statement presented at this meeting, with such changes, insertions and omissions as said Authorized Officer deems advisable, and to distribute or cause the distribution of said Official Statement in connection with the offering and sale of the Series 2017 Bonds.

**SECTION 2.08. Continuing Disclosure Undertaking.** Any Authorized Officer of the Corporation is hereby authorized to execute in the name and on behalf of the Corporation the Continuing Disclosure Undertaking by the Corporation, in substantially the form described in the Preliminary Official Statement authorized above, with such changes, insertions and omissions as may be approved in each document by said Authorized Officer, said execution being conclusive proof of the approval of each such document.

**SECTION 2.09. Approval and Ratification of Prior Actions.** The Corporation hereby ratifies, affirms and adopts all previous actions (including, but not limited to, all minutes, prior resolutions, formation documents and contracts, and including, but not limited to, selection of the Underwriter, lawyers, financial advisors and other advisors for the Series 2017 Bonds and execution of any documents and contracts in connection therewith) taken or entered into in the name of or otherwise with respect to the Corporation by any Authorized Officer of the Corporation as the actions of the Corporation.

**SECTION 2.10. Execution of Documents.** Any Authorized Officer of the Corporation is hereby authorized to execute and deliver, in the name and on behalf of the Corporation, any and all documents and instruments, and to do and cause to be done any and all acts and things, said Authorized Officer deems necessary or advisable in connection with the offering, sale and issuance of the Series 2017 Bonds and to carry out the transactions contemplated by this Authorizing Resolution.

### **ARTICLE III.**

#### **MISCELLANEOUS**

**SECTION 3.01. When Effective.** This Authorizing Resolution shall become effective immediately upon adoption by the Corporation.

Dated: December 19, 2017

Affirmative: Kimberly J. Smith, Michael Pticek, Russel W. Hartigan

Negative: None

Abstained: None

EXHIBIT A

FORM OF MASTER INDENTURE

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**MASTER TRUST INDENTURE**

**by and between**

**BRIDGEVIEW FINANCE CORPORATION**

**and**

**U.S. BANK NATIONAL ASSOCIATION, as Trustee**

\_\_\_\_\_  
*Dated as of December 20, 2017*  
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## TABLE OF CONTENTS

|                     | <u>Page</u>  |
|---------------------|--|
| <b>ARTICLE I.</b>   | <b>DEFINITIONS AND INTERPRETATION .....</b> 3  |
| Section 1.01        | Definitions. .... 3  |
| Section 1.02        | Rules of Construction. .... 12   |
| <b>ARTICLE II.</b>  | <b>AUTHORIZATION AND ISSUANCE OF BONDS.....</b> 13   |
| Section 2.01        | Authorization of Bonds. .... 13  |
| Section 2.02        | Provisions for Issuance of Bonds. .... 13  |
| Section 2.03        | Supplemental Indentures. .... 14   |
| Section 2.04        | Refunding Bonds. .... 15   |
| Section 2.05        | Additional Obligations. .... 15  |
| Section 2.06        | Residual Certificate. .... 16  |
| <b>ARTICLE III.</b> | <b>GENERAL TERMS AND PROVISIONS OF BONDS.....</b> 16   |
| Section 3.01        | Place and Medium of Payment. .... 16   |
| Section 3.02        | Legends..... 17  |
| Section 3.03        | CUSIP Numbers. .... 17   |
| Section 3.04        | Execution and Authentication. .... 17  |
| Section 3.05        | Interchangeability of Bonds. .... 18   |
| Section 3.06        | Transfer and Registry. .... 18   |
| Section 3.07        | Transfer of Bonds. .... 18   |
| Section 3.08        | Regulations with Respect to Exchanges and Transfers. .... 18   |
| Section 3.09        | Bonds Mutilated, Destroyed, Lost or Stolen. .... 19  |
| Section 3.10        | Book Entry Bonds. .... 19  |
| Section 3.11        | Preparation of Definitive Bonds; Temporary Bonds. .... 21  |
| <b>ARTICLE IV.</b>  | <b>REDEMPTION OF BONDS.....</b> 21   |
| Section 4.01        | Authorization of Redemption..... 21  |
| Section 4.02        | Redemption at the Election of the Corporation. .... 21   |
| Section 4.03        | Redemption Other Than at Corporation's Election..... 22  |
| Section 4.04        | Selection of Bonds to Be Redeemed..... 22  |
| Section 4.05        | Notice of Redemption. .... 23  |
| Section 4.06        | Payment of Redeemed Bonds. .... 23   |
| <b>ARTICLE V.</b>   | <b>PLEDGE OF TRUST ESTATE; FUNDS AND ACCOUNTS; SALES TAX<br/>REVENUES AND APPLICATION THEREOF .....</b> 24 |
| Section 5.01        | Pledge of Trust Estate..... 24   |
| Section 5.02        | Establishment of Funds and Accounts. .... 25   |
| Section 5.03        | Application of Bond Proceeds..... 25   |
| Section 5.04        | Application of Money in the Proceeds Fund. .... 26   |
| Section 5.05        | Deposit of Sales Tax Revenues in the Securitized Sales Tax Revenue Fund. .... 26                           |
| Section 5.06        | Application of Sales Tax Revenues. .... 27   |
| Section 5.07        | Debt Service Fund. .... 28   |
| Section 5.08        | Debt Service Reserve Fund. .... 28   |
| Section 5.09        | Arbitrage Rebate Fund. .... 30   |
| Section 5.10        | Residual Fund. .... 30   |
| Section 5.11        | Application of Money in Certain Funds for Retirement of Bonds. .... 31                                     |



|                      |  |           |
|----------------------|--|-----------|
| Section 5.12         | Computation of Assets of Certain Funds. ....                       | 31        |
| <b>ARTICLE VI.</b>   | <b>SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS.....</b>          | <b>31</b> |
| Section 6.01         | Investment of Funds and Accounts Held by the Trustee. ....         | 31        |
| Section 6.02         | Liability for Investments. ....                                    | 33        |
| <b>ARTICLE VII.</b>  | <b>PARTICULAR COVENANTS.....</b>                                   | <b>33</b> |
| Section 7.01         | Payment of Principal and Interest. ....                            | 33        |
| Section 7.02         | Extension of Payment of Bonds.....                                 | 33        |
| Section 7.03         | Powers as to Bonds and Pledge.....                                 | 33        |
| Section 7.04         | Further Assurance.....   | 34        |
| Section 7.05         | Corporate Existence. ....  | 34        |
| Section 7.06         | Accounts and Audits. ....  | 34        |
| Section 7.07         | Creation of Liens. ....  | 35        |
| Section 7.08         | Restricted Payments. ....  | 35        |
| Section 7.09         | Offices for Payment and Registration of Bonds. ....                | 35        |
| Section 7.10         | Amendments; Waivers. ....  | 35        |
| Section 7.11         | Budget of Corporation Expenses. ....                               | 36        |
| Section 7.12         | Payment of Lawful Charges.....                                     | 36        |
| Section 7.13         | Enforcement of Rights.....   | 36        |
| Section 7.14         | Transfer of Residual Certificate. ....                             | 37        |
| Section 7.15         | General.....   | 37        |
| Section 7.16         | Tax Covenant.....  | 37        |
| Section 7.17         | Agreement of the Village. ....                                     | 37        |
| Section 7.18         | Agreement of the State. ....                                       | 37        |
| <b>ARTICLE VIII.</b> | <b>CONCERNING THE TRUSTEE.....</b>                                 | <b>38</b> |
| Section 8.01         | Appointment and Acceptance of Trustee.....                         | 38        |
| Section 8.02         | Appointment and Acceptance of Paying Agents. ....                  | 38        |
| Section 8.03         | Responsibilities of Trustee and Paying Agent. ....                 | 38        |
| Section 8.04         | Property Held in Trust. ....                                       | 39        |
| Section 8.05         | Evidence on Which Trustee May Act. ....                            | 39        |
| Section 8.06         | Compensation. ....   | 42        |
| Section 8.07         | Permitted Acts. ....   | 42        |
| Section 8.08         | Resignation of Trustee.....  | 43        |
| Section 8.09         | Removal of Trustee. ....   | 43        |
| Section 8.10         | Successor Trustee. ....  | 44        |
| Section 8.11         | Transfer of Rights and Property to Successor Trustee.....          | 44        |
| Section 8.12         | Merger or Consolidation of the Trustee. ....                       | 45        |
| Section 8.13         | Execution of the Sale Agreement.....                               | 45        |
| <b>ARTICLE IX.</b>   | <b>SUPPLEMENTAL INDENTURES.....</b>                                | <b>45</b> |
| Section 9.01         | Modification without Consent.....                                  | 45        |
| Section 9.02         | Supplemental Indentures Effective with Consent of Bondholders..... | 46        |
| Section 9.03         | General Provisions Relating to Supplemental Indentures. ....       | 46        |
| <b>ARTICLE X.</b>    | <b>AMENDMENTS OF INDENTURE.....</b>                                | <b>47</b> |
| Section 10.01        | Powers of Amendment. ....  | 47        |
| Section 10.02        | Consent of Bondholders. ....                                       | 48        |
| Section 10.03        | Modifications by Unanimous Consent.....                            | 48        |

|                      |   |           |
|----------------------|---|-----------|
| Section 10.04        | Mailing.....  | 49        |
| Section 10.05        | Exclusion of Bonds. ....  | 49        |
| Section 10.06        | Notation on Bonds.....  | 49        |
| <b>ARTICLE XI.</b>   | <b>DEFAULTS AND REMEDIES .....</b>  | <b>49</b> |
| Section 11.01        | Events of Default. ....   | 49        |
| Section 11.02        | No Acceleration with Respect to the Bonds. ....                                       | 50        |
| Section 11.03        | Enforcement of Remedies; Limitations. ....  | 50        |
| Section 11.04        | Priority of Payments after Default. ....  | 51        |
| Section 11.05        | Termination of Proceedings. ....  | 52        |
| Section 11.06        | Bondholders' Direction of Proceedings.....  | 52        |
| Section 11.07        | Limitation of Rights of Individual Bondholders.....                                   | 53        |
| Section 11.08        | Actions by Trustee; Possession of Bonds by Trustee Not Required. ....                 | 53        |
| Section 11.09        | Remedies Not Exclusive. ....  | 53        |
| Section 11.10        | Waiver and Non–Waiver of Default. ....  | 54        |
| Section 11.11        | Notice of Event of Default. ....  | 54        |
| <b>ARTICLE XII.</b>  | <b>DEFEASANCE.....</b>  | <b>54</b> |
| Section 12.01        | Defeasance.....   | 54        |
| <b>ARTICLE XIII.</b> | <b>EXECUTION OF INSTRUMENTS BY BOND HOLDERS AND PROOF OF OWNERSHIP OF BONDS .....</b> | <b>57</b> |
| Section 13.01        | Evidence of Signatures of Bondholders and Ownership of Bonds. ....                    | 57        |
| <b>ARTICLE XIV.</b>  | <b>MISCELLANEOUS .....</b>  | <b>57</b> |
| Section 14.01        | Preservation and Inspection of Documents.....   | 57        |
| Section 14.02        | Money and Funds Held for Particular Bonds. ....                                       | 58        |
| Section 14.03        | Cancellation of Bonds. ....   | 58        |
| Section 14.04        | No Recourse under Indenture or on the Bonds.....                                      | 58        |
| Section 14.05        | Severability of Invalid Provision.....  | 58        |
| Section 14.06        | Parties of Interest. ....   | 58        |
| Section 14.07        | Notice to Rating Services. ....   | 59        |
| Section 14.08        | Notices.....  | 59        |
| Section 14.09        | Headings. ....  | 59        |
| Section 14.10        | Governing Laws. ....  | 59        |
| Section 14.11        | Signatures and Counterparts.....  | 59        |

## **MASTER TRUST INDENTURE**

**THIS MASTER TRUST INDENTURE** (the “**Master Indenture**”), dated as of December 20, 2017, by and between **BRIDGEVIEW FINANCE CORPORATION**, an Illinois not-for-profit corporation (the “*Corporation*”), and **U.S. BANK NATIONAL ASSOCIATION**, as trustee (the “*Trustee*”).

The Corporation recites and represents to the Trustee for the benefit of the Bondholders (as defined herein) that it has authorized this Master Indenture.

### **P R E L I M I N A R Y   S T A T E M E N T**

This Master Indenture provides for the following transactions:

- (a) Issuance by the Corporation of its Bonds: (i) to provide funding for any lawful purpose of the Village of Bridgeview (the “*Village*”), including but not limited to, funding for capital and infrastructure requirements of the Village, to refund any outstanding obligations of the Village and to refund outstanding bonds of the Corporation (the “*Project*”); and (ii) to make payments to the Village in consideration for the Village’s assignment of the Sales Tax Revenues (as defined herein);
- (b) Application of proceeds of such Bonds; and
- (c) The Corporation’s assignment and pledge of the trust estate created hereby to the Trustee in trust for the benefit of the Bondholders from time to time of the Corporation’s Bonds.

### **G R A N T I N G   C L A U S E**

To secure the payment of the principal and Redemption Price (as defined herein) of and interest on the Bonds and performance and observance of all of the covenants and conditions herein or therein contained, the Corporation has executed and delivered this Master Indenture and has conveyed, granted, assigned, transferred, pledged, set over and confirmed and granted a security interest in, and by these presents does hereby convey, grant, assign, transfer, pledge, set over and confirm and grant a security interest in, unto the Trustee, its successor or successors and its or their assigns forever, with power of sale, all and singular, the property, real and personal, hereinafter described (such property being herein sometimes referred to as the “*Trust Estate*”), to wit:

- (i) All right, title and interest of the Corporation in and to the Sales Tax Revenues, including, without limitation, the present and continuing right to make claim for, collect, receive and receipt for the Sales Tax Revenues, and to bring

actions and proceedings for the enforcement of the payment thereof, and the State's non-impairment pledge and agreement set forth in the Authorizing Statute and included in Section 7.18 hereof;

(ii) All right, title and interest of the Corporation in, to and under the Sale Agreement (as defined herein), including, without limitation, the present and continuing right to make claim for, collect, receive and receipt for the Sales Tax Revenues, and to bring actions and proceeding for the enforcement of the payment thereof;

(iii) Except as otherwise expressly provided herein, all of the Corporation's right, title and interest in money and securities on deposit with the Trustee in the funds and accounts created pursuant to this Master Indenture and any Supplemental Indenture; provided, however, that the priority in which such money and securities are applied to the repayment of the Bonds shall be as expressly specified herein; and

(iv) Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred to the Trustee as and for additional security hereunder by the Corporation or by any person on behalf of the Corporation, including without limitation the money and securities of the Corporation held by the Trustee as security for the Bonds;

TO HAVE AND TO HOLD, all and singular, the properties and the rights and privileges hereby conveyed, assigned and pledged by the Corporation or intended so to be, unto the Trustee and its successors and assigns forever, in trust, nevertheless, with power of sale and for the equal and *pro rata* benefit and security of each and every owner of the Bonds issued and to be issued hereunder, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one Bond over or from the others, by reason of priority in the issue or negotiation or maturity thereof, or for any other reason whatsoever, except as herein otherwise expressly provided, so that each of such Bonds shall have the same right, lien and privilege under this Master Indenture and shall be equally secured hereby with the same effect as if the same shall have been made, issued and negotiated simultaneously with the delivery hereof and were expressed to mature on one and the same date;

IN TRUST, NEVERTHELESS, that these presents are upon the express condition that if the Corporation or its successors or assigns shall well and truly pay or cause to be paid the principal of such Bonds with interest, according to the provisions set forth in the Bonds and each of them or shall provide for the payment of such Bonds by depositing or causing to be deposited with the Trustee the entire amount of funds or securities requisite for payment thereof, when and as authorized by the provisions of Section 12.01 of this Master Indenture, and shall also pay or cause

to be paid all other sums payable hereunder by the Corporation, then these presents and the estate and rights hereby granted shall cease, determine and become void, and thereupon the Trustee, on payment of its lawful charges and disbursements then unpaid, on demand of the Corporation and upon the payment of the cost and expenses thereof, shall duly execute, acknowledge and deliver to the Corporation such instruments of satisfaction or release as may be specified by the Corporation as necessary or proper to discharge this Master Indenture, including, if appropriate, any required discharge of record, and if necessary shall grant, reassign and deliver to the Corporation, its successors or assigns, all and singular the property, rights, privileges and interest by it hereby granted, conveyed and assigned, and all substitutes therefor, or any part thereof, not previously disposed of or released as herein provided; otherwise this Master Indenture shall be and remain in full force.

PROVIDED FURTHER, NEVERTHELESS, that the Trust Estate shall not include the proceeds of any Bonds held in the Village Proceeds Account or any other proceeds of the Bonds paid to or at the direction of the Village pursuant to a Direction Letter, but shall include the proceeds of the Bonds held in the Capitalized Interest Account, and such proceeds shall be free and clear of any right, title or interest therein, or claim or lien thereupon of the Trustee or the Bondholders.

IT IS HEREBY COVENANTED, DECLARED AND AGREED by and between the parties hereto that all Bonds are to be issued, authenticated and delivered, and that all Sales Tax Revenues and any other property or amounts pledged to the payment of the Bonds are to be held and applied, subject to the further covenants, conditions, releases, uses and trusts hereinafter set forth, and the Corporation, for itself and its successors, does hereby covenant and agree to and with the Trustee and its respective successors in said trust as follows:

## **ARTICLE I. DEFINITIONS AND INTERPRETATION**

**Section 1.01 Definitions.** As used in this Master Indenture the following terms have the following meanings, unless a different meaning clearly appears from the context:

*“Additional Bonds”* means Bonds issued subsequent to the issuance of the Initial Bonds.

*“Arbitrage Rebate Fund”* means the fund so designated, created and established pursuant to Section 5.02 hereof.

*“Authorized Officer”* means: (i) in the case of the Corporation, the Chairman and the Secretary-Treasurer, and when used with reference to any act or document also means any other person authorized by a resolution or the bylaws of the Corporation to perform such act or execute such document; (ii) in the case of the Village, the Mayor and when used with reference to any act or document also means any other person authorized by a resolution to perform such act or execute such document; and (iii) in the case of the Trustee, a Vice President, or an Assistant Vice President

or any other corporate trust officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee or the bylaws of the Trustee.

*“Authorizing Statute”* means Public Act 100-0023, approved and effective July 6, 2017, adding Division 13, Assignment of Receipts, to Article 8, Finance, of the Illinois Municipal Code.

*“Bond”* or *“Secured Obligation”* means any bond of the Corporation authorized and issued pursuant to Section 2.01 hereof and to a Supplemental Indenture.

*“Bondholder,” “Holder of Bonds” or “Holder”* or any similar term, when used with reference to a Bond or Bonds, means the registered owner thereof.

*“Book Entry Bond”* means a Bond issued to and registered in the name of a Depository for the participants in such Depository.

*“Business Day”* means any day other than (i) a Saturday or a Sunday or a legal holiday or (ii) a day on which banking institutions in Chicago, Illinois or New York, New York, are required or authorized by law, regulation or executive order to be closed.

*“Capitalized Interest”* means interest on Bonds payable from money on deposit in the Capitalized Interest Account.

*“Capitalized Interest Account”* means the account within the Proceeds Fund so designated, created and established pursuant to Section 5.02 hereof.

*“Code”* means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

*“Corporate Trust Office”* means the corporate trust office of the Trustee, which office is at the date of this Master Indenture, located at U.S. Bank National Association, Attn: Global Corporate Trust Services, 190 S. LaSalle Street, 10<sup>th</sup> Floor, Chicago IL 60603; or such other address as the Trustee may designate from time to time by notice to the Bondholders and the Corporation.

*“Corporation”* means the Bridgeview Finance Corporation, an Illinois not-for-profit corporation, and its successors and assigns.

*“Corporation Expenses”* means all costs, fees and expenses of the Corporation of any kind arising out of or incurred in connection with carrying out and administering its corporate purposes, powers and duties, including, without limitation: salaries; insurance premiums; fees, charges, expenses, regularly scheduled payments, indemnities and other similar charges payable to or for: (i) Providers; (ii) the Trustee; (iii) auditing, legal, financial and investment advisory and other

professional and consulting services; (iv) fiduciaries, paying agents, transfer agents and other agents; (v) printing, advertisements and publication or other distribution of notices; and (vi) any and all other fees, charges and expenses required or permitted to be incurred by the Corporation or required to be paid by the Corporation that are not payable from amounts on deposit in any fund or account established pursuant hereto.

*“Costs of Issuance”* means the items of expense incurred prior to, upon and during a reasonable period of time after issuance of the Bonds, in connection with the organization and initial operation of the Corporation, and authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee or a Depository, legal fees and charges, professional consultants' fees, fees and charges for execution, transportation and safekeeping of Bonds, premiums, fees and charges for insurance on Bonds, commitment fees or similar charges relating to a Reserve Fund Facility, and other costs, charges and fees in connection with the foregoing.

*“Costs of Issuance Account”* means the account within the Proceeds Fund so designated, created and established pursuant to Section 5.02 hereof.

*“Debt Service Fund”* means the fund so designated, created and established pursuant to Section 5.02 hereof.

*“Debt Service Reserve Deposit Requirement”* means for each required withdrawal from the Debt Service Reserve Fund pursuant to Section 5.07(b) hereof, the amount required (as determined by the Corporation) to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement assuming 12 equal monthly deposits; and for any Refunding Bonds, the amounts required (as determined by the Corporation) to be deposited therein by the Supplemental Indenture authorizing the issuance of such Refunding Bonds.

*“Debt Service Reserve Fund”* means the fund so designated, created and established pursuant to Section 5.02 hereof.

*“Debt Service Reserve Fund Requirement”* means, with respect to any Series of Bonds, the amount of money, if any, required (as determined by the Corporation) to be deposited in the Debt Service Reserve Fund as provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

*“Defeasance Security”* means:

(i) a Government Obligation, excluding obligations described in clause (iii)(a) of this definition, but including the interest component of REFCORP bonds for which the separation of principal and interest is made by request of the Federal

Reserve Bank of New York in book—entry form, that is not subject to redemption prior to maturity other than at the option of the holder thereof or that has been irrevocably called for redemption on a stated future date; any deposit account insured by the FDIC;

(ii) a Municipal Obligation: (a) that is not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such Municipal Obligation by the obligor thereof to give due notice of redemption and to call such Municipal Obligation for redemption on the date or dates specified in such instructions and such Municipal Obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof; (b) the timely payment of the principal or redemption price thereof and interest thereon is fully secured by a fund consisting only of cash or obligations described in clause (i) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Municipal Obligation on the maturity date thereof or the redemption date specified in the irrevocable instructions referred to in clause (a) above; and (c) that at the time an investment therein is made is rated in the highest rating category by at least two Rating Services without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation; and

(iii) a note, bond, debenture, mortgage or other evidence of indebtedness, that, at the time acquired, is: (a) not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such obligation by the obligor thereof to give due notice of redemption and to call such obligation for redemption on the date or dates specified in such instructions and such obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof; (b) issued or guaranteed by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association, the Federal Farm Credit System or any other instrumentality of the United States of America; and (c) is rated in the highest rating category by at least two Rating Services without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation;

provided, however, that such term shall not mean any interest in a unit investment trust or mutual fund.

*"Depository"* means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other person,



firm, association or corporation designated in the Supplemental Indenture authorizing a Series of Bonds to serve as securities depository for Bonds of such Series.

*“Determination of Taxability”* means, when used with respect to a Tax-Exempt Bond, a final determination by any court of competent jurisdiction or a final determination by the Internal Revenue Service to which the Corporation shall consent or from which no timely appeal shall have been taken, in each case to the effect that interest on such Bond is includable in the gross income of the Bondholder thereof for purposes of federal income taxation.

*“Direction Letter”* means one or more letters from the Village executed by an Authorized Officer sent to the Corporation with respect to the payment of bond proceeds or to the Trustee directing the payment of the money in the Village Proceeds Account.

*“Electronic Means”* means facsimile transmission, email transmission via PDF attachment, secure electronic commission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with the services hereunder.

*“Eligible Investments”* means (i) any investment permitted by the Public Funds Investment Act (30 ILCS 235/0.01, *et seq.*); (ii) an investment agreement or guaranteed investment agreement but only if either: (a) the same is with an entity whose senior unenhanced long-term debt obligations are rated, at the time such agreement or contract is entered into, in the highest rating category by at least two Rating Services (one of which is S&P), without regard to qualification of such rating by symbols such as "+" or "-" and numerical notation; or (b) the obligations of an entity providing such agreement or contract are guaranteed by a financial institution or corporation, a registered broker/dealer or a domestic commercial bank whose senior unenhanced long-term debt obligations are rated, at the time such agreement or contract is entered into, in the highest rating category by at least two Rating Services, without regard to qualification of such rating by symbols such as "+" or "-" and numerical notation; and (iii) repurchase agreements and forward supply agreements of not more than 25 years in length of any investment permitted by the Public Funds Investment Act.

*“Event of Default”* shall have the meaning defined in Section 11.01 of this Master Indenture.

*“Fiscal Year”* means a period of 12 consecutive months beginning January 1 of a calendar year and ending on December 31 of such calendar year.

*“Fitch”* means Fitch Ratings and its successors and assigns; provided, however, that references herein to Fitch shall be effective so long as Fitch is a Rating Service.

*“Government Obligation”* means: (i) a direct obligation of, or an obligation the timely payment of the principal of and interest on which is guaranteed by, the United States of America, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association,

Federal Home Loan Banks or the Federal Farm Credit System; and (ii) an obligation of the United States of America which has been stripped by the United States Department of the Treasury itself or by any Federal Reserve Bank (not including “CATS,” “TIGRS” and “TRS” unless the Corporation obtains Rating Confirmation with respect thereto).

*“Home Rule Sales Tax Revenues”* means, for any period of time, all collections payable by the State of Illinois to or upon the order of the Village from those taxes imposed by the Village pursuant to its home rule powers as currently authorized by the Home Rule Municipal Retailers' Occupation Tax Act (65 ILCS 5/8-11-1), and the Home Rule Municipal Service Occupation Tax Act (65 ILCS 5/8-11-5), each as supplemented and amended, or any successor or substitute law, ordinance or other legislation subsequently enacted (which taxes are currently imposed by the Village pursuant to the Bridgeview Municipal Code), or successor or substitute taxes therefor as provided by law in the future.

*“Illinois Municipal Code”* means the Illinois Municipal Code (65 ILCS 5/1-1-1, *et seq.*) as the same may be amended from time to time.

*“Indentures”* means this Master Trust Indenture as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms and provisions hereof.

*“Initial Bonds”* means the Sales Tax Securitized Bonds, Series 2017, authorized to be issued by a First Supplemental Trust Indenture.

*“Interest Payment Date”* means each June 1 and December 1.

*“KBRA”* means Kroll Bond Rating Agency Inc. and its successors and assigns; provided, however, that references herein to KBRA shall be effective so long as KBRA is a Rating Service.

*“Local Share Sales Tax Revenues”* means, for any period of time, all distributions from the Local Government Tax Fund (35 ILCS 105/6z-18, *et seq.*) payable by the State of Illinois to or upon the order of the Village from those taxes imposed pursuant to the Service Occupation Tax Act (35 ILCS 115/1, *et seq.*) and the Retailers' Occupation Tax Act (35 ILCS 120/1, *et seq.*), each as supplemented and amended, or successor or substitute taxes therefor as provided by law in the future.

*“Maximum Annual Debt Service”* means, as of any particular date of computation, an amount equal to the greatest amount required in the then current or any future Fiscal Year to pay the sum of the principal and interest on Outstanding Bonds payable during such year; provided however, that for purposes of this definition, Capitalized Interest payable during a Fiscal Year shall be excluded from such calculation.

*“Moody’s”* means Moody’s Investor Services and its successors and assigns; provided, however, that references to Moody’s shall be effective so long as Moody’s is a Rating Service.

*“Municipal Code”* means the Municipal Code of the Village of Bridgeview, as the same may be amended from time to time.

*“Municipal Obligation”* means a full faith and credit obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision.

*“Operating Cap”* means an amount of money not to exceed \$50,000 in any Fiscal Year requested by the Corporation in order to provide for payment of the Corporation Expenses.

*“Operating Fund”* means the fund so designated, created and established pursuant to Section 5.02 hereof.

*“Outstanding,”* when used in reference to Bonds, means, as of a particular date, all such Bonds authenticated and delivered hereunder and under any applicable Supplemental Indenture except:

- (i) any Bond canceled by the Trustee at or before such date;
- (ii) any Bond deemed to have been paid in accordance with Section 12.01 hereof; and
- (iii) any Bond paid pursuant to Section 3.09 hereof or any Bond in lieu of or in substitution for which another Bond, as applicable, shall have been authenticated and delivered pursuant to Article III, Section 4.06 or Section 10.06 hereof.

*“Paying Agent”* means, with respect to the Bonds of any Series, the Trustee and any other bank or trust company and its successor or successors, appointed pursuant to the provisions hereof or of a Supplemental Indenture or any other Indenture of the Corporation adopted prior to authentication and delivery of the Series of Bonds for which such Paying Agent or Paying Agents shall be so appointed.

*“Proceeds Fund”* means the fund so designated, created and established pursuant to Section 5.02 hereof.

*“Provider”* means the provider or issuer of a Reserve Fund Facility.

*“Provider Payments”* means the amount, certified by a Provider to the Trustee, payable to such Provider on account of amounts advanced by it under a Reserve Fund Facility, including interest on amounts advanced and fees and charges with respect thereto.

*“Rating Confirmation”* means the written confirmation of each Rating Service to the effect that the rating assigned, without regard to any insurance or other credit enhancement, to each of the Bonds rated by such Rating Service will remain unchanged and will not be withdrawn, suspended or reduced as a consequence of some act or occurrence.

*“Rating Service”* means as of any particular date of determination each of Fitch, KBRA, Moody’s and S&P, or their respective successors, that then has a rating on Outstanding Bonds assigned at the request of the Corporation, or any nationally recognized statistical rating organization identified as such by the Securities and Exchange Commission that then has a rating on Outstanding Bonds assigned at the request of the Corporation.

*“Record Date”* means, when used in relation to the Bonds of a Series, the date specified as the record date for such Bonds in the Supplemental Indenture authorizing such Bonds.

*“Redemption Price”* when used with respect to a Bond means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption prior to maturity thereof pursuant hereto or to the applicable Supplemental Indenture. Redemption Price when used with respect to a Term Bond means the installments of principal payable by mandatory redemption.

*“Refinanced Obligations”* means all or any portion of the notes, bonds or other obligations of the Village.

*“Refunding Bonds”* shall mean any of the Bonds authorized by Section 2.04.

*“Reserve Fund Facility”* means a surety bond, insurance policy or letter of credit delivered in accordance with Section 5.07 hereof to meet all or any part of the Debt Service Reserve Fund Requirement, if any, if the same is on the date of delivery issued:

(i) in the case of a such surety bond or insurance policy, by an insurance company or association duly authorized to do business in the State and either (A) the claims paying ability of such insurance company or association is rated in the highest rating category accorded by a nationally recognized insurance rating agency selected by the Corporation or (B) obligations insured by such company or association are rated at the time such surety bond or insurance policy is delivered, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, in the highest rating category by at least two Rating Services; or

(ii) in the case of a letter of credit, by a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provision of law, a federal branch pursuant to the

International Banking Act of 1978 or any successor provision of law, or a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, the unsecured or uncollateralized long-term debt obligations of which, or long-term obligations secured or supported by a letter of credit issued by such person, are rated by at least two Rating Services at the time such letter of credit is delivered, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, at least as high as the rating on any unenhanced Outstanding Bond.

*"Residual Certificate"* means an instrument which evidences the right of the holder to be paid any Sales Tax Revenues that have been deposited in the Residual Fund.

*"Residual Fund"* means the fund so designated, created and established pursuant to Section 5.02 hereof.

*"Residual Revenues"* means all amounts deposited in the Residual Fund.

*"Sale Agreement"* means the Assignment, Purchase and Sale Agreement, dated as of December 20, 2017, by and among the Village and the Corporation.

*"Sales Tax Revenues"* means when used in connection with a Fiscal Year, collectively, the Home Rule Sales Tax Revenues and the Local Share Sales Tax Revenues payable during such Fiscal Year to the Corporation pursuant to the Sale Agreement.

*"S&P"* means S&P Global Ratings and its successors and assigns; provided, however, that references herein to S&P shall be effective so long as S&P is a Rating Service.

*"Securitized Sales Tax Revenue Fund"* means the fund so designated, created and established pursuant to Section 5.02 hereof.

*"Serial Bonds"* means the Bonds so designated in a Supplemental Indenture.

*"Series"* means all of the Bonds authenticated and delivered on original issuance and pursuant hereto and to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III, Section 4.06 or Section 10.06 hereof, regardless of variations in maturity, interest rate, or other provisions.

*"State"* means the State of Illinois.

*"State Entity"* means the State Comptroller, the State Treasurer, or the Illinois Department of Revenue.

*“Supplemental Indenture”* means any Indenture of the Corporation amending or supplementing the Master Indenture or any prior Supplemental Indenture executed and becoming effective in accordance with the terms and provisions of Article IX hereof.

*“Tax-Exempt Bond”* means any Bond as to which Transaction Counsel has rendered an opinion to the effect that interest on it is excluded from gross income for purposes of federal income taxation.

*“Term Bond”* means a Bond so designated in a Supplemental Indenture and payable from mandatory redemptions of principal.

*“Transaction Counsel”* means a nationally recognized bond or bankruptcy counsel as may be selected by the Corporation for a specific purpose hereunder.

*“Trust Estate”* has the meaning given to such term in the granting clause of this Master Indenture.

*“Trustee”* means the bank or trust company appointed as Trustee for the Bonds pursuant to Section 8.01 hereof and having the duties, responsibilities and rights provided for herein, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant hereto.

*“Village”* means the Village of Bridgeview, a home rule municipality under Section 6 of Article VII of the Illinois Constitution of 1970.

*“Village Proceeds Account”* means the account within the Proceeds Fund so designated, created and established pursuant to Section 5.02 hereof.

**Section 1.02 Rules of Construction.** 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, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies as well as natural persons.

The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms, as used in the Master Indenture, refer to the Master Indenture.

## **ARTICLE II. AUTHORIZATION AND ISSUANCE OF BONDS**

**Section 2.01 Authorization of Bonds.** There are hereby authorized to be issued Bonds of the Corporation to be designated as “*Sales Tax Securitized Bonds*,” and there is hereby created a continuing pledge and lien as provided hereby to secure the payment of the principal and Redemption Price of and interest on all Outstanding Bonds. The Bonds shall be special obligations of the Corporation payable solely from the Trust Estate in the manner more particularly provided herein. The aggregate principal amount of Bonds which may be executed, authenticated and delivered is not limited except as provided hereby.

The Bonds may, if and when authorized by the Corporation pursuant hereto and to one or more Supplemental Indentures, be issued in one or more Series and the Bonds of each Series shall contain an appropriate Series designation.

The Bonds shall not constitute an indebtedness or an obligation of the Village, the State or any subdivision thereof within the purview of any constitutional or statutory limitation or provision or a charge against the general credit or taxing powers, if any, of any of them but shall be payable solely from the Sales Tax Revenues deposited with the Trustee.

**Section 2.02 Provisions for Issuance of Bonds.** The issuance of Bonds shall be authorized by a Supplemental Indenture. The Bonds of a Series authorized to be issued shall be executed by the Corporation and delivered to the Trustee. Such Bonds shall from time to time and in such amounts as directed by the Corporation be authenticated by the Trustee and by it delivered to or upon the order of the Corporation upon receipt of the consideration therefor and upon delivery to the Trustee of:

(a) A copy of the Master Indenture and the Supplemental Indenture authorizing such Bonds, certified by an Authorized Officer of the Corporation;

(b) A copy of the Sale Agreement, certified by an Authorized Officer of the Corporation that it is in effect on the date thereof and has not been amended, supplemented, modified or repealed other than in accordance with its terms;

(c) A certificate of the Mayor of the Village approving the issuance of the Bonds, which certificate shall include a copy of the ordinance of the Mayor and Board of Trustees directing the issuance of such Bonds and approving the amount and terms of such Bonds and the purposes for which the proceeds of such Bonds will be used;

(d) A copy of the direction of the Village to the Director of the Department of Revenue, the State Comptroller, and the State Treasurer to pay all Sales Tax Revenues to the Trustee on behalf of the Corporation, which direction shall be irrevocable so long as any of the Bonds remain Outstanding;

(e) If a Reserve Fund Facility is to be provided in connection with the issuance of the Bonds of such Series, such Reserve Fund Facility and the opinion of counsel to the Provider thereof required by Section 5.08(a)(2) hereof;

(f) A written order as to the delivery of such Bonds, signed by an Authorized Officer of the Corporation, describing the Bonds to be delivered, designating the purchaser or purchasers to whom such Bonds are to be delivered and stating the consideration for such Bonds;

(g) A certificate of an Authorized Officer of the Corporation stating the amount, if any, required to be in the Debt Service Reserve Fund after issuance of the Bonds then to be issued, and that after deposit in the Debt Service Reserve Fund of the amount, if any, to be deposited therein in connection with the issuance of such Bonds, the amount on deposit in such fund will not be less than the Debt Service Reserve Fund Requirement;

(h) A certificate of an Authorized Officer of the Corporation stating that the Corporation is not, and, as a result of the issuance of such Bonds, shall not be, in default in the performance of any of the covenants, conditions, agreements or provisions contained herein, or stating that after the issuance thereof the Corporation shall no longer be in default in the performance of any of the covenants, conditions, agreements or provisions contained herein;

(i) An opinion of Transaction Counsel as to the authority of the Corporation to enact the Authorizing Resolution and to execute and deliver the Bonds, the Bond Purchase Agreement, the Indentures, the Sale Agreement, the Residual Certificate, the Continuing Disclosure Undertaking, and all other documents related to the Bonds, and the binding effect of the same.

**Section 2.03 Supplemental Indentures.** Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the following:

(a) The authorized principal amount of such Series of Bonds;

(b) The purpose or purposes for which such Series of Bonds is being issued, which shall be limited to refunding of Bonds of the Corporation, which may include interest thereon;

(c) The date or dates, the maturity date or dates and principal amounts of each maturity of the Bonds of such Series, and which Bonds of such Series are Serial Bonds or Term Bonds, if any, and the Record Date or Record Dates of the Bonds of such Series;

(d) The interest rate or rates, if any, on the Bonds of such Series or the manner of determining such rate or rates, the date from which interest on the Bonds of such Series



shall accrue, and the first date on which interest on the Bonds of such Series shall be payable;

(e) The denomination or denominations of and the manner of numbering and lettering the Bonds of such Series;

(f) The Paying Agent or Paying Agents for such Bonds and, subject to the provisions of Section 3.01 hereof, the place or places of payment of the principal or Redemption Price of and interest on the Bonds of such Series; provided, however, that such Paying Agent or Paying Agents may be appointed in accordance with the provisions of Section 8.02 hereof prior to authentication and delivery of such Series of Bonds;

(g) The Redemption Price or Redemption Prices, if any, and, subject to Article IV hereof, the redemption terms, if any, for the Bonds of such Series;

(h) Provisions for the sale or exchange of the Bonds of such Series and for the delivery thereof;

(i) The form of the Bonds of such Series and the form of the Trustee's certificate of authentication thereon, and whether any Bonds of such Series are to be issued as Book Entry Bonds and the Depository therefor;

(j) Directions for the application of the proceeds of the Bonds of such Series;

(k) If such Bonds shall be secured by the Debt Service Reserve Fund and if so, subject to the limitations set forth herein, the Debt Service Reserve Fund Requirement therefor; and

(l) Any other provisions deemed advisable by an Authorized Officer of the Corporation, not in conflict with the provisions hereof or of any Supplemental Indenture.

**Section 2.04 Refunding Bonds.** Subject to the provisions of this Master Indenture, Refunding Bonds may be issued by the Corporation for the purpose of refunding any Outstanding Bonds of any Series without satisfying the provisions of Article II hereof, provided that the Corporation delivers a certificate of an Authorized Officer of the Corporation to the effect that the Corporation projects that the amount payable in any Fiscal Year for the principal and interest on all Outstanding Bonds after giving effect to the issuance of the Refunding Bonds will not be greater than the amount payable during such Fiscal Year for the principal and interest on all Outstanding Bonds immediately prior to the issuance of such Refunding Bonds.

**Section 2.05 Additional Obligations.** The Corporation shall not issue any Additional Bonds or obligations, whether on parity or on a subordinated basis, to the Bonds; provided, however, that the Corporation may issue Refunding Bonds as permitted herein.

**Section 2.06 Residual Certificate.** Subject to the provisions of this Master Indenture, all Sales Tax Revenues and the net proceeds of the Bonds of any Series shall be paid to the Trustee. At delivery of the Initial Bonds, the Residual Certificate shall be delivered to, and registered on the books of the Corporation, in the name of the designated holder of such Residual Certificate.

### **ARTICLE III. GENERAL TERMS AND PROVISIONS OF BONDS**

**Section 3.01 Place and Medium of Payment.** The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; provided, however, that the Bonds of a Series or of any maturity within a Series may be payable in any coin or currency of any other nation as may be authorized by the Supplemental Indenture authorizing the issuance of such Bonds relating to such Bonds. Except as otherwise provided in Section 4.06 hereof, upon presentation and surrender of Bonds, the principal or Redemption Price of such Bonds shall be payable at the Corporate Trust Office of the Trustee. Interest on the Bonds shall be paid by check mailed to the registered owner thereof at the address thereof as it appears on the registry books of the Corporation or if authorized by the Supplemental Indenture authorizing a Series of Bonds by wire transfer to such registered owner of the Bonds of such Series. For purposes of this Section, interest is payable to the registered owner of a Bond at the close of business on the Record Date for such Bond. All payments of principal or Redemption Price of or interest on Bonds shall specify the CUSIP number or numbers of the Bonds in connection with which such payment is made.

The Bonds of each Series shall be issued in the form of fully registered Bonds without coupons.

Bonds of each Series issued prior to the first interest payment date thereof shall be dated as of the date specified in the Supplemental Indenture authorizing the issuance thereof. Bonds of each Series issued on or subsequent to the first interest payment date thereof shall be dated as of the interest payment date immediately preceding the date of authentication thereof by the Trustee, unless such date of authentication shall be an interest payment date, in which case they shall be dated as of such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds of any Series shall be in default, the Bonds of such Series issued in lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered. Bonds of each Series shall bear interest from their date.

All Bonds of each Series shall mature on the dates and in the years fixed by the Supplemental Indenture authorizing the issuance of such Bonds. Interest on all Bonds that bear interest at a stated fixed rate to their respective maturity dates shall be payable on June 1 or December 1 of each year. Interest on all other Bonds shall be payable as provided in the

Supplemental Indenture authorizing the issuance of such Bonds. The first installment of interest due on the Bonds of a Series may be for such period as the Corporation shall fix in the Supplemental Indenture authorizing the issuance thereof.

**Section 3.02 Legends.** The Bonds may contain, or have endorsed thereon, such provisions, specifications and descriptive words not inconsistent herewith or with any Supplemental Indenture authorizing the same, as may be necessary or desirable and as may be determined by the Corporation prior to their delivery.

**Section 3.03 CUSIP Numbers.** The Corporation shall provide for the assignment of CUSIP numbers for such Bonds and cause such CUSIP numbers to be printed thereon, and the Trustee shall use such CUSIP numbers in notices of redemption and on all checks payable to Bondholders as a convenience to Bondholders; provided, however, that any such notice shall state that no representation is made as to the correctness of such number either as printed on such Bonds or as contained in any notice of redemption, and that an error in a CUSIP number as printed on such Bond or as contained in any notice of redemption shall not affect the validity of the proceedings for redemption. The Corporation shall promptly notify the Trustee of any change in the CUSIP numbers assigned to any Bond of which the Corporation has knowledge.

**Section 3.04 Execution and Authentication.** The Bonds shall be executed in the name of the Corporation by the manual or facsimile signature of the Chairman and its corporate seal (or a facsimile thereof) may be thereunto affixed, imprinted, engraved or otherwise reproduced, and attested by the manual or facsimile signature of the Secretary-Treasurer, or in such other manner as may be permitted by law. In case any one or more of the officers or employees who shall have signed or sealed any of the Bonds shall cease to be such officer or employee before the Bonds so signed and sealed shall have been actually authenticated and delivered by the Trustee, such Bonds may, nevertheless, be delivered as provided herein, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices or be so employed. Any Bond may be signed and sealed on behalf of the Corporation by such persons as at the actual time of the execution of such Bond shall be duly authorized or hold the proper office in or be employed by, the Corporation, although at the date of the Bonds such persons may not have been so authorized or have held such office or employment.

The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in the Supplemental Indenture authorizing the issuance of such Bonds, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit hereunder and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the Corporation shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered hereunder and that the Bondholder thereof is entitled to the benefits hereof.

**Section 3.05 Interchangeability of Bonds.** Bonds, upon surrender thereof at the Corporate Trust Office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same Series, maturity and tenor of any other authorized denominations.

**Section 3.06 Transfer and Registry.** So long as any of the Bonds shall not have matured or been called for redemption, the Corporation shall maintain and keep, or cause to be maintained and kept, at the Corporate Trust Office of the Trustee, books for the registration and transfer of Bonds; and, upon presentation thereof for such purpose at said office, the Corporation shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Trustee may prescribe, any Bond entitled to registration or transfer. So long as any of the Bonds have not matured or been called for redemption, the Corporation shall make all necessary provisions to permit the exchange of Bonds at the Corporate Trust Office of the Trustee.

**Section 3.07 Transfer of Bonds.** Each Bond shall be transferable only upon the books of the Corporation, which shall be kept for that purpose at the Corporate Trust Office of the Trustee, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney and the payment of a charge sufficient to reimburse the Corporation or the Trustee for any tax, fee or other governmental charge required to be paid with respect to such transfer. Upon the transfer of any such Bond, the Corporation shall cause to be issued in the name of the transferee a new Bond or Bonds of the same aggregate principal amount, Series, maturity and tenor as the surrendered Bond.

The Corporation and the Trustee may deem and treat the person in whose name any Outstanding Bond shall be registered upon the books of the Corporation as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and, subject to the provisions of Section 3.01 hereof with respect to Record Dates, interest on such Bond and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums paid, and neither the Corporation nor the Trustee shall be affected by any notice to the contrary. The Corporation agrees to indemnify and save the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without gross negligence hereunder, in so treating such registered owner.

**Section 3.08 Regulations with Respect to Exchanges and Transfers.** In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Corporation shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions hereof. All

Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Trustee. For every such exchange or transfer of Bonds, whether temporary or definitive, the Corporation or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Notwithstanding any other provisions hereof, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Corporation or the Trustee incurred in connection therewith, shall be paid by the person requesting such exchange or transfer. The Corporation shall not be obliged to make, or cause to be made, any exchange or transfer of Bonds of any Series during the period beginning on the Record Date for such Bonds immediately preceding an interest payment date on such Bonds and ending on such interest payment date, or, in the case of any proposed redemption of Bonds of such Series, after the date immediately preceding the date notice of redemption has been mailed.

**Section 3.09 Bonds Mutilated, Destroyed, Lost or Stolen.** In case any Bond shall become mutilated or be destroyed, lost or stolen, the Corporation in its discretion may execute, and upon its request the Trustee shall authenticate and deliver, a new Bond of like Series, maturity, tenor and principal amount as the Bond so mutilated, destroyed, lost or stolen, in exchange and substitution for the mutilated, destroyed, lost or stolen Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for such Bond so destroyed, lost or stolen, upon filing with the Corporation evidence satisfactory to the Corporation and the Trustee that such Bond has been destroyed, lost or stolen and proof of ownership thereof, and upon furnishing the Corporation and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Corporation and the Trustee may prescribe and paying such expenses as the Corporation and the Trustee may incur in connection therewith. All Bonds so surrendered to the Trustee shall be canceled by it and evidence of such cancellation shall be given to the Corporation. In case any Bond which has matured or is about to mature shall have become mutilated or have been destroyed, lost or stolen, the Corporation may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of such mutilated Bond upon the surrender on or after the maturity date thereof, or authorize the payment of such destroyed, lost or stolen Bond, upon the Bondholder thereof filing evidence satisfactory to the Corporation and the Trustee that such Bond has been destroyed, lost or stolen and proof of ownership thereof, and upon furnishing the Corporation and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Corporation and the Trustee may prescribe and paying such expenses as the Corporation and the Trustee may incur in connection therewith.

**Section 3.10 Book Entry Bonds.** Anything herein to the contrary notwithstanding, Bonds may be authorized and issued as Book Entry Bonds in accordance with the Supplemental Indenture authorizing such Bonds.

For all purposes of the Indentures, the Holder of a Book Entry Bond shall be the Depository therefor and neither the Corporation nor the Trustee shall have responsibility or any obligation to the beneficial owner of such Bond or to any direct or indirect participant in such Depository. Without limiting the generality of the foregoing, neither the Corporation nor the Trustee shall have any responsibility or obligation to any such participant or to the beneficial owner of a Book Entry Bond with respect to: (i) the accuracy of the records of the Depository or any participant with respect to any beneficial ownership interest in such Bond; (ii) the delivery to any participant of the Depository, the beneficial owner of such Bond or any other person, other than the Depository, of any notice with respect to such Bond, including any notice of the redemption thereof; or (iii) the payment to any participant of the Depository, the beneficial owner of such Bond or any other person, other than the Depository, of any amount with respect to the principal or Redemption Price of, or interest on, such Bond. The Corporation and the Trustee may treat the Depository therefor as the absolute owner of a Book Entry Bond for the purpose of: (i) payment of the principal or Redemption Price of and interest on such Bond; (ii) giving notices of redemption and of other matters with respect to such Bond; and (iii) registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal or Redemption Price of and interest on such Bond only to or upon the order of the Depository, and all such payments shall be valid and effective to fully satisfy and discharge the Corporation's obligations with respect to such principal or Redemption Price and interest to the extent of the sum or sums so paid. No person other than the Depository shall receive a Bond or other instrument evidencing the Corporation's obligation to make payments of the principal or Redemption Price thereof and interest thereon.

Anything herein to the contrary notwithstanding, payment of the Redemption Price of a Book Entry Bond which is redeemed in part prior to maturity may be paid to the Depository by wire transfer without surrender of such Bond to the Trustee; provided, however, that the Trustee shall maintain records as to each such payment and of the principal amount of such Bond Outstanding, which shall be binding on the Corporation and the Bondholders from time to time of such Bond; provided, further, that payment of the principal or Redemption Price of and interest on a Book Entry Bond at the maturity date or earlier date on which such Bond has been called for redemption in whole shall only be made upon presentation and surrender of such Bond to the Trustee at its Corporate Trust Office.

The Corporation, in its sole discretion and without the consent of the Trustee, the beneficial owner of a Book Entry Bond or any other person, may terminate the services of the Depository with respect to a Book Entry Bond if the Corporation determines that: (i) the Depository is unable to discharge its responsibilities with respect to such Bonds; or (ii) a continuation of the requirement that all of the Outstanding Bonds of like Series issued in book entry form be registered in the registration books of the Corporation in the name of the Depository, is not in the best interest of the beneficial owners of such Bonds, and the Corporation shall terminate the services of the Depository upon receipt by the Corporation and the Trustee of written notice from the Depository that it has received written requests that such Depository be removed from its participants having

beneficial interest, as shown in the records of the Depository, in an aggregate amount of not less than a majority in principal amount of the then Outstanding Bonds for which the Depository is serving as Depository.

Upon the termination of the services of a Depository with respect to a Book Entry Bond, or upon the resignation of a Depository with respect to a Book Entry Bond, after which no substitute securities depository willing to undertake the functions of such Depository can be found which, in the opinion of the Corporation, is able to undertake such functions upon reasonable and customary terms, such Bonds shall no longer be registered in the registration books kept by the Trustee in the name of a Depository, but shall be registered in the name or names of the Bondholders transferring or exchanging such Bonds shall designate, in accordance with the provisions of Article III hereof.

**Section 3.11 Preparation of Definitive Bonds; Temporary Bonds.** Until the definitive Bonds of any Series are prepared, the Corporation may execute, in the same manner as is provided in Section 3.04 hereof, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof and as to exchangeability for registered Bonds, one or more temporary Bonds, substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in authorized denominations or any whole multiples thereof authorized by the Corporation, and with such omissions, insertions and variations as may be appropriate to such temporary Bonds. The Corporation at its own expense shall prepare and execute and, upon the surrender at the Corporate Trust Office of the Trustee of such temporary Bonds for exchange and the cancellation of such surrendered temporary Bonds the Trustee shall authenticate and, without charge to the Bondholder thereof, deliver in exchange therefor, at the Corporate Trust Office of the Trustee, definitive Bonds of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant hereto.

All temporary Bonds surrendered in exchange for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

## **ARTICLE IV. REDEMPTION OF BONDS**

**Section 4.01 Authorization of Redemption.** Bonds subject to redemption prior to maturity pursuant hereto or to a Supplemental Indenture shall be redeemable, in accordance with this Article IV, at such times, at such Redemption Prices and upon such terms as may otherwise be specified herein or in the Supplemental Indenture authorizing such Series.

**Section 4.02 Redemption at the Election of the Corporation.** In the case of any redemption of Bonds other than as provided in Section 4.03 hereof, the Corporation shall give written notice

to the Trustee of its election to redeem, of the Series and of the principal amounts of the Bonds of each maturity of such Series to be redeemed. Such notice shall be given not less than 20 days prior to the redemption date or (or, if the Bonds are held by the Depository, in accordance with the rules of the Depository). The Series, maturities and principal amounts thereof to be so redeemed shall be determined by the Corporation in its sole discretion, subject to any limitations with respect thereto contained herein or in the Supplemental Indenture authorizing such Series. The Corporation shall pay to the Trustee on or prior to the redemption date an amount which, in addition to other amounts available therefor held by the Trustee, is sufficient to redeem on the redemption date at the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, all of the Bonds to be so redeemed.

**Section 4.03 Redemption Other Than at Corporation's Election.** Whenever by the terms hereof the Trustee is required to redeem Bonds through the application of mandatory redemption, the Trustee shall select the Bonds of the Series and maturities to be redeemed in the manner provided in Section 4.04 hereof, give the notice of redemption and pay out of money available therefor the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, to the appropriate Paying Agents in accordance with the terms of this Article IV.

**Section 4.04 Selection of Bonds to Be Redeemed.** Unless otherwise provided in the Supplemental Indenture authorizing the issuance of Bonds of a Series, in the event of redemption of less than all of the Outstanding Bonds of like Series, maturity and tenor, the Trustee shall assign to each Outstanding Bond of the Series, maturity and tenor to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Bonds of such Series are authorized to be issued and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Bonds of such Series are authorized to be issued for each number, shall equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw the Bonds by lot (i) individually or (ii) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued, by the numbers assigned thereto as in this Section 4.04 provided) which end in the same digit or in the same two digits. In case, upon any drawing by groups, the total principal amount of Bonds drawn shall exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Bonds and select part of any Bond for redemption. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued shall be redeemed as shall equal the lowest denomination in which the Bonds of such Series are authorized to be issued for each number



assigned to it and so selected. Notwithstanding the foregoing, Book Entry Bonds shall be partially redeemed in accordance with the procedures of the Depository.

**Section 4.05 Notice of Redemption.** Whenever Bonds are to be redeemed, the Trustee shall give notice of the redemption of the Bonds in the name of the Corporation which notice shall specify: (i) the Bonds to be redeemed which shall be identified by the designation of the Bonds given in accordance with Section 2.01 hereof, the maturity dates and interest rates of the Bonds to be redeemed and the date such Bonds were issued; (ii) the numbers and other distinguishing marks of the Bonds to be redeemed, including CUSIP numbers; (iii) the redemption date; (iv) the Redemption Price, if then known; (v) with respect to each such Bond, the principal amount thereof to be redeemed; (vi) that, except in the case of Book Entry Bonds, such Bonds will be redeemed at the Corporate Trust Office of the Trustee giving the address thereof and the telephone number of the Trustee to which inquiries may be directed; (vii) that no representation is made as to the correctness of the CUSIP number either as printed on the Bonds or as contained in such notice and that an error in a CUSIP number as printed on a Bond or as contained in such notice shall not affect the validity of the proceedings for redemption; and (viii) if the Corporation's obligation to redeem the Bonds is subject to conditions, a statement to that effect and of the conditions to such redemption. Such notice shall further state that, if on such date all conditions to redemption have been satisfied, there shall become due and payable on such date upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, and that, from and after such date, payment having been made or provided for, interest thereon shall cease to accrue. Such notice shall be given by mailing a copy of such notice not less than 20 days (or, if the Bonds are held by the Depository, in accordance with the rules of the Depository) nor more than 60 days prior to the redemption date. Such notice shall be sent by first class mail, postage prepaid, to the registered owners of the Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than 10 Business Days prior to the date such notice is given, but mailing such copies shall not be a condition precedent to such redemption and failure to so mail shall not affect the validity of such proceedings for the redemption of the Bonds. Upon giving such notice, the Trustee shall promptly notify the Corporation, upon request, that it has mailed or caused to be mailed such notice to the Bondholders to be redeemed in the manner provided herein. The failure of any Holder of a Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of the Bonds.

The Trustee shall, if any of the Bonds to be redeemed are Book Entry Bonds, provide notice of redemption to the Depository in accordance with the established procedures of the Depository for such Book Entry Bonds in a timely manner prior to the redemption

**Section 4.06 Payment of Redeemed Bonds.** Notice having been given in the manner provided in Section 4.05 hereof, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued

and unpaid to the redemption date, except as otherwise provided in Section 3.10 hereof upon presentation and surrender of such Bonds, at the office or offices specified in such notice, and, in the case of Bonds presented by other than the registered owner, together with a written instrument of transfer duly executed by the registered owner or his duly authorized attorney, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date; provided, however, that payment of the Redemption Price may be paid by wire transfer to such registered owner if so authorized in the Supplemental Indenture that authorized the Bonds of the Series to be redeemed. If there shall be drawn for redemption less than all of the principal amount of a registered Bond, the Corporation shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the registered Bond so surrendered, Bonds of like Series, maturity and tenor in any of the authorized denominations. If, on the redemption date, money for the redemption of all Bonds or portions thereof of any like Series, maturity and tenor to be redeemed, together with interest accrued and unpaid thereon to the redemption date, shall be held by the Trustee and Paying Agents so as to be available therefor on such date and if notice of redemption shall have been mailed as aforesaid, then, from and after the redemption date, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds shall no longer be considered to be Outstanding hereunder. If such money shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

## **ARTICLE V. PLEDGE OF TRUST ESTATE; FUNDS AND ACCOUNTS; SALES TAX REVENUES AND APPLICATION THEREOF**

**Section 5.01 Pledge of Trust Estate.** The Corporation, to secure the payment of the principal and Redemption Price of and interest on the Bonds and performance and observance of all of the covenants and conditions herein or therein contained, has by the Granting Clause hereof conveyed, granted, assigned, transferred, pledged, set over and confirmed and granted a security interest in and does hereby convey, grant, assign, transfer, pledge, set over and confirm and grant a security interest in, unto the Trustee its successor or successors and its or their assigns forever, with power of sale, the Trust Estate. The Bonds shall be special obligations of the Corporation payable solely from and secured by a pledge of the Trust Estate, which pledge shall constitute a first lien thereon. The foregoing pledge shall in no event impose upon the Trustee any of the obligations of the Corporation under any agreement so pledged.

The pledge is an agreement between the Corporation and Bondholders to provide security for the Bonds, and is in addition to any statutory lien that may exist.

**Section 5.02 Establishment of Funds and Accounts.** (a) The following funds and separate accounts within funds are hereby established and shall be held, in trust, and maintained by the Trustee:

Proceeds Fund:  
    Costs of Issuance Account; and  
    Village Proceeds Account;  
Securitized Sales Tax Revenue Fund;  
Debt Service Fund:  
    Capitalized Interest Account  
Debt Service Reserve Fund;  
Arbitrage Rebate Fund;  
Operating Fund;  
Residual Fund

(b) The Village Proceeds Account within the Proceeds Fund is hereby established and created, and shall be held by the Trustee for the benefit of the Village.

(c) The Operating Fund is hereby established and created and shall be held by the Trustee for the benefit of the Corporation.

(d) The Residual Fund is hereby established and created and shall be held by the Trustee for the benefit of the holder of the Residual Certificate.

(e) For purposes of internal accounting, each such fund may contain one or more accounts or subaccounts, as the Corporation may deem proper. All money at any time deposited in any fund, account or subaccount created and pledged hereby or by any Supplemental Indenture or required thereby to be created shall be held in trust for the benefit of the Bondholders, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided herein.

**Section 5.03 Application of Bond Proceeds.** Upon the receipt of proceeds from the sale of a Series of Bonds, the Corporation shall apply such proceeds as specified herein and in the Supplemental Indenture authorizing such Series.

Accrued interest, if any, received upon the delivery of a Series of Bonds shall be deposited in the Debt Service Fund unless all or any portion of such amount is to be otherwise applied as specified in the Supplemental Indenture authorizing such Series.

**Section 5.04 Application of Money in the Proceeds Fund.** (a) As soon as practicable after the delivery of each Series of Bonds, there shall be deposited into each account within the Proceeds Fund, the Debt Service Fund, and the Debt Service Reserve Fund, the amount required to be deposited therein pursuant to the Supplemental Indenture authorizing such Series. The income or interest earned on investments held for the credit of the accounts within the Proceeds Fund shall be withdrawn by the Trustee, as received, and deposited, not less than quarterly, in the Debt Service Fund unless otherwise expressly directed by an Authorized Officer of the Corporation.

(b) Money in the Village Proceeds Account of the Proceeds Fund shall be paid to or upon the direction of the Village in accordance with a Direction Letter. Except as otherwise provided in this Article V and in any applicable Supplemental Indenture money in the Costs of Issuance Account of the Proceeds Fund shall be used only to pay the Costs of Issuance of the Bonds. Such payments shall be made by the Trustee upon the written direction of an Authorized Officer of the Corporation that sets forth in reasonable detail the purpose of the payment, the amount of such payment and the name of the payee. The Trustee shall be fully protected in making any disbursements in accordance with a Direction Letter provided to it and in accordance with any written direction of an Authorized Officer as outlined herein. The Trustee has no duty or obligation to confirm that any requested disbursement constitutes a Costs of Issuance with respect to the Bonds.

(c) At any time upon written direction of the Corporation, the money remaining in the Proceeds Fund after paying or making provision in accordance with the direction of an Authorized Officer of the Corporation for the payments required to be made pursuant to paragraph (b) of this Section, including any Costs of Issuance then unpaid, shall be applied as follows and in the following order of priority:

First: To the Arbitrage Rebate Fund, the amount determined by the Corporation to be required to be deposited therein;

Second: To the Debt Service Reserve Fund, such amount as shall be necessary to make the amount on deposit in such fund equal to the Debt Service Reserve Fund Requirement, if any;

Third: Any balance remaining, upon the written direction of the Village.

**Section 5.05 Deposit of Sales Tax Revenues in the Securitized Sales Tax Revenue Fund.** Effective on the Closing Date, the Village shall direct the Illinois Department of Revenue, the State Comptroller, and the State Treasurer to pay all Sales Tax Revenues to the Trustee on behalf of the Corporation. All Sales Tax Revenues received by the Trustee shall be deposited on a daily

basis, if practicable, but in no event more than 2 Business Days after receipt thereof by the Trustee, into the Securitized Sales Tax Revenue Fund and such amounts shall be applied by the Trustee to fund the deposits set forth in Section 5.06 below.

Any Sales Tax Revenues received by the Village or the Corporation shall be held in trust by them for the sole benefit of the Trustee and promptly (and no event later than 2 Business Days after receipt) transferred to the Trustee for deposit in the Securitized Sales Tax Revenue Fund.

**Section 5.06 Application of Sales Tax Revenues.** On or before the last Business Day of each month and on such other Business Day as may be required pursuant to a Supplemental Indenture, the Trustee shall withdraw from the Securitized Sales Tax Revenue Fund and transfer and apply such amounts as follows and in the following order of priority:

First: To the Trustee towards the payments of amounts owing to the Trustee hereunder and thereafter to the Operating Fund in each Fiscal Year (i) the lesser of (a) the Operating Cap and (b) the budgeted Corporation Expenses for such Fiscal Year, less (ii) the amount on deposit in the Operating Fund as of the first day of such Fiscal Year available for the Corporation's Expenses for such Fiscal Year as calculated and directed by the Corporation;

Second: To the Debt Service Fund, an amount equal to 100% of the principal and interest payments due during the current Fiscal Year on the Bonds. Attached as Exhibit A is a debt service schedule showing the principal and interest payments on the Bonds;

Third: To reimburse, *pro rata* (as calculated and directed by the Corporation), each Provider for Provider Payments which are then unpaid, in proportion to the respective Provider Payments then unpaid to each Provider;

Fourth: To the Arbitrage Rebate Fund, the amount (as calculated and directed by the Corporation), if any, to the extent required to comply with the Code;

Fifth: To the Debt Service Reserve Fund, the amount (as calculated and directed by the Corporation), if any, necessary to make the amount on deposit in such fund equal to the Debt Service Reserve Fund Requirement, if any;

Sixth: To the Corporation, the amount (as calculated and directed by the Corporation), if any, necessary to pay Corporation Expenses specified by a certificate of an Authorized Officer of the Corporation in excess of the Operating Cap for such Fiscal Year or incurred but not paid in the preceding Fiscal Year;

Seventh: To the Residual Fund, any remaining balance.

**Section 5.07 Debt Service Fund.** (a) The Trustee shall pay out of the Debt Service Fund the principal and interest on the Bonds as the same is due and payable. Amounts paid to a Paying Agent for payments pursuant to this Section shall be irrevocably pledged to and applied to such payments.

(b) In the event that on the second Business Day or on any subsequent date preceding any date on which the principal or interest on the Bonds is due the amount in the Debt Service Fund is less than the amount required for payment of such principal and interest due on said date, the Trustee shall withdraw from the Debt Service Reserve Fund, and deposit to the Debt Service Fund, such amount as will increase the amount therein to an amount sufficient to make such payments.

(c) Money in the Debt Service Fund on the last day of each Fiscal Year in excess of the amount then required to be therein, including the income or interest earned on investment of money in the Debt Service Fund, shall be withdrawn and transferred to the Debt Service Reserve Fund in such amount (as calculated and directed by the Corporation), if any, as may be necessary to make the amount on deposit in such fund equal to the Debt Service Reserve Fund Requirement, and any excess remaining may, at the direction of the Corporation, either be retained therein or transferred to any other fund or account established pursuant hereto, including the Residual Fund; provided, however, that if no direction has been given by the Corporation, the excess on the last day of each Fiscal Year shall remain in the Debt Service Fund.

**Section 5.08 Debt Service Reserve Fund.** (a) (1) The Trustee shall deposit to the credit of the Debt Service Reserve Fund such proceeds of the sale of Bonds, if any, as shall be prescribed in the Indentures authorizing the issuance of such Series of Bonds. If at any time the amount in the Debt Service Reserve Fund is not at least equal to the Debt Service Reserve Fund Requirement, the Corporation shall have no obligation to maintain or restore the Debt Service Reserve Fund to the Debt Service Reserve Fund Requirement other than as expressly provided in the Indentures.

(2) In lieu of or in substitution for money or another Reserve Fund Facility, the Corporation may deliver or cause to be delivered to the Trustee a Reserve Fund Facility for the benefit of the Bondholders for all or any part of the Debt Service Reserve Requirement, if any; provided, however, as a condition to delivery thereof (other than upon initial issuance of the Initial Bonds) the Trustee shall also receive: (i) a Rating Confirmation; (ii) an opinion of counsel to the Provider to the effect that such Reserve Fund Facility has been duly authorized, executed and delivered by the Provider thereof and is valid, binding and enforceable in accordance with its terms; (iii) in the event such Provider is not a domestic entity, an opinion of foreign counsel to the effect that such Reserve Fund Facility has been duly authorized, executed and delivered by the Provider thereof and is valid, binding and enforceable in accordance with its terms; and (iv) in the event such Reserve Fund Facility is a letter of credit, an opinion of counsel substantially to the effect that payments under such letter of credit will not constitute voidable preferences

under Section 547 of the United States Bankruptcy Code in a case commenced by or against the Corporation.

Each such surety bond, insurance policy or letter of credit shall be payable (upon the giving of such notice as may be required thereby) on any date on which money is required to be withdrawn from the Debt Service Reserve Fund and such withdrawal cannot be made without obtaining payment under such Reserve Fund Facility.

For the purposes of this Section, in computing the amount on deposit in the Debt Service Reserve Fund, a Reserve Fund Facility shall be valued at the amount available to be paid thereunder on the date of computation.

(b) Money held for the credit of the Debt Service Reserve Fund shall be withdrawn by the Trustee and deposited to the credit of the Debt Service Fund at the times and in the amounts required to comply with the provisions of Section 5.07(b) hereof; provided, however, that no payment under a Reserve Fund Facility shall be sought unless and until money is not available in the Debt Service Reserve Fund and the amount required to be withdrawn from the Debt Service Reserve Fund pursuant to this paragraph cannot be withdrawn therefrom without obtaining payment under such Reserve Fund Facility; provided, further, that, if more than one Reserve Fund Facility is held for the credit of the Debt Service Reserve Fund at the time money is to be withdrawn therefrom, the Trustee shall obtain payment under each such Reserve Fund Facility, *pro rata*, based upon the respective amounts then available to be paid thereunder.

With respect to any demand for payment under any Reserve Fund Facility, the Trustee shall make such demand for payment in accordance with the terms of such Reserve Fund Facility at the earliest time provided therein to assure the availability of money on the date for which such money is required.

(c) The income or interest earned on investments held for the credit of the Debt Service Reserve Fund shall, at the written direction of the Corporation (which direction shall be given no more often than quarterly), be withdrawn by the Trustee and be deposited in the Arbitrage Rebate Fund, or the Debt Service Fund in accordance with such direction. If on the last day of a Fiscal Year the value of the money, investments and Reserve Fund Facilities held for the credit of the Debt Service Reserve Fund exceeds the Debt Service Reserve Fund Requirement, if any, such excess (as calculated and directed by the Corporation) shall be withdrawn by the Trustee and deposited in the Debt Service Fund.

(d) Notwithstanding the provisions hereof, if, upon a Bond having been deemed to have been paid in accordance with Section 12.01 hereof, the amount held for the credit of the Debt Service Reserve Fund will exceed the Debt Service Reserve Fund Requirement, if any, then the Trustee shall withdraw all or any portion of such excess (as calculated and directed by the Corporation) from the Debt Service Reserve Fund and either: (i) apply such amount to the payment

of the principal or Redemption Price of and interest on such Bond in accordance with the irrevocable instructions of the Corporation or to fund any reserve for the payment of the principal and or interest on the bonds, notes or other obligations, if any, issued to provide for the payment of such Bond; or (ii) pay such amount to, or upon the order of, the Corporation if, in the opinion of Transaction Counsel, such payment will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for federal income tax purposes; provided, however, that no such withdrawal shall be made if the amount remaining in the Debt Service Reserve Fund following such withdrawal would be less than the Debt Service Reserve Fund Requirement, if any.

**Section 5.09 Arbitrage Rebate Fund.** The Trustee shall deposit to the Arbitrage Rebate Fund any money delivered to it by the Corporation for deposit therein and, if specifically permitted under other Sections of this Master Indenture, shall transfer to the Arbitrage Rebate Fund, in accordance with the directions of an Authorized Officer of the Corporation, money on deposit in any other funds or accounts held by the Trustee hereunder at such times and in such amounts as shall be set forth in such directions.

Money on deposit in the Arbitrage Rebate Fund shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the Corporation to make payments to the Department of the Treasury of the United States of America at such times and in such amounts as the Corporation shall determine to be required by the Code to be rebated to the Department of the Treasury of the United States of America. Money which an Authorized Officer of the Corporation determines to be in excess of the amount required to be so rebated shall be withdrawn and transferred to the Debt Service Reserve Fund in such amount, if any, as may be necessary to make the amount on deposit in such fund equal to the Debt Service Reserve Fund Requirement, if any, and any excess remaining may at the direction of the Corporation either be retained therein or transferred to any other fund or account established pursuant hereto, including the Residual Fund.

If and to the extent required by the Code, the Corporation shall periodically, at such times as may be required to comply with the Code, determine the amount required by the Code to be rebated to the Department of the Treasury of the United States of America with respect to Tax-Exempt Bonds and (i) transfer or direct the Trustee to transfer from any other of the funds and accounts held hereunder and deposit to the Arbitrage Rebate Fund, such amount as the Corporation shall have determined to be necessary in order to enable it to comply with its obligation to rebate money to the Department of the Treasury of the United States of America with respect to Tax-Exempt Bonds, and (ii) pay out of the Arbitrage Rebate Fund to the Department of the Treasury of the United States of America the amount, if any, required by the Code to be rebated thereto.

**Section 5.10 Residual Fund.** Amounts in the Residual Fund shall be paid to the holder of the Residual Certificate not later than two Business Days after being deposited in the Residual Fund.



**Section 5.11 Application of Money in Certain Funds for Retirement of Bonds.**

Notwithstanding any other provisions hereof, if at any time the amounts held in the Debt Service Fund and the Debt Service Reserve Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds and the interest accrued and unpaid and to accrue on such Bonds to the next date of redemption when all such Bonds are redeemable, or to make provision pursuant to Section 12.01(b) hereof for the payment of the Outstanding Bonds at the maturity or redemption dates thereof, the Corporation may: (i) direct the Trustee to redeem all such Outstanding Bonds, whereupon the Trustee shall proceed to redeem or provide for the redemption of such Outstanding Bonds in the manner provided for redemption of such Bonds hereby and by each Supplemental Indenture as provided in Article IV hereof; or (ii) give the Trustee irrevocable instructions in accordance with Section 12.01(b) hereof and make provision for the payment of the Outstanding Bonds at the maturity or redemption dates thereof in accordance therewith.

**Section 5.12 Computation of Assets of Certain Funds.** The Trustee shall compute the value of the assets in each fund and account established hereby on the last day of each calendar month (or if such day is not a Business Day, on the immediately preceding Business Day). In addition, the Trustee shall compute the value of the assets of the Debt Service Reserve Fund immediately prior to any withdrawal from the Debt Service Reserve Fund and on the date on which money may be required to be deposited in the Debt Service Reserve Fund pursuant to this Article V. The Trustee shall promptly notify the Corporation of the results of such computation and the amount by which the amount in the Debt Service Reserve Fund exceeds or is less than the Debt Service Reserve Fund Requirement, if any. The Village and the Corporation acknowledge and agree that the Trustee shall: (i) only be required to report the value of any assets on statements, books, and records according to the price provided by pricing services and sources relied upon by the Trustee; and (ii) not have any duty to independently value any asset or an obligation to report a value other than the price provided by pricing services and sources relied upon by Trustee.

**ARTICLE VI. SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS**

**Section 6.01 Investment of Funds and Accounts Held by the Trustee.** (a) Money held hereunder shall, as nearly as may be practicable, be invested by the Trustee in any Eligible Investments in accordance with the direction of an Authorized Officer of the Corporation given in writing; provided that no investment of money in the Debt Service Reserve Fund shall mature more than 5 years after the date such investment is purchased or made unless such investment may be liquidated (including via put or tender) at the direction of the Corporation not later than one Business Day prior to each Interest Payment Date prior to the investment's stated maturity date for: (i) purchase at a price not less than 100% of the stated principal amount of such investment; or (ii) redemption by the issuer at a price not less than 100% of the stated principal amount thereof. Each investment shall permit the money so deposited or invested to be available for use at the times at, and in the amounts in, which the Corporation reasonably believes such money will be required for the purposes hereof. The Corporation acknowledges that money in the Debt Service

Fund can only be invested in Eligible Investments. In the absence of written investment direction, all funds shall be held by the Trustee uninvested in cash, without liability for interest.

(b) The Trustee may conclusively rely upon the Corporation's written instructions as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Eligible Investments. Ratings of Permitted Investments shall be determined at the time of purchase of such Permitted Investments and without regard to Ratings subcategories. The Trustee may make any and all such investments through its own investment department or that of any affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including investment maintenance fees. The Trustee shall be fully protected in reinvesting the earnings of any such investments in the same investments.

(c) Obligations purchased or other investments made as an investment of money in any fund or account held under the provisions hereof shall be deemed at all times to be a part of such fund or account and the income or interest earned, profits realized or losses suffered by a fund or account due to the investment thereof shall be credited or charged, as the case may be, to such fund or account.

(d) In computing the amount in any fund or account held by the Trustee under the provisions hereof, obligations purchased as an investment of money therein or held therein shall be valued at the market value thereof, inclusive of accrued interest to the date of valuation.

(e) Notwithstanding anything to the contrary herein, the Corporation, in its discretion, may, and the Trustee at the direction of an Authorized Officer of the Corporation, shall sell, present for redemption or exchange any investment held pursuant hereto and the proceeds thereof may be reinvested as provided in this Section. Except as otherwise provided herein, such investments shall be sold at the best price reasonably obtainable by it, or presented for redemption or exchange, whenever it shall be necessary in order to provide money to meet any payment or transfer from the fund or account in which such investment is held.

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

(g) The Trustee may elect, but shall not be obligated, to credit the funds and accounts held by it with moneys representing income or principal payments due on, or sales proceeds due in respect of, Eligible Investments in such funds and accounts, or to credit to Eligible Investments intended to be purchased with such moneys, in each case before actually receiving the requisite

moneys from the payment source, or to otherwise advance funds for account transactions. The Corporation acknowledges that the legal obligation to pay the purchase price of any Eligible Investments arises immediately at the time of the purchase. Notwithstanding anything else in this Indenture, (i) any such crediting of funds or assets shall be provisional in nature, and the Trustee shall be authorized to reverse any such transactions or advances of funds in the event that it does not receive good funds with respect thereto, and (ii) nothing in this Indenture shall constitute a waiver of any of Trustee's rights as a securities intermediary under Uniform Commercial Code §9-206.

**Section 6.02 Liability for Investments.** Neither the Corporation nor the Trustee shall have any liability arising out of or in connection with the making of any investment authorized by the provisions of this Article VI, in the manner provided in this Article VI, for any depreciation in value of any such investment, or for any loss, fee, tax or other charge, direct or indirect, resulting from any such investment, reinvestment or liquidation of an investment.

## **ARTICLE VII. PARTICULAR COVENANTS**

The Corporation covenants and agrees with the Bondholders as follows:

**Section 7.01 Payment of Principal and Interest.** The Corporation shall pay or cause to be paid every Bond, including interest thereon, on the dates and at the places and in the manner provided in the Bonds according to the true intent and meaning thereof.

**Section 7.02 Extension of Payment of Bonds.** The Corporation shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and, in case the maturity of any of such Bonds or the time for payment of any such claims for interest shall be extended, such Bonds, or claims for interest shall not be entitled, in case of any default hereunder, to the benefit hereof or of any Supplemental Indenture or to any payment out of any assets of the Corporation or the funds (except funds held in trust for the payment of particular Bonds or claims for interest pursuant hereto and to any Supplemental Indenture) held by the Trustee, except subject to the prior payment of the principal of all Outstanding Bonds the maturity of which has not been extended and of such portion of the interest on such Bonds as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Corporation to issue Bonds or other bonds or notes to refund Outstanding Bonds and such issuance shall not be deemed to constitute an extension of the maturity of the Bonds.

**Section 7.03 Powers as to Bonds and Pledge.** The Corporation is duly authorized to create and issue the Bonds, to execute the Indentures and to pledge and assign the Trust Estate in the manner and to the extent provided herein and therein. The Corporation further covenants that the Trust Estate is and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with

respect thereto, prior to, or of equal rank with, the pledge created hereby. The Corporation further covenants that all corporate action on the part of the Corporation to that end has been duly and validly taken. The Corporation further covenants that the Bonds and the provisions hereof and of each Supplemental Indenture are and shall be the valid and legally enforceable obligations of the Corporation in accordance with their terms and the terms hereof and of each Supplemental Indenture. The Corporation further covenants that it shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Trust Estate and all of the rights of the Bondholders under the Master Indenture and each Supplemental Indenture against all claims and demands of all persons whomsoever.

**Section 7.04 Further Assurance.** The Corporation, at any and all times, shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, and the pledges hereby made or intended so to be, or which the Corporation may hereafter become bound to pledge or assign.

**Section 7.05 Corporate Existence.** The Corporation shall maintain its existence as an Illinois not-for-profit corporation and shall not amend its certificate of incorporation in any manner that would have the effect of expanding its corporate purposes or restricting the corporate action for which the affirmative vote of an independent director is required.

The Corporation shall not engage in any dissolution, liquidation, consolidation, merger or asset sale (other than the transactions contemplated herein), without prior written notice to the Rating Services.

**Section 7.06 Accounts and Audits.** The Corporation shall keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Corporation by the Trustee, in which complete and correct entries shall be made of its transactions relating to each Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Corporation, shall be subject to the inspection of the Village, the Trustee, each Provider or of any Bondholder or a representative of any of the foregoing duly authorized in writing. The Corporation shall cause such books and accounts to be audited annually after the end of its fiscal year by an independent certified public accounting firm selected by the Corporation. Annually within 30 days after receipt by the Corporation of the report of such audit, a signed copy of such report shall be furnished to the Trustee, to each Provider and to the Village. A copy of the most recently audited financial statements of the Corporation, together with a copy of the accountant's report thereon, shall, upon receipt of a written request therefor, and payment of any reasonable fee or charge made in connection therewith, be furnished to the registered owner of a Bond or any beneficial owner of a Book Entry Bond requesting the same.

**Section 7.07 Creation of Liens.** Except as permitted hereby, the Corporation shall not create or cause to be created any lien or charge prior, equal to, on parity with, or subordinated to that of the Series 2017 Bonds on the Trust Estate except for any Refunding Bonds.

**Section 7.08 Restricted Payments.** The Corporation shall not, directly or indirectly, make any payments or distributions of the Sales Tax Revenues or money in the funds and accounts established hereunder except in accordance with this Master Indenture.

**Section 7.09 Offices for Payment and Registration of Bonds.** The Corporation shall at all times maintain an office or agency in the State where Bonds may be presented for payment, which office or agency may be at or through the Corporate Trust Office of the Trustee. The Corporation may, pursuant to a Supplemental Indenture, designate an additional Paying Agent or Paying Agents where Bonds of the Series authorized thereby or referred to therein may be presented for payment. The Corporation shall at all times maintain an office or agency in the State where Bonds may be presented for registration, transfer or exchange and the Trustee is hereby appointed as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds. The provisions of this Section shall be subject to the provisions of Section 3.01 hereof.

**Section 7.10 Amendments; Waivers.** (a) Except as otherwise provided herein, the Sale Agreement may not be amended, changed, modified or terminated, or any provision thereof waived, without the consent of the Holders of Outstanding Bonds as herein provided, if such amendment, change, modification, termination or waiver: (i) reduces the amount payable to the Corporation thereunder or delays the date on which amounts are payable; (ii) waives or surrenders any right of the Corporation; or (iii) modifies, diminishes, limits or conditions the rights of the Corporation thereunder, or the remedies which upon the occurrence of a default may be exercised by the Corporation thereunder.

No such amendment, change, modification, termination or waiver shall take effect unless the prior written consent of: (i) the Bondholders of at least a majority in principal amount of the Bonds then Outstanding; or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the amendment, change, modification, termination or waiver, the Bondholders of not less than a majority in principal amount of the Bonds of the Series so affected and then Outstanding; provided, however, that if such amendment, change, modification, termination or waiver will, by its terms, not take effect so long as any Bonds of any specified Series and maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section.

(b) The Sale Agreement may be amended, changed or modified or any provision thereof waived in any other respect without the consent of the Holders of Outstanding Bonds if the same does not adversely affect the Bondholders in any material respect, except that no amendment, change, modification or alteration thereof to cure any ambiguity or defect or inconsistent provision

therein or to insert such provisions clarifying matters or questions arising thereunder as are necessary or shall be made unless such amendment, change, modification or waiver is not contrary to or inconsistent with the provisions thereof as theretofore in effect and unless consented to by the Trustee.

(c) No amendment, change, modification or termination of the Sale Agreement or waiver of a provision thereof shall be made other than pursuant to a written instrument signed by the parties thereto. No such amendment, change, modification or waiver shall become effective unless there has been delivered to the Trustee an opinion of Transaction Counsel to the effect that the same is not inconsistent herewith and will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for purposes of federal income taxation. A copy of each such amendment, change, modification, termination or waiver shall be filed with the Trustee.

(d) For the purposes of this Section, the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the Corporation, may consent to an amendment, change, modification, termination or waiver permitted by this Section with the same effect as a consent given by the Bondholders.

For the purposes of this Section, a Series shall be deemed to be adversely affected by an amendment, change, modification or alteration if the same adversely affects or diminishes the rights of the Bondholders of such Series in any material respect. The Trustee shall be entitled conclusively to rely upon an opinion of Transaction Counsel, with respect to whether any amendment, change, modification or alteration adversely affects the interests of any Bondholders then Outstanding in any material respect.

**Section 7.11 Budget of Corporation Expenses.** Annually, the Corporation shall present a budget of Corporation Expenses made or to be made for such Fiscal Year. The budget of the Corporation Expenses may be amended by the Corporation from time to time. Each such budget of the Corporation Expenses or amendment thereto shall be filed by the Corporation with the Trustee and the Village and shall be accompanied by a certificate signed by an Authorized Officer of the Corporation stating that such budget has been prepared and is filed in accordance with the provisions of this Section.

**Section 7.12 Payment of Lawful Charges.** The Corporation shall pay all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon the Trust Estate, when the same shall become due. Except as otherwise expressly permitted hereby, the Corporation shall not create or suffer to be created any lien or charge upon the Trust Estate, except the pledge and lien created or permitted hereby.

**Section 7.13 Enforcement of Rights.** The Corporation shall diligently commence and pursue any and all actions (i) to enforce its rights under the Sale Agreement, and (ii) to enforce the Village's obligations under the Sale Agreement. If the Corporation fails to enforce its rights and the Village's

obligations under the Sale Agreement, pursuant to Section 11.03 hereof, the Trustee shall have the right to enforce such rights and obligations, including the Village's non-impairment covenant pursuant to Section 6.01 of the Sale Agreement.

**Section 7.14 Transfer of Residual Certificate.** The Corporation shall include a restriction on the transfer of the Residual Certificate to the effect that the Residual Certificate may not be transferred by the Village to another person unless the Corporation and the Village have received an opinion of Transaction Counsel that such transfer will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income of the Bondholder thereof for purposes of federal income taxation.

**Section 7.15 General.** The Corporation shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under the provisions hereof in accordance with the terms of such provisions.

Upon the date of issuance of Bonds, all conditions, acts and things required by the statutes of the State and hereby to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds, shall exist, have happened and have been performed.

**Section 7.16 Tax Covenant.** The Corporation covenants that it shall not take any action, or fail to take any action, that would cause the Corporation to either lose its status as an "on behalf of" issuer of municipal obligations for federal income tax purposes or cause interest on the Tax-Exempt Bonds to become includable in gross income for federal income tax purposes.

**Section 7.17 Agreement of the Village.** Pursuant to the Sale Agreement, the Corporation hereby includes, for the benefit of the Bondholders, that the Village shall take no action that would in any way materially adversely (i) impair the Corporation's right to receive the Sales Tax Revenues, (ii) limit or alter the rights vested in the Corporation to fulfill the terms of its agreements with the Bondholders, or (iii) impair the rights and remedies of the Bondholders or the security of the Bonds until the Bonds, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the Bondholders, are fully paid and discharged.

The Corporation hereby acknowledges that the Village's pledge and agreement is an important security provision of the Indentures and the Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation hereby waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly, assert nor support any assertion or claim made by or on behalf of the State, or by any other person, to the contrary.

**Section 7.18 Agreement of the State.** In the Authorizing Statute, the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the rights and powers vested in any State Entity, by the Authorizing Statute with respect to the disposition of the Sales Tax Revenues so as to impair the terms of the Sale Agreement or this Master Indenture until all requirements with respect to the deposit by such State Entity of Sales Tax Revenues have been fully

paid and discharged. In addition, in the Authorizing Statute the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the basis on which the Sales Tax Revenues are derived, or the use of such Sales Tax Revenues, so as to impair the terms of the Sale Agreement or this Master Indenture.

The Corporation hereby acknowledges that the State's pledge and agreement is an important security provision of the Indentures and the Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation hereby waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly, assert nor support any assertion or claim made by or on behalf of the State, or by any other person, to the contrary.

## **ARTICLE VIII. CONCERNING THE TRUSTEE**

**Section 8.01 Appointment and Acceptance of Trustee.** The Trustee, by its execution and delivery of this Master Indenture, does signify its acceptance of its appointment as and of the duties and obligations of Trustee and Paying Agent imposed upon it hereby.

**Section 8.02 Appointment and Acceptance of Paying Agents.** In addition to the Trustee, the Corporation may appoint one or more Paying Agents for the Bonds of any Series in the Supplemental Indenture authorizing such Bonds or in the manner provided herein or in such Supplemental Indenture or shall appoint such Paying Agent or Paying Agents prior to the authentication and delivery of the Bonds, and may at any time or from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 8.13 hereof for the appointment of a successor Paying Agent. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it hereby by written instrument of acceptance deposited with the Corporation and the Trustee.

**Section 8.03 Responsibilities of Trustee and Paying Agent.** The recitals of fact contained herein and in each Supplemental Indenture and in the Bonds shall be taken as the statements of the Corporation and neither the Trustee nor any Paying Agent assumes any responsibility for the correctness of the same. Neither the Trustee nor any Paying Agent makes any representations as to the validity or sufficiency hereof, of any Supplemental Indenture or of any Bonds, or in respect of the security afforded hereby or by each Supplemental Indenture, and neither the Trustee nor any Paying Agent shall incur any responsibility in respect thereof. Neither the Trustee nor any Paying Agent shall be under any responsibility or duty with respect to: (i) the issuance of the Bonds for value; (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Trustee or Paying Agent; (iii) the application of any money paid to the Corporation or others in accordance herewith and with each Supplemental Indenture except as to the application of any money paid to it in its capacity as Trustee or Paying Agent; (iv) the recording or re-recording, filing or re-filing of this Master Indenture or any supplement or amendment thereto; (v) the filing of financing statements (including continuation statements); (vi)



any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, except for any information provided by the Trustee; or (vii) compliance with any state or federal securities laws in connection with the Bonds. Neither the Trustee nor any Paying Agent shall be liable in connection with the performance of or failure to perform its duties hereunder and under each Supplemental Indenture except for its own gross negligence or willful misconduct.

Except during the occurrence and continuation of an Event of Default, the duties and obligations of the Trustee and any Paying Agent shall be determined by the express provisions hereof and of each Supplemental Indenture and neither the Trustee nor any Paying Agent shall be liable except for the performance of or failure to perform such duties and obligations as are specifically set forth herein and in each Supplemental Indenture, and no implied covenants or obligations should be read into this Master Indenture against the Trustee. If any Event of Default under this Master Indenture shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Master Indenture and shall use the same degree of care as a prudent person would exercise or use in the circumstances in the conduct of such prudent person's own affairs.

**Section 8.04 Property Held in Trust.** All money and securities conveyed to or held by the Trustee at any time pursuant to the terms hereof and of each Supplemental Indenture shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions hereof and of each Supplemental Indenture.

**Section 8.05 Evidence on Which Trustee May Act.** The Trustee and any Paying Agent shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it in good faith to be genuine, and to have been signed or presented by the proper party or parties. The Trustee and any Paying Agent may consult with counsel of its selection, who may or may not be of counsel to the Corporation, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith.

Whenever the Trustee or any Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder and under any Supplemental Indenture, such matter (unless other evidence in respect thereof be specifically prescribed hereby) may be deemed to be conclusively proved and established by a certificate signed by an Authorized Officer of the Corporation. Such certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof and of the Supplemental Indenture upon the faith thereof, but in its discretion the Trustee or any Paying Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein and in each Supplemental Indenture, any request, order, notice or other direction required or permitted to be

furnished pursuant to any provision hereof and of any Supplemental Indenture by the Corporation to the Trustee or any Paying Agent shall be sufficiently executed if executed in the name of the Corporation by an Authorized Officer.

The Trustee shall not be deemed to have notice of any Event of Default hereunder unless an Authorized Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such an Event of Default is received by the Trustee at its Corporate Trust Office and such notice references the Bonds and this Master Indenture.

The Trustee may request that the Corporation deliver a certificate of an Authorized Officer of the Corporation setting forth the names of individuals and their respective titles of officers authorized at such time to take specified actions pursuant to this Master Indenture, which certificate may be signed by any person authorized to sign an officer's certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except as may be otherwise agreed upon.

Notwithstanding the effective date of this Master Indenture or anything to the contrary in this Master Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Master Indenture which occurs prior to the date the Trustee formally executes this Master Indenture and commences acting as Trustee hereunder.

The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, except for any information provided by the Trustee, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or if appointed through attorneys, agents, receivers or employees but shall not be answerable for the conduct of the same if appointed with due care, and shall be entitled to the opinion and advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay (at the expense of the Corporation) such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may conclusively rely upon a certificate furnished by a Provider as to amount of Provider Payments owing under the applicable Reserve Fund Facility.

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

The Trustee shall be under no responsibility to approve or evaluate any expert or other skilled person selected by the Corporation for any of the purposes expressed in this Master Indenture.

The Trustee has no duty or obligation to review the documentation provided to it under Sections 7.06 and 7.11 hereof and the sole responsibility of the Trustee with respect to such documentation is to hold such information as a repository on behalf of Bondholders and if requested by a Bondholder is authorized to provide such information to all Bondholders. Delivery of such information and reports shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Corporation's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely conclusively on a certificate of an Authorized Officer).

Notwithstanding the effective date of this Master Indenture or anything to the contrary in this Master Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Master Indenture which occurs prior to the date the Trustee formally executes this Master Indenture and commences acting as Trustee hereunder.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“*Instructions*”) given pursuant to this Master Indenture and delivered using Electronic Means; provided, however, that the Corporation shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions and containing specimen signatures of such officers, which incumbency certificate shall be amended by the Corporation whenever a person is to be added or deleted from the listing. If the Corporation elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Corporation understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an authorized officer listed on the incumbency certificate provided to the Trustee have been sent by such authorized officer. The Corporation shall be responsible for ensuring that only authorized officers transmit such Instructions to the Trustee and that the Corporation and all authorized officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Corporation. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Corporation agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting

Instructions than the method(s) selected by the Corporation; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

**Section 8.06 Compensation.** Unless otherwise provided, the Corporation shall pay to the Trustee and to each Paying Agent, from time to time, such compensation as shall be agreed in writing for all services rendered by it hereunder and under the applicable Supplemental Indenture, and also all reasonable expenses, charges, counsel fees and expenses and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties hereunder and under the applicable Supplemental Indenture and the Trustee and each Paying Agent shall have a lien therefor on any and all funds at any time held by it hereunder and under the applicable Supplemental Indenture (other than the Residual Fund and the Arbitrage Rebate Fund) prior to any of the Bonds for which such services have been rendered. The Corporation shall indemnify and save the Trustee and each Paying Agent harmless against any liabilities, damages, claims, and expenses (including attorneys' fees and expenses) which it may incur in the acceptance, exercise and performance of its powers and duties hereunder and under the applicable Supplemental Indenture and whether any such claims involve the Corporation, Village, Bondholders or any other person and including expenses incurred in the enforcement of this indemnity, and which are not due to its gross negligence or willful misconduct. None of the provisions contained herein or in any Supplemental Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it.

The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other person employed to act hereunder.

The provisions of this Section shall survive termination of this Master Indenture and the resignation or removal of the Trustee.

**Section 8.07 Permitted Acts.** The Trustee may become the owner of or may deal in Bonds as fully and with the same rights as if it were not such Trustee or a Paying Agent. The Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the Corporation or any committee formed to protect the rights of the Bondholders or to effect or aid in any reorganization growing out of the enforcement hereof or of the Bonds or any Supplemental Indenture whether or not such committee shall represent the

Bondholders of a majority in principal amount of the Outstanding Bonds in respect of which any such action is taken.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys appointed with due care, and shall not be responsible for any willful misconduct or gross negligence on the part of any agent or attorney so appointed.

**Section 8.08 Resignation of Trustee.** The Trustee, or any successor thereof, may at any time resign and be discharged of its duties and obligations hereunder and under each Supplemental Indenture by giving not less than 60-days' written notice to the Corporation, the Village and each Provider. Written notice of such resignation shall be given by the Trustee to the registered owners of the Bonds within 10 days after notice is given to the Corporation. Such notice shall be sent by first class mail, postage prepaid, to the registered owners of the Bonds, at their last known addresses, if any, appearing on the registration books. Such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed as provided in Section 8.10 hereof, in which event such resignation shall take effect immediately on the appointment of such successor; provided, however, that such resignation shall not take effect until a successor Trustee has been appointed and has accepted such appointment pursuant to Section 8.10 hereof.

**Section 8.09 Removal of Trustee.** The Trustee, or any successor thereof, may be removed at any time upon 30-days' notice by the Bondholders of a majority in principal amount of the Outstanding Bonds, excluding any Bonds held by or for the account of the Corporation, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to the Corporation. The Trustee, or any successor thereof, may also be removed at any time for cause or any breach of trust or for acting or proceeding in violation of, or failing to act or proceed in accordance with, any provisions hereof or of any Supplemental Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon application by the Bondholders of not less than 25% in aggregate principal amount of the Outstanding Bonds, excluding any Bonds held by or for the account of the Corporation. The Trustee may also be removed without cause at any time upon 30-days' notice, other than during the continuance of an Event of Default hereunder, by the Corporation, by an instrument in writing signed and acknowledged by an Authorized Officer of the Corporation. No removal hereunder shall take effect until a successor Trustee has been appointed. A copy of each instrument or order providing for the removal of the Trustee, or any successor thereof, shall be delivered by the Corporation to the Trustee or such successor thereof, to the Village and to each Provider.

**Section 8.10 Successor Trustee.** In case the Trustee, or any successor thereof, shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the Corporation shall forthwith appoint a Trustee to act as Trustee and Paying Agent. Copies of any resolution of the Corporation providing for any such appointment shall be delivered by the Corporation to the Trustee so appointed, the predecessor Trustee, to each Provider and to the Village. The Corporation shall give notice of any such appointment to each registered owner of a Bond. Such notice shall be sent not later than 30 days after such appointment, by first class mail, postage prepaid, to each registered owner at its last known address, if any appearing on the registration books of the Corporation.

If in a proper case no appointment of a successor shall be made within 45 days after the giving of written notice in accordance with Section 8.08 hereof or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Bondholder may apply, at the expense of the Corporation, to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor. Any successor appointed under the provisions of this Section shall be a bank located in the State having trust powers or a trust company organized under the laws of the State or national banking association located in the State having a capital and surplus aggregating at least \$50,000,000, if there be such a bank having trust powers or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms and authorized by law to perform all the duties required hereby and by each Supplemental Indenture.

**Section 8.11 Transfer of Rights and Property to Successor Trustee.** Any successor appointed under the provisions of Section 8.10 hereof shall execute, acknowledge and deliver to its predecessor, and also to the Corporation, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance shall become fully vested with all money, estates, properties, rights, powers, duties and obligations of its predecessor hereunder and under each Supplemental Indenture, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request by the Corporation or of such successor, and upon payment of all amounts owed to it hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of such Trustee in and to any property held by it hereunder, and shall pay over, assign and deliver to such successor any money or other properties subject to the trusts and conditions set forth herein. Should any deed, conveyance or instrument in writing from the Corporation be required by such successor for more fully and certainly vesting in and confirming to it any such money, estates, properties, rights, powers, duties or obligations, any and all such

deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Corporation.

**Section 8.12 Merger or Consolidation of the Trustee.** Any company into which the Trustee may be merged or with which it may be consolidated or any company resulting from any merger or consolidation to which it shall be a party or any company to which such Trustee may sell or transfer all or substantially all of its municipal corporate trust business, provided such company shall be a bank having trust powers or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 8.10 hereof, shall be the successor to such Trustee, without any further act, deed or conveyance.

**Section 8.13 Execution of the Sale Agreement.** The Trustee is hereby authorized and directed to execute and deliver the Sale Agreement.

## **ARTICLE IX. SUPPLEMENTAL INDENTURES**

**Section 9.01 Modification without Consent.** Notwithstanding any other provisions of this Article IX or Article X hereof, the Corporation may execute and deliver at any time or from time to time Supplemental Indentures for any one or more of the following purposes, and any such Supplemental Indentures shall become effective in accordance with its terms:

- (a) To provide for the issuance of a Series of Bonds pursuant to the provisions hereof and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed;
- (b) To provide for the issuance of Refunding Bonds as permitted herein;
- (c) To add additional covenants and agreements of the Corporation for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Corporation contained herein;
- (d) To prescribe further limitations and restrictions upon the issuance of Bonds and the incurring of indebtedness by the Corporation which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;
- (e) To surrender any right, power or privilege reserved to or conferred upon the Corporation by the terms hereof, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Corporation contained herein;

(f) To confirm, as further assurance, any pledge hereunder, and the subjection to any lien, claim or pledge created or to be created by the provisions hereof, of the Sales Tax Revenues, or any pledge of any other money, investments thereof or funds;

(g) To modify any of the provisions hereof or of any previously adopted Supplemental Indenture in any other respects, provided that such modifications shall not be effective until after all Bonds of any Series of Bonds Outstanding as of the effective date of such Supplemental Indenture shall cease to be Outstanding, and all Bonds issued under such Supplemental Indentures shall contain a specific reference to the modifications contained in such subsequent Supplemental Indenture;

(h) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision herein or to insert such provisions clarifying matters or questions arising hereunder as are necessary or desirable, provided that any such modifications are not contrary to or inconsistent herewith as theretofore in effect, or to modify any of the provisions hereof or of any previous Supplemental Indenture in any other respect, provided that such modification shall not adversely affect the interests of the Bondholders in any material respect; or

(i) To modify any of the provisions hereof or of any previously adopted Supplemental Indenture in any other respects, provided that such modifications shall not be effective unless there has been delivered to the Trustee: (1) a Rating Confirmation; and (2) an opinion of Transaction Counsel to the effect that the same is not inconsistent herewith and will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for purposes of federal income taxation, regardless of the adverse effects of such modification.

**Section 9.02 Supplemental Indentures Effective with Consent of Bondholders.** The provisions hereof may also be modified or amended at any time or from time to time by a Supplemental Indenture, subject to the consent of the Bondholders in accordance with and subject to the provisions of Article X hereof, such Supplemental Indenture to become effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Corporation.

**Section 9.03 General Provisions Relating to Supplemental Indentures.** The Master Indenture shall not be modified or amended in any respect except in accordance with and subject to the provisions of this Article IX and Article X hereof. Nothing contained in this Article IX or Article X hereof shall affect or limit the rights or obligations of the Corporation to make, do, execute or deliver any Supplemental Indenture, act or other instrument pursuant to the provisions of Section 7.04 hereof or the right or obligation of the Corporation to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere herein provided or permitted to be delivered to the Trustee or any Paying Agent.



A copy of every Supplemental Indenture, when filed with the Trustee, shall be accompanied by an opinion of Transaction Counsel stating that such Supplemental Indenture has been duly and lawfully adopted in accordance with the provisions hereof, is authorized or permitted hereby, that all conditions precedent thereto have been complied with and is valid and binding upon the Corporation and enforceable in accordance with its terms.

The Trustee is hereby authorized to accept delivery of a certified copy of any Supplemental Indenture permitted or authorized pursuant to the provisions hereof and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying on the opinion of Transaction Counsel that such Supplemental Indenture is authorized or permitted by the provisions hereof.

No Supplemental Indenture changing, amending or modifying any of the rights or obligations of the Trustee shall become effective without the written consent of the Trustee.

The Corporation, as soon as practicable after a Supplemental Indenture changing, amending or modifying any provisions of this Master Indenture has become effective, shall give written notice thereof to each Rating Service.

## **ARTICLE X. AMENDMENTS OF INDENTURE**

**Section 10.01 Powers of Amendment.** Any modification or amendment hereof and of the rights and obligations of the Corporation and of the Bondholders hereunder, in any particular, may be made by a Supplemental Indenture, with the written consent given as hereinafter provided in Section 10.02 hereof, (i) of the Bondholders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Bondholders of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and tenor remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Bondholders of which is required to effect any such modification or amendment. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment hereof if the same adversely affects or diminishes the rights of the Bondholders of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, the Bonds of any particular

Series or maturity would be affected by any modification or amendment hereof and any such determination shall be binding and conclusive on the Corporation and all Bondholders. The Trustee may receive an opinion of counsel, including an opinion of Transaction Counsel, as conclusive evidence as to whether the Bonds of any particular Series or maturity would be so affected by any such modification or amendment hereof.

**Section 10.02 Consent of Bondholders.** The Corporation may at any time execute and deliver a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 10.01 hereof to take effect when and as provided in this Section. Upon the adoption of such Supplemental Indenture, a copy thereof, certified by an Authorized Officer; shall be filed with the Trustee for the inspection of the Bondholders. A copy of such Supplemental Indenture (or summary thereof or reference thereto prepared by the Corporation) together with a request to the Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed or distributed by Electronic Means by the Corporation to each affected Bondholder. Such Supplemental Indenture shall not become effective until: (i) there shall have been filed with the Trustee (a) the written consent of the Bondholders of the percentages of Outstanding Bonds specified in Section 10.01 hereof and (b) an opinion of Transaction Counsel stating that such Supplemental Indenture has been duly and lawfully executed, delivered and filed by the Corporation in accordance with the provisions hereof, is authorized or permitted hereby, and is valid and binding upon the Corporation and enforceable in accordance with its terms; and (ii) a notice shall have been mailed as hereinafter in this Section provided. Any such consent shall be binding upon the Bondholders giving such consent and on any subsequent Bondholder of such Bonds (whether or not such subsequent Bondholder has notice thereof). At any time after the Bondholders of the required percentages of Bonds shall have filed their consent to the Supplemental Indenture, notice, stating in substance that the Supplemental Indenture has been consented to by the Bondholders of the required percentages of Bonds and will be effective as provided in this Section, may be given to the Bondholders by mailing such notice to Bondholders. The Corporation shall file with the Trustee proof of giving such notice. Such Supplemental Indenture shall be deemed conclusively binding upon the Corporation and the Bondholders at the expiration of 60 days after the filing with the Trustee of the proof of the mailing of such notice, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in legal action or equitable proceeding commenced for such purpose within such 60-day period; provided, however, that the Corporation during such 60-day period and any such further period during which any such action or proceeding may be pending shall be entitled in its absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as it may deem expedient.

**Section 10.03 Modifications by Unanimous Consent.** The terms and provisions hereof and the rights and obligations of the Corporation and of the Bondholders may be modified or amended in any respect upon the execution, delivery and filing with the Trustee by the Corporation of a copy of a Supplemental Indenture certified by an Authorized Officer of the Corporation and the consent

of the Bondholders of all of the Bonds then Outstanding, such consent to be given as provided in Section 10.02.

**Section 10.04 Mailing.** Any provision in this Article X for the mailing of a notice or other document to Bondholders shall be fully complied with if it is mailed postage prepaid or distributed by Electronic Means only: (i) to each registered owner of Bonds then Outstanding at such person's address, if any, appearing upon the registry books of the Corporation; and (ii) to the Trustee.

**Section 10.05 Exclusion of Bonds.** Bonds owned or held by or for the account of the Corporation shall not be deemed Outstanding for the purpose of consent or other action provided for herein, and the Corporation shall not be entitled with respect to such Bonds to give any consent or take any other action provided for herein. At the time of any consent or other action taken hereunder, the Corporation shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

**Section 10.06 Notation on Bonds.** Bonds delivered after the effective date of any action taken as provided in Article IX hereof or this Article X may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Corporation and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and upon presentation of his Bond for such purpose at the Corporate Trust Office of the Trustee suitable notation shall be made on such Bond by the Trustee as to any such action. If the Corporation or the Trustee shall so determine, new Bonds so modified as, in the opinion of the Trustee and the Corporation, conform to such action shall be prepared and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds.

## **ARTICLE XI. DEFAULTS AND REMEDIES**

**Section 11.01 Events of Default.** An Event of Default shall exist hereunder and under each Supplemental Indenture if:

(a) Payment of the principal or Redemption Price of any Bond shall not be made by the Corporation when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) Payment of interest on any Bond shall not be made by the Corporation when the same shall become due and payable; or

(c) The Corporation shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained herein or in the Bonds or in any Supplemental Indenture on the part of the Corporation to be performed and such default shall continue for 90 days after written notice specifying such default and requiring same to be remedied

shall have been given to the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Bondholders of not less than 25% in principal amount of the Outstanding Bonds, unless, if such default is not capable of being cured within 90 days, the Corporation has commenced to cure such default within said 90 days and diligently prosecutes the cure thereof and provides the Trustee with a certification to such effect; or

(d) The Corporation shall: (1) generally not be paying its debts as they become due; (2) commence a voluntary case or other proceeding seeking liquidation, reorganization, dissolution, rehabilitation or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding by any such official in an involuntary case or other proceeding commenced against it; (3) make a general assignment for the benefit of its creditors; (4) declare a moratorium; or (5) take any corporate action to authorize any of the foregoing; or

(e) A trustee in bankruptcy, custodian or receiver for the Corporation or any substantial part of its property shall have been appointed and the same has not been discharged within 90 days after such appointment.

**Section 11.02 No Acceleration with Respect to the Bonds.** There shall be no right of acceleration with respect to the Bonds.

**Section 11.03 Enforcement of Remedies; Limitations.** Upon the happening and continuance of any Event of Default specified in Section 11.01 hereof, then and in every such case, the Trustee may proceed, and upon the written request of the Bondholders of not less than a majority in principal amount of the Outstanding Bonds, shall proceed (subject to the provisions of Section 8.07 hereof), to protect and enforce its rights and the rights of the Bondholders hereunder or under any Supplemental Indenture or under the laws of the State by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained hereunder or under any Supplemental Indenture or in aid or execution of any power herein or therein granted, or for an accounting against the Corporation as if the Corporation were the trustee of an express trust, or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights, including the enforcement of its rights and remedies, as assignee, under any agreement assigned to it hereunder, including but not limited to the Sale Agreement, and of its rights and obligations under the Authorizing Statute.

In the enforcement of any remedy hereunder and under each Supplemental Indenture the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Corporation for principal or interest or otherwise under any of the provisions of the Master Indenture or of any Supplemental

Indenture or of the Bonds, with interest on overdue payments of the principal of or interest on the Bonds at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under any Supplemental Indenture and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce judgment or decree against the Corporation but solely as provided herein, in any Supplemental Indenture and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the money adjudged or decreed to be payable.

Anything herein to the contrary notwithstanding, neither the Trustee nor any Bondholder shall have any right in or to any proceeds derived from the issuance of Bonds held in the Village Proceeds Account or otherwise paid to the Village and no action or proceeding shall be maintained to enforce any claim to any such proceeds. Each Bondholder by purchase of its Bonds waives any right in or to any proceeds derived from the issuance of Bonds held in the Village Proceeds Account or otherwise paid to the Village or at the direction of the Village pursuant to a Direction Letter and the right to maintain any action or proceeding to enforce any claim to any such proceeds.

**Section 11.04 Priority of Payments after Default.** If at any time the money held by the Trustee hereunder and under each Supplemental Indenture shall not be sufficient to pay the principal of and interest on the Bonds as the same become due and payable, such money together with any money then available or thereafter becoming available for such purpose, whether through exercise of the remedies provided for in this Article XI or otherwise, shall be applied (after payment of all amounts owing to the Trustee hereunder and the creation of a reasonable reserve for anticipated fees, costs and expenses) as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due whether at maturity or by call for redemption (including mandatory redemption) in the order of their due dates and, if the amount available shall not be sufficient to pay in full all such amounts due on any date, then to the payment thereof ratably, according to the amount of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. The setting aside of such money in trust for application in accordance with the provisions of this Section shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Corporation, to any Bondholder or to any other person for any delay in applying any such money so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions hereof as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be on an interest 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 fixing of any such date. The Trustee shall not be required to make payment to the Holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement.

Amounts held by the Trustee after payments to be made pursuant to this Section have been made and no Bonds are Outstanding shall be paid and applied in accordance with Section 5.06 hereof.

When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

**Section 11.05 Termination of Proceedings.** In case any proceedings commenced by the Trustee on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the Corporation, the Trustee, each Provider and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been commenced.

**Section 11.06 Bondholders' Direction of Proceedings.** Anything herein to the contrary notwithstanding, the Holders of a majority in principal amount of the Outstanding Bonds shall have the right by an instrument in writing executed and delivered to the Trustee to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder and under each Supplemental Indenture and the exercise of any other right or power conferred on the Trustee; provided, such direction shall not be otherwise than in accordance with law and the provisions hereof and of each Supplemental Indenture, and that the Trustee shall have the right to

decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

**Section 11.07 Limitation of Rights of Individual Bondholders.** No Bondholder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder, or for any other remedy hereunder unless such Bondholder previously shall have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and unless also the Bondholders of not less than a majority in principal amount of the Outstanding Bonds, shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted hereby or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts hereof or for any other remedy hereunder and in equity or at law. It is understood and intended that no one or more Holders of the Bonds secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security hereof or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained for the benefit of all Holders of the Outstanding Bonds. Notwithstanding any other provision hereof, the Holder of any Bond shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Bond on the stated maturity expressed in such Bond (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Bondholder.

**Section 11.08 Actions by Trustee; Possession of Bonds by Trustee Not Required.** All rights of action hereunder or under any of the Bonds secured hereby and thereby, enforceable by the Trustee, may be enforced by it without the possession of any of such Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all Bondholders to which such action relates, subject to the provisions hereof.

**Section 11.09 Remedies Not Exclusive.** No remedy herein conferred upon or reserved to the Trustee or to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

**Section 11.10 Waiver and Non-Waiver of Default.** No delay or omission of the Trustee or any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein. Every power and remedy given by this Article XI to the Trustee and the Bondholders, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the Bondholders of not less than a majority in principal amount of the Outstanding Bonds, shall waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof or before the completion of the enforcement of any other remedy hereunder; provided, however, that no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

**Section 11.11 Notice of Event of Default.** The Trustee shall give notice of each Event of Default hereunder of which an Authorized Officer of the Trustee has actual knowledge to the Corporation and each Provider within 10 days after knowledge of the occurrence thereof and to the Bondholders within 30 days after knowledge of the occurrence thereof, unless such Event of Default shall have been remedied or cured before the giving of such notice; provided, however, that, except in the case of default in the payment of the principal or Redemption Price of or interest on any of the Bonds, the Trustee shall be protected in withholding notice thereof to the Bondholders if and so long as the Trustee in good faith determines that the withholding of such notice is in the best interests of the Bondholders. In the case of the Bondholders, each such notice of Event of Default shall be given by the Trustee by mailing written notice thereof to all registered Bondholders, as the names and addresses of such Bondholders appear on the books for registration and transfer of Bonds as kept by the Trustee.

## **ARTICLE XII. DEFEASANCE**

**Section 12.01 Defeasance.** (a) If the Corporation shall pay or cause to be paid to the Bondholders of a Series the principal or Redemption Price of and interest thereon, at the times and in the manner stipulated therein, herein, and in the applicable Supplemental Indenture, then the pledge of the Trust Estate and all other rights granted hereby to such Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Corporation, execute and deliver such documents to evidence such discharge and satisfaction as may be reasonably required by the Corporation, and all money or investments thereof held by it pursuant hereto and to the applicable Supplemental Indenture which are not required for the payment or redemption of Bonds of such Series shall be paid or delivered by the Trustee as follows: First, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Corporation; second, to each Provider the Provider Payments which have not been repaid, *pro rata*, based upon the respective Provider Payments then unpaid to each Provider; and, then, the balance thereof to the Corporation. Such money or investments thereof so



paid or delivered shall be released from any trust, pledge, lien, encumbrance, or security interest created hereby.

(b) Bonds for the payment or redemption of which money shall have been set aside and shall be held in trust by the Trustee (through deposit of money for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section. All Outstanding Bonds of any Series or any maturity within a Series or a portion of a maturity within a Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section if:

(i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in Article IV hereof notice of redemption on said date of such Bonds;

(ii) there shall have been deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient in the judgment of a nationally recognized verification agent to pay when due the principal, or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be;

(iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, the Corporation shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Bonds at their last known addresses appearing on the registration books, a notice to the Holders of such Bonds that the deposit required by (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which money is to be available for the payment of the principal or Redemption Price, if applicable, of and interest on said Bonds;

(iv) in the event of a defeasance of a Tax-Exempt Bond, the Corporation shall have delivered to the Trustee an opinion of Transaction Counsel to the effect that said Bonds having been deemed to have been paid as provided in this Section would not: (A) cause said Bonds to be considered to have been “reissued” for purposes of Section 1001 of the Code; and (B) adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for purposes of federal income taxation; and

(v) the Corporation shall have delivered as opinion from Transaction Counsel stating that all conditions precedent to such defeasance as contemplated by paragraph (a) of this section.

The Corporation shall give written notice to the Trustee of its selection of the Series and maturity payment of which shall be made in accordance with this Section. The Trustee shall select the Bonds of like Series and maturity payment of which shall be made in accordance with this Section in the manner provided in Section 4.04 hereof. Neither the Defeasance Securities nor money deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, of and interest on said Bonds; provided, however, that any money received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, of and interest to become due on said Bonds on and prior to such redemption date or maturity date hereof, as the case may be. Any income or interest earned by, or increment to, the investment of any such money so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required hereinabove to pay the principal or Redemption Price, if applicable, of and interest on such Bonds, as realized, be paid by the Trustee as follows: First, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Corporation; second, to each Provider the Provider Payments which have not been repaid, *pro rata*, based upon the respective Provider Payments then unpaid to each Provider; and, then, the balance thereof to the Corporation. The money so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created hereby.

(c) Subject to applicable law, anything herein to the contrary notwithstanding, any money held by the Trustee or a Paying Agent in trust for the payment and discharge of any of the Bonds of a Series or the interest thereon which remain unclaimed for one year after the date when all of the Bonds of such Series have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such money was held by the Trustee or Paying Agent at such date, or for one year after the date of deposit of such money if deposited with the Trustee or Paying Agent after said date when all of the Bonds of such Series become due and payable, or one year after the date when the principal or Redemption Price of or interest on the Bonds for which said money is held was due and payable, shall, at the written request of the Corporation, be repaid by the Trustee or Paying Agent to the Corporation as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the Corporation for the payment of such Bonds.

## **ARTICLE XIII. EXECUTION OF INSTRUMENTS BY BOND HOLDERS AND PROOF OF OWNERSHIP OF BONDS**

**Section 13.01 Evidence of Signatures of Bondholders and Ownership of Bonds.** Any request, consent or other instrument which the Indentures may require or permit to be signed and executed by a Bondholder may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholder in person or by his or their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, or the holding or owning by any person of such Bonds, shall be sufficient for any purpose hereof (except as otherwise herein expressly provided) if made in the manner set forth below, but the Trustee may nevertheless in its discretion require further or other proof in cases where it deems the same desirable.

The fact and date of the execution by any Bondholder or his attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of any officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The corporation of the person or persons executing any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice-president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

The ownership of Bonds and the amount, numbers and other identification, and date of holding or owning the same shall be proved by the registry books. Any request, consent or vote of the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done or omitted to be done by the Corporation or the Trustee in accordance therewith.

## **ARTICLE XIV. MISCELLANEOUS**

**Section 14.01 Preservation and Inspection of Documents.** All documents received by the Trustee from the Corporation or from Bondholders under the provisions hereof or of any Supplemental Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Corporation, the Village, any Bondholder and their agents and their representatives, any of whom may make copies thereof; provided, however, that with respect to inspection by a Bondholder a written request of such Bondholder must have been received by the Trustee at least 5 Business Days prior to the date of inspection.

**Section 14.02 Money and Funds Held for Particular Bonds.** The amounts held by the Trustee or any Paying Agent for the payment of the principal or Redemption Price of and interest on the Bonds due on any date with respect to particular Bonds shall, pending such payment, be set aside and held in trust by it for the Holders of such Bonds entitled thereto, and for the purposes hereof such principal or Redemption Price of and interest on such Bonds, due after such date thereof, shall no longer be considered to be unpaid.

**Section 14.03 Cancellation of Bonds.** The Trustee or any Paying Agent shall forthwith cancel all Bonds which have been redeemed or paid by it and shall dispose of such Bonds in accordance with its customary procedures. No such Bonds shall be deemed Outstanding Bonds hereunder and no Bonds shall be issued in lieu thereof.

**Section 14.04 No Recourse under Indenture or on the Bonds.** All covenants, stipulations, promises, agreements and obligations of the Corporation contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and not of any member, officer or employee of the Corporation, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claims based thereon, hereon or on the Supplemental Indenture against any member, officer or employee of the Corporation or any person executing the Bonds, all such liability, if any, being expressly waived and released by every Bondholder by the acceptance of the Bonds.

**Section 14.05 Severability of Invalid Provision.** If any one or more of the covenants, stipulations, promises, agreements and obligations provided herein or in any Supplemental Indenture on the part of the Corporation or the Trustee to be performed should be contrary to law, then such covenant or covenants, stipulation or stipulations, promise or promises, agreement or agreements or obligation or obligations shall be null and void, shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions hereof or of such Supplemental Indenture or of the Bonds.

**Section 14.06 Parties of Interest.** Nothing herein or in any Supplemental Indenture adopted pursuant to the provisions hereof, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or party other than the Corporation, the Trustee, the Paying Agents, each Provider and the Bondholders any rights, remedies or claims hereunder or by reason hereof or of any Supplemental Indenture or any covenant, condition or stipulation thereof. All covenants, stipulations, promises and agreements herein or in any Supplemental Indenture contained by or on behalf of the Corporation shall be for the sole and exclusive benefit of the Corporation, the Trustee, the Paying Agents, each Provider and the Bondholders from time to time of the Bonds.

**Section 14.07 Notice to Rating Services.** For so long as the Bonds shall remain Outstanding, the Corporation shall give notice to each Rating Service, in the manner notices are required by Section 14.08 hereof to be given, of the following:

- (i) change of Trustee;
- (ii) dissolution, liquidation, consolidation, merger or asset sale other than as provided herein;
- (ii) defeasance, acceleration or redemption; and
- (iv) material changes to the Indentures or the Sale Agreement.

**Section 14.08 Notices.** Except as otherwise provided herein, any notices, directions or other instruments required to be given or delivered pursuant hereto or to any Supplemental Indenture shall be in writing and shall be delivered by hand against the written receipt therefor or sent by registered or certified mail addressed: in the case of the Corporation, to it to the attention of the Corporation's Chairman at 7000 South Harlem Avenue, Bridgeview IL 60455; in the case of the Trustee, addressed to it at the Corporate Trust Office of the Trustee; in the case of the Village, addressed to it to the attention of the Village's Mayor at 7500 South Oketo Avenue, Bridgeview IL 60455; or, in each case, to such other individual and at such other address as the person to be notified shall have specified by written notice to the other persons. Any such communication may also be sent by Electronic Means, receipt of which shall be confirmed (with an automatic "read receipt" or similar notice not constituting an acknowledgement of an email receipt for purposes of this Section).

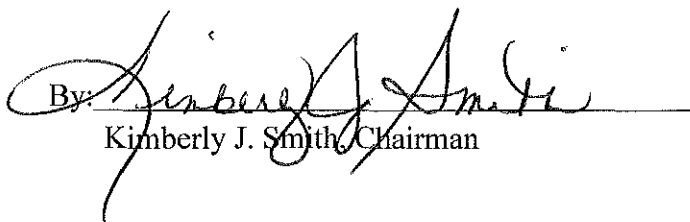
**Section 14.09 Headings.** Any headings preceding the text of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part hereof nor shall they affect its meaning, construction or effect.

**Section 14.10 Governing Laws.** The Indentures shall be governed by and construed in accordance with the laws of the State.

**Section 14.11 Signatures and Counterparts.** This Master Indenture and each Supplemental Indenture may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have executed this Master Indenture as of the date first written above to be effective December 29, 2017.

**BRIDGEVIEW FINANCE CORPORATION**

By:   
Kimberly J. Smith, Chairman

**U.S. BANK NATIONAL ASSOCIATION**, as Trustee

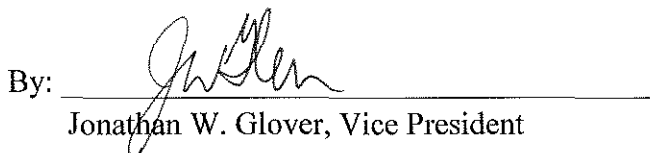
By:   
Jonathan W. Glover, Vice President

EXHIBIT A  
DEBT SERVICE SCHEDULE

**Bridgeview Finance Corporation**  
*Sales Tax Securitized Bonds*  
*Series 2017A and Taxable Series 2017B*

| Date       | Principal       | Coupon | Interest        | Total P+I       | DSR            | Annual Debt Service |
|------------|-----------------|--------|-----------------|-----------------|----------------|---------------------|
| 12/01/2018 | -               | -      | 2,241,348.14    | 2,241,348.14    | -              | 2,241,348.14        |
| 12/01/2019 | -               | -      | 2,430,377.50    | 2,430,377.50    | -              | 2,430,377.50        |
| 12/01/2020 | -               | -      | 2,430,377.50    | 2,430,377.50    | -              | 2,430,377.50        |
| 12/01/2021 | 1,215,000.00    | 4.300% | 2,430,377.50    | 3,645,377.50    | -              | 3,645,377.50        |
| 12/01/2022 | 1,270,000.00    | 4.550% | 2,378,132.50    | 3,648,132.50    | -              | 3,648,132.50        |
| 12/01/2023 | 1,325,000.00    | 4.750% | 2,320,347.50    | 3,645,347.50    | -              | 3,645,347.50        |
| 12/01/2024 | 1,390,000.00    | 4.850% | 2,257,410.00    | 3,647,410.00    | -              | 3,647,410.00        |
| 12/01/2025 | 1,460,000.00    | 5.100% | 2,189,995.00    | 3,649,995.00    | -              | 3,649,995.00        |
| 12/01/2026 | 1,530,000.00    | 5.100% | 2,115,535.00    | 3,645,535.00    | -              | 3,645,535.00        |
| 12/01/2027 | 1,610,000.00    | 5.100% | 2,037,505.00    | 3,647,505.00    | -              | 3,647,505.00        |
| 12/01/2028 | 1,690,000.00    | 5.700% | 1,955,395.00    | 3,645,395.00    | -              | 3,645,395.00        |
| 12/01/2029 | 1,790,000.00    | 5.700% | 1,859,065.00    | 3,649,065.00    | -              | 3,649,065.00        |
| 12/01/2030 | 1,890,000.00    | 5.700% | 1,757,035.00    | 3,647,035.00    | -              | 3,647,035.00        |
| 12/01/2031 | 2,000,000.00    | 5.700% | 1,649,305.00    | 3,649,305.00    | -              | 3,649,305.00        |
| 12/01/2032 | 2,110,000.00    | 5.700% | 1,535,305.00    | 3,645,305.00    | -              | 3,645,305.00        |
| 12/01/2033 | 2,235,000.00    | 5.315% | 1,415,035.00    | 3,650,035.00    | -              | 3,650,035.00        |
| 12/01/2034 | 2,350,000.00    | 5.000% | 1,296,250.00    | 3,646,250.00    | -              | 3,646,250.00        |
| 12/01/2035 | 2,470,000.00    | 5.000% | 1,178,750.00    | 3,648,750.00    | -              | 3,648,750.00        |
| 12/01/2036 | 2,590,000.00    | 5.000% | 1,055,250.00    | 3,645,250.00    | -              | 3,645,250.00        |
| 12/01/2037 | 2,720,000.00    | 5.000% | 925,750.00      | 3,645,750.00    | -              | 3,645,750.00        |
| 12/01/2038 | 2,860,000.00    | 5.000% | 789,750.00      | 3,649,750.00    | -              | 3,649,750.00        |
| 12/01/2039 | 3,000,000.00    | 5.000% | 646,750.00      | 3,646,750.00    | -              | 3,646,750.00        |
| 12/01/2040 | 3,150,000.00    | 5.000% | 496,750.00      | 3,646,750.00    | -              | 3,646,750.00        |
| 12/01/2041 | 3,310,000.00    | 5.000% | 339,250.00      | 3,649,250.00    | -              | 3,649,250.00        |
| 12/01/2042 | 3,475,000.00    | 5.000% | 173,750.00      | 3,648,750.00    | (3,650,035.00) | (1,285.00)          |
| Total      | \$47,440,000.00 | -      | \$39,904,795.64 | \$87,344,795.64 | (3,650,035.00) | \$83,694,760.64     |

EXHIBIT B

FORM OF FIRST SUPPLEMENTAL INDENTURE



**FIRST SUPPLEMENTAL TRUST INDENTURE**  
**BY AND BETWEEN**  
**BRIDGEVIEW FINANCE CORPORATION**  
**AND**  
**U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE**

*Dated as of December 20, 2017*

## TABLE OF CONTENTS

|               |   |   |
|---------------|---|---|
| ARTICLE I.    | DEFINITIONS AND AUTHORITY .....                           | 1 |
| SECTION 1.01. | Definitions. ....   | 1 |
| SECTION 1.02. | Rules of Construction. ....                               | 2 |
| ARTICLE II.   | THE SERIES 2017A BONDS .....                              | 2 |
| SECTION 2.01. | Authorization, Designation, Series, and Sale. ....        | 2 |
| SECTION 2.02. | Purposes. ....  | 3 |
| SECTION 2.03. | Maturity Dates, Principal Amounts and Interest Rates..... | 3 |
| SECTION 2.04. | Interest Payments. ....                                   | 3 |
| SECTION 2.05. | Term Bonds.....   | 3 |
| SECTION 2.06. | Form, Denominations and Numbers. ....                     | 4 |
| SECTION 2.07. | Dating of Series 2017A Bonds. ....                        | 4 |
| SECTION 2.08. | Place of Payment. ....                                    | 4 |
| SECTION 2.09. | Record Date. ....   | 4 |
| SECTION 2.10. | Paying Agent.....   | 4 |
| SECTION 2.11. | Optional Redemption. ....                                 | 4 |
| SECTION 2.12. | Form of Bonds and Certificate of Authentication. ....     | 4 |
| SECTION 2.13. | Book Entry Bond Procedures. ....                          | 4 |
| ARTICLE III.  | THE SERIES 2017B BONDS .....                              | 5 |
| SECTION 3.01. | Authorization, Designation, Series, and Sale. ....        | 5 |
| SECTION 3.02. | Purposes. ....  | 5 |
| SECTION 3.03. | Maturity Dates, Principal Amounts and Interest Rates..... | 5 |
| SECTION 3.04. | Interest Payments. ....                                   | 5 |
| SECTION 3.05. | Term Bonds.....   | 5 |
| SECTION 3.06. | Form, Denominations and Numbers. ....                     | 6 |
| SECTION 3.07. | Dating of Series 2017B Bonds.....                         | 6 |
| SECTION 3.08. | Place of Payment. ....                                    | 6 |
| SECTION 3.09. | Record Date. ....   | 6 |
| SECTION 3.10. | Paying Agent.....   | 6 |
| SECTION 3.11. | Optional Redemption. ....                                 | 6 |
| SECTION 3.12. | Form of Bonds and Certificate of Authentication. ....     | 6 |
| SECTION 3.13. | Book Entry Bond Procedures. ....                          | 7 |
| ARTICLE IV.   | DEPOSITS TO FUNDS AND ACCOUNTS .....                      | 7 |
| SECTION 4.01. | Application of Proceeds.....                              | 7 |
| ARTICLE V.    | SPECIAL COVENANTS .....                                   | 7 |
| SECTION 5.01. | Tax Covenant. ....  | 7 |
| SECTION 5.02. | Agreement of the Village.....                             | 8 |
| SECTION 5.03. | Agreement of the State. ....                              | 8 |
| ARTICLE VI.   | MISCELLANEOUS .....                                       | 9 |
| SECTION 6.01. | Limitation of Rights.....                                 | 9 |
| SECTION 6.02. | Successors and Assigns. ....                              | 9 |
| SECTION 6.03. | Severability. ....  | 9 |
| SECTION 6.04. | Applicable Law. ....                                      | 9 |

|               |                                 |    |
|---------------|---------------------------------|----|
| SECTION 6.05. | Counterparts.....               | 9  |
| SECTION 6.06. | Amendments and Supplements..... | 9  |
| SECTION 6.07. | The Trustee.....                | 10 |

## **FIRST SUPPLEMENTAL TRUST INDENTURE**

**THIS FIRST SUPPLEMENTAL TRUST INDENTURE**, is entered into as of December 20, 2017, by and between **BRIDGEVIEW FINANCE CORPORATION**, a not for profit corporation incorporated under the General Not For Profit Corporation Act of 1986 of the State of Illinois (the “**Corporation**”), and **U.S. BANK NATIONAL ASSOCIATION**, as trustee (the “**Trustee**”), and supplements the Master Trust Indenture, dated as of December 20, 2017, by and between the Corporation and the Trustee (the “**Master Indenture**”).

### **W I T N E S S E T H:**

**WHEREAS**, the Corporation has determined that it is desirable at this time to authorize the issuance of \$27,155,000 aggregate principal amount of Bridgeview Finance Corporation Sales Tax Securitization Bonds, Series 2017A and \$20,285,000 aggregate principal amount of Bridgeview Finance Corporation Taxable Sales Tax Securitization Bonds, Series 2017B, the proceeds of which shall be used: (i) to purchase from the Village of Bridgeview, Cook County, Illinois (the “Village”) all of the Village’s right, title and interest in and to the Sales Tax Revenues pursuant to the Sale Agreement (as hereinafter defined); and (ii) to pay the Costs of Issuance of the Series 2017 Bonds; and

**WHEREAS**, this First Supplemental Indenture is entered into to supplement the Master Indenture to provide for the issuance of the Series 2017 Bonds; and

**WHEREAS**, the Corporation has taken all necessary action to make the Series 2017 Bonds, when authenticated by the Trustee and issued by the Corporation, valid and binding obligations of the Corporation and to constitute this First Supplemental Indenture a valid and binding instrument for the authorization of and security for the Series 2017 Bonds.

**NOW, THEREFORE, WITNESSETH** that the Corporation does covenant and agree with the Trustee and with the respective Bondholders, from time to time of the Outstanding Series 2017 Bonds, as follows:

## **ARTICLE I. DEFINITIONS AND AUTHORITY**

**SECTION 1.01. Definitions.** Capitalized terms used herein and not otherwise defined shall have the respective meanings accorded such terms in the Master Indenture. In addition, the following terms shall have the following meanings herein unless the context otherwise requires:

“*First Supplemental Indenture*” means this First Supplemental Trust Indenture dated December 20, 2017, which supplements and amends the Master Indenture to authorize the issuance

of the Series 2017 Bonds.

*“Indentures”* means the Master Indenture as supplemented by Supplemental Indentures.

*“Master Indenture”* shall have the meaning set forth in the first paragraph of this First Supplemental Indenture.

*“Official Statement”* means the Official Statement of the Corporation, dated December 20, 2017, relating to the Series 2017 Bonds.

*“Sale Agreement”* means the Assignment, Purchase and Sale Agreement, dated as of December 20, 2017, by and among the Village, the Corporation and the Trustee.

*“Series 2017 Bonds”* means, collectively, the Series 2017A Bonds and the Series 2017B Bonds.

*“Series 2017A Bonds”* means the \$27,155,000 Sales Tax Securitized Bonds, Series 2017A authorized by this First Supplemental Indenture.

*“Series 2017B Bonds”* means the \$20,285,000 Taxable Sales Tax Securitized Bonds, Series 2017B authorized by this First Supplemental Indenture.

*“Village”* means the Village of Bridgeview, Cook County, Illinois, a home rule municipality under Section 6 of Article VII of the Illinois Constitution of 1970.

**SECTION 1.02. Rules of Construction.** 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, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies as well as natural persons.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in the Supplemental Indenture, refer to this First Supplemental Indenture.

## **ARTICLE II. THE SERIES 2017A BONDS**

**SECTION 2.01. Authorization, Designation, Series, and Sale.** The Series 2017A Bonds are hereby authorized to be issued in an aggregate principal amount of \$27,155,000. The Series 2017A Bonds are issued under and secured by the Indentures and shall be designated “Sales Tax Securitized Bonds, Series 2017A.”

The Series 2017A Bonds shall be sold to George K. Baum & Company at a purchase price of \$27,155,000 (par plus a reoffering premium of \$729,950.75 less an underwriter’s discount of \$278,849.51).

**SECTION 2.02. Purposes.** The purposes for which the Series 2017A Bonds are issued are (i) to pay to, or upon the direction of, the Village in accordance with Section 5.03 of the Master Indenture money to provide for the purchase of the Village's right, title and interest in and to the Sales Tax Revenues, and (ii) to pay the Costs of Issuance of the Series 2017A Bonds.

**SECTION 2.03. Maturity Dates, Principal Amounts and Interest Rates.** The Series 2017A Bonds shall bear interest at such rates and shall mature (subject to the right of prior redemption as hereinafter set forth) on the dates and in the amounts set forth below:

| <b>Maturity Date</b> | <b>Principal Amount</b> | <b>Interest Rate</b> |
|----------------------|-------------------------|----------------------|
| 12/1/2037            | \$11,360,000            | 5.000%               |
| 12/1/2042            | \$15,795,000            | 5.000%               |

**SECTION 2.04. Interest Payments.** The Series 2017A Bonds shall bear interest from their dates, payable semiannually on the December 1 and June 1 of each year, commencing on June 1, 2018, at the rates provided above. If the date for payment shall be other than a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

**SECTION 2.05. Term Bonds.** The Series 2017A Bonds maturing on December 1, 2037 are Term Bonds and are subject to mandatory redemption at a price of par and accrued interest, without premium, on the dates and in the amounts as follows:

| <b>Dates of Mandatory Redemption</b> | <b>Principal Amount</b> |
|--------------------------------------|-------------------------|
| 12/1/2033                            | \$1,230,000             |
| 12/1/2034                            | \$2,350,000             |
| 12/1/2035                            | \$2,470,000             |
| 12/1/2036                            | \$2,590,000             |

with \$2,720,000 remaining to be paid at maturity on December 1, 2037.

The Series 2017A Bonds maturing on December 1, 2042 are Term Bonds and are subject to mandatory redemption at a price of par and accrued interest, without premium, on the dates and in the amounts as follows:

| <b>Dates of Mandatory Redemption</b> | <b>Principal Amount</b> |
|--------------------------------------|-------------------------|
| 12/1/2038                            | \$2,860,000             |
| 12/1/2039                            | \$3,000,000             |
| 12/1/2040                            | \$3,150,000             |
| 12/1/2041                            | \$3,310,000             |

with \$3,475,000 remaining to be paid at maturity on December 1, 2042.

**SECTION 2.06. Form, Denominations and Numbers.** The Series 2017A Bonds shall be issued as fully registered Bonds in authorized denominations of \$5,000 or an integral multiple thereof. No single bond shall represent principal maturing on more than one date and shall be numbered 1 and upwards.

**SECTION 2.07. Dating of Series 2017A Bonds.** The Series 2017A Bonds shall be dated as of the date no later than their initial date of issuance.

**SECTION 2.08. Place of Payment.** The Series 2017A Bonds shall be payable at the designated corporate trust office of the Trustee. Interest on the Series 2017A Bonds will be payable by the Trustee as provided in Section 3.01 of the Master Indenture, or at the option of any owner of \$1,000,000 or more in aggregate principal amount of the Series 2017 Bonds by wire transfer of immediately available funds to such bank in the continental United States as such owner requests in writing.

**SECTION 2.09. Record Date.** The Record Date for the Series 2017A Bonds shall be the 15<sup>th</sup> day (whether or not a Business Day) of the calendar month next preceding an Interest Payment Date.

**SECTION 2.10. Paying Agent.** U.S. Bank National Association, Chicago, Illinois, is hereby appointed Paying Agent for the Series 2017A Bonds, such appointment to be effective immediately upon the filing of this Supplemental Indenture with the Trustee.

**SECTION 2.11. Optional Redemption.** The Series 2017A Bonds are subject to redemption prior to maturity, at the election or direction of the Corporation, in whole or in part (and, if in part, in an Authorized Denomination) on any date on or after December 1, 2027 at a Redemption Price of par plus any accrued interest thereon to the date fixed for redemption.

**SECTION 2.12. Form of Bonds and Certificate of Authentication.** Subject to the provisions of the Master Indenture, the form of the Series 2017A Bonds and of the Trustee's Certificate of Authentication shall be substantially in the form annexed hereto as Exhibit A.

**SECTION 2.13. Book Entry Bond Procedures.** Notwithstanding any other provision of this First Supplemental Indenture to the contrary, so long as any Series 2017A Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal, Redemption Price and interest on such Series 2017A Bond, and all deliveries to be made and notices to be delivered with respect to such Series 2017A Bond, shall be made and given pursuant to DTC's rules and procedures then in effect.

### ARTICLE III. THE SERIES 2017B BONDS

**SECTION 3.01. Authorization, Designation, Series, and Sale.** The Series 2017B Bonds are hereby authorized to be issued in an aggregate principal amount of \$20,285,000. The Series 2017B Bonds are issued under and secured by the Indentures. Such Series of Bonds shall be designated “Taxable Sales Tax Securitized Bonds, Series 2017B”.

The Series 2017B Bonds shall be sold to George K. Baum & Company at a purchase price of \$20,285,000.00 (less an underwriter’s discount of \$297,150.00).

**SECTION 3.02. Purposes.** The purposes for which the Series 2017B Bonds are issued are (i) to pay to, or upon the direction of, the Village in accordance with Section 5.03 of the Master Indenture money to provide for the purchase of the Village’s right, title and interest in and to the Sales Tax Revenues, and (ii) to pay the Costs of Issuance of the Series 2017B Bonds.

**SECTION 3.03. Maturity Dates, Principal Amounts and Interest Rates.** The Series 2017B Bonds shall bear interest at such rates and shall mature (subject to the right of prior redemption as hereinafter set forth) on the dates and in the amounts set forth below:

| <b>Maturity Date</b> | <b>Principal Amount</b> | <b>Interest Rate</b> |
|----------------------|-------------------------|----------------------|
| 12/1/2021            | \$ 1,215,000            | 4.300%               |
| 12/1/2022            | \$ 1,270,000            | 4.550%               |
| 12/1/2023            | \$ 1,325,000            | 4.750%               |
| 12/1/2024            | \$ 1,390,000            | 4.850%               |
| 12/1/2027            | \$ 4,600,000            | 5.100%               |
| 12/1/2033            | \$10,485,000            | 5.700%               |

**SECTION 3.04. Interest Payments.** The Series 2017B Bonds shall bear interest from their dates, payable semiannually on the December 1 and June 1 of each year, commencing on June 1, 2018, at the rates provided above. If the date for payment shall be other than a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

**SECTION 3.05. Term Bonds.** The Series 2017B Bonds maturing on December 1, 2027 are Term Bonds and are subject to mandatory redemption at a price of par and accrued interest, without premium, on the dates and in the amounts as follows:

| <b>Dates of Mandatory Redemption</b> | <b>Principal Amount</b> |
|--------------------------------------|-------------------------|
| 12/1/2025                            | \$1,460,000             |
| 12/1/2026                            | \$1,530,000             |

with \$1,610,000 remaining to be paid at maturity on December 1, 2027.



The Series 2017B Bonds maturing on December 1, 2033 are Term Bonds and are subject to mandatory redemption at a price of par and accrued interest, without premium, on the dates and in the amounts as follows:

| <b>Dates of Mandatory Redemption</b> | <b>Principal Amount</b> |
|--------------------------------------|-------------------------|
| 12/1/2028                            | \$1,690,000             |
| 12/1/2029                            | \$1,790,000             |
| 12/1/2030                            | \$1,890,000             |
| 12/1/2031                            | \$2,000,000             |
| 12/1/2032                            | \$2,110,000             |

with \$1,005,000 remaining to be paid at maturity on December 1, 2033.

**SECTION 3.06. Form, Denominations and Numbers.** The Series 2017B Bonds shall be issued as fully registered Bonds in authorized denominations of \$5,000 or an integral multiple thereof. No single bond shall represent principal maturing on more than one date and shall be numbered 1 and upwards.

**SECTION 3.07. Dating of Series 2017B Bonds.** The Series 2017B Bonds shall be dated as of the date no later than their initial date of issuance.

**SECTION 3.08. Place of Payment.** The Series 2017B Bonds shall be payable at the designated corporate trust office of the Trustee. Interest on the Series 2017B Bonds will be payable by the Trustee as provided in Section 3.01 of the Master Indenture, or at the option of any owner of \$1,000,000 or more in aggregate principal amount of the Series 2017 Bonds by wire transfer of immediately available funds to such bank in the continental United States as such owner requests in writing.

**SECTION 3.09. Record Date.** The Record Date for the Series 2017B Bonds shall be the 15<sup>th</sup> day (whether or not a Business Day) of the calendar month next preceding an Interest Payment Date.

**SECTION 3.10. Paying Agent.** U.S. Bank National Association, Chicago, Illinois, is hereby appointed Paying Agent for the Series 2017B Bonds, such appointment to be effective immediately upon the filing of this Supplemental Indenture with the Trustee.

**SECTION 3.11. Optional Redemption.** The Series 2017B Bonds are subject to redemption prior to maturity, at the election or direction of the Corporation, in whole or in part (and, if in part, in an Authorized Denomination) on any date on or after December 1, 2027 at a Redemption Price of par plus any accrued interest thereon to the date fixed for redemption.

**SECTION 3.12. Form of Bonds and Certificate of Authentication.** Subject to the provisions of the Master Indenture, the form of the Series 2017B Bonds and of the Trustee's

Certificate of Authentication shall be substantially in the form annexed hereto as Exhibit A.

**SECTION 3.13. Book Entry Bond Procedures.** Notwithstanding any other provision of this First Supplemental Indenture to the contrary, so long as any Series 2017B Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal, Redemption Price and interest on such Series 2017B Bond, and all deliveries to be made and notices to be delivered with respect to such Series 2017B Bond, shall be made and given pursuant to DTC's rules and procedures then in effect.

#### **ARTICLE IV. DEPOSITS TO FUNDS AND ACCOUNTS**

**SECTION 4.01. Application of Proceeds.** Pursuant to Section 5.03 of the Master Indenture, the Corporation hereby directs that the proceeds of the Series 2017 Bonds be applied as follows:

(a) \$793,273.24 shall be deposited in the Costs of Issuance Account of the Proceeds Fund;

(b) \$3,650,035.00 shall be deposited in the Debt Service Reserve Fund; and

(c) \$33,644,943.00 shall be deposited in the Village Proceeds Account of the Proceeds Fund to be used to refund all or a portion of the Series 2003 Bonds, Series 2005 Bonds, Series 2008A-2 Bonds, Series 2008B-1 Bonds, and Series 2008B-2 Bonds of the Village. To the extent that the Village has already paid the December 1, 2017 principal and interest payments (in the amount of \$3,183,076.00) on the Series 2005 Bonds; the December 1, 2017 principal and interest payments (in the amount of \$367,873.00) on the Series 2003 Bonds; and the interest and financing payments (in the amount of \$1,213,575.34) on the Series 2008 Bonds from one or more of its funds, such amounts shall be reimbursed at closing to the fund that paid the same. As may be necessary, the Corporation may deposit any moneys used for refunding into a refunding escrow agreement (the "Refunding Escrow Agreement") for the purpose of paying the principal of, premium, if any, and interest on any bonds being refunded. The Chairman is hereby authorized to execute, attest and deliver the Refunding Escrow Agreement in the name and on behalf of the Corporation.

(d) \$9,600,000.00 shall be deposited in the Village Proceeds Account of the Proceeds Fund, to be paid to or upon the direction of the Village.

#### **ARTICLE V. SPECIAL COVENANTS**

**SECTION 5.01. Tax Covenant.** (a) *Tax Compliance.* In order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Series 2017A Bonds, the Corporation shall comply with the provisions of the Code applicable to the Series 2017A Bonds necessary to maintain such exclusion, including without limitation the provisions of the Code which prescribe yield and other limits within which proceeds of the Series

2017A Bonds are to be invested, and which, in certain circumstances, require the rebate of certain earnings on such amounts to the Department of the Treasury of the United States of America in accordance with Section 148(f) of the Code. In furtherance of the foregoing, the Corporation shall comply with the tax certificate relating to the Series 2017A Bonds.

(b) No Arbitrage Covenant. The Corporation shall not take any action or fail to take any action which would cause the Series 2017A Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code; nor shall any part of the proceeds of Series 2017A Bonds or any other funds of the Corporation be used directly or indirectly to acquire any investment property the acquisition of which would cause any Series 2017A Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(c) No Private Use or Private Loans. The Corporation shall not use any part of the proceeds of the Series 2017A Bonds in a manner which would cause such Series 2017A Bonds to be “private activity bonds” within the meaning of Section 141(a) of the Code.

(d) Survival. Notwithstanding any provision of this First Supplemental Indenture to the contrary, the obligation of the Corporation to comply with the requirements of this Section shall survive the payment, redemption or defeasance of any and all Series 2017A Bonds.

**SECTION 5.02. Agreement of the Village.** Pursuant to the Sale Agreement, the Corporation hereby includes, for the benefit of the Bondholders, that the Village shall take no action that would in any way materially adversely (A) impair the Corporation’s right to receive the Sales Tax Revenues, (B) limit or alter the rights vested in the Corporation to fulfill the terms of its agreements with the Bondholders, or (C) impair the rights and remedies of the Bondholders or the security for the Series 2017 Bonds until the Series 2017 Bonds, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the Bondholders, are fully paid and discharged.

The Corporation hereby acknowledges that the Village’s pledge and agreement is an important security provision of the Master Indenture and the Series 2017 Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation hereby waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly, assert nor support any assertion or claim made by or on behalf of the State, or by any other person, to the contrary.

**SECTION 5.03. Agreement of the State.** In the Act, the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the rights and powers vested in any State Entity by the Act with respect to the disposition of the Sales Tax Revenues so as to impair the terms of the Sale Agreement or the Master Indenture until all requirements with respect to the deposit by such State Entity of Sales Tax Revenues have been fully paid and discharged. In addition, in the Act the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the basis on which the Sales Tax Revenues are derived, or the use of the Sales Tax Revenues, so as to impair the terms of the Sale Agreement or

the Master Indenture.

The Corporation hereby acknowledges that the State's pledge and agreement is an important security provision of the Master Indenture and the Series 2017 Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation hereby waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly, assert nor support any assertion or claim made by or on behalf of the Village, or by any other person, to the contrary.

## **ARTICLE VI. MISCELLANEOUS**

**SECTION 6.01. Limitation of Rights.** Nothing in this First Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Corporation, the Trustee, the Paying Agent, if any, and the registered owners of the Series 2017 Bonds, any right, remedy or claim under or by reason hereof or of the Master Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this First Supplemental Indenture or the Master Indenture contained by and on behalf of the Corporation shall be for the sole and exclusive benefit of the Corporation, the Trustee, the Paying Agent, if any, and the registered owners of the Series 2017 Bonds.

**SECTION 6.02. Successors and Assigns.** This First Supplemental Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

**SECTION 6.03. Severability.** If any provision of this First Supplemental Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

**SECTION 6.04. Applicable Law.** This First Supplemental Indenture shall be governed by the applicable laws of the State of Illinois.

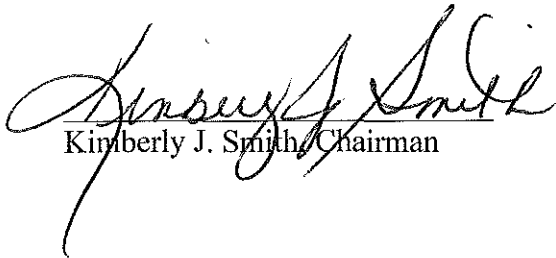
**SECTION 6.05. Counterparts.** This First Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

**SECTION 6.06. Amendments and Supplements.** This First Supplemental Indenture may be amended or supplemented in accordance with the provisions of Articles IX and X of the Master Indenture.

**SECTION 6.07. The Trustee.** In entering into this First Supplemental Indenture, the Trustee shall be entitled to the benefit of every provision of the Master Indenture relating to the conduct or affecting the liability of or affording protections to the Trustee, whether or not elsewhere herein so provided. The Trustee makes no representation as to the validity, execution or sufficiency of this First Supplemental Indenture other than as to the validity of its execution and delivery as Trustee. The Trustee assumed no responsibility for the accuracy of the results contained herein, which shall be taken as a statement of the Corporation.

**IN WITNESS WHEREOF**, the Corporation and the Trustee have caused this First Supplemental Indenture to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written to be effective December 29, 2017.

**BRIDGEVIEW FINANCE CORPORATION**

  
Kimberly J. Smith, Chairman

**U.S. BANK NATIONAL ASSOCIATION, as Trustee**

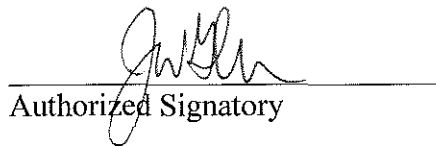
  
Authorized Signatory

EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

**BRIDGEVIEW FINANCE CORPORATION**  
**SALES TAX SECURITIZED BONDS, SERIES 2017A**  
**TAXABLE SALES TAX SECURITIZED BONDS, SERIES 2017B**

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**BOND PURCHASE AGREEMENT**

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December 20, 2017

Bridgeview Finance Corporation  
7000 South Harlem Avenue  
Bridgeview, Illinois 60455

Ladies and Gentlemen:

The undersigned, George K. Baum & Company, Chicago, Illinois (the "*Purchaser*"), offers to purchase from the Bridgeview Finance Corporation (the "*Issuer*"), all (but not less than all) of the \$27,155,000 Sales Tax Securitized Bonds, Series 2017A (the "*Series 2017A Bonds*") and \$20,285,000 Taxable Sales Tax Securitized Bonds, Series 2017B (the "*Series 2017B Bonds*"), of the Issuer (collectively, the "*Bonds*"). This offer is made subject to the Issuer's acceptance of this Bond Purchase Agreement (this "*Agreement*") on or before 11:59 p.m., Central Daylight Saving Time, on the date hereof. Upon the Issuer's acceptance of this offer, it will be binding upon the Issuer and upon the Purchaser.

1. Upon the terms and conditions and upon the basis of the representations set forth herein, the Purchaser hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Purchaser, the Bonds. *Exhibit A*, which is incorporated by reference into this Agreement, contains a brief description of the Bonds, the manner of their issuance, the purchase price to be paid and the date of delivery and payment therefor (the "*Closing*").

2. The Bonds are authorized and issued pursuant to (i) an authorizing resolution adopted by the board of directors of the Issuer on the 19<sup>th</sup> day of December, 2017 (the "*Authorizing Resolution*"), and (ii) a Master Indenture dated December 20, 2017 (the "*Master Indenture*") between the Issuer and U.S. Bank National Association, Chicago, Illinois, as trustee (the "*Trustee*"), and a First Supplemental Indenture for the Bonds dated December 20, 2017 (the "*First Supplement Indenture*," and together with the Master Indenture, the "*Indentures*"), between the Issuer and the Trustee. The Bonds will be as described in, and secured pursuant to, the Indentures.

3. (a) Concurrently with the execution hereof, the Issuer will approve an Official Statement (the "*Official Statement*") in substantially the form of the Preliminary Official Statement of the Issuer, dated December 18, 2017, relating to the Bonds (the "*Preliminary Official Statement*") with such changes from the Preliminary Official Statement as the Purchaser and the Issuer shall approve, and will deliver the Authorizing Resolution, the Indentures, and the

Assignment, Purchase and Sale Agreement dated as of the date of issuance of the Bonds (the "*Sale Agreement*") among the Issuer, the Village of Bridgeview, Illinois (the "*Village*") and the Trustee, satisfactory in form and substance to the Purchaser. The Purchaser is authorized by the Issuer to use these documents and the information contained in them in connection with the public offering and sale of the Bonds. The Issuer has heretofore deemed the Preliminary Official Statement to be "final" as of its date for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission (the "*Commission*") under the Securities Exchange Act of 1934, as amended ("*Rule 15c2-12*"). The Issuer hereby agrees to provide to the Purchaser within seven business days of the date hereof sufficient copies of the Official Statement to enable the Purchaser to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 and Rule G-32 of the Municipal Securities Rulemaking Board.

(b) The Issuer hereby covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "*Undertaking*") to provide ongoing disclosure about the Issuer, for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under paragraph (b)(5) of Rule 15c2-12. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed to in writing by the Purchaser. Except as noted in the Official Statement, there have been no instances in the previous five years in which the Issuer has failed to comply, in all material respects, with each and every undertaking previously entered into by it pursuant to Rule 15c2-12.

4. The Issuer represents and covenants to the Purchaser that:

(a) the Issuer is a special purpose, bankruptcy-remote not-for-profit corporation incorporated under the provisions of the General Not For Profit Corporation Act of 1986 of the State of Illinois, as amended, and is a duly-incorporated instrumentality of, but separate and apart from, the Village, established in accordance with Division 13 of Article 8 of the Illinois Municipal Code, as amended;

(b) the Issuer has and will have at the Closing the power and authority to enter into and perform this Agreement, the Indentures, and the Sale Agreement, to adopt the Authorizing Resolution, and to deliver and sell the Bonds to the Purchaser;

(b) this Agreement and the Bonds do not and will not conflict with or create a breach or default under any existing law, regulation, order or agreement to which the Issuer or the Village is subject or by which it is bound;

(c) no governmental approval or authorization other than the Authorizing Resolution is required in connection with the sale of the Bonds to the Purchaser;

(d) this Agreement is, and this Agreement and the Bonds will be at the time of the Closing, the legal, valid and binding obligation of the Issuer enforceable in accordance with their respective terms, subject only to applicable bankruptcy, insolvency or other similar laws generally affecting creditors' rights and subject to the exercise of judicial discretion;



(e) the information in the Preliminary Official Statement (except as changed by the Official Statement) was, and in the Official Statement is, true and correct in all material respects and did not and does not omit any statement or information required to be stated therein or which is necessary to make the statements and information contained therein not misleading in any material respect;

(f) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer in any material respect or affecting the corporate existence of the Issuer, the titles of its officers to their respective offices, or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or in any way contesting or affecting the transactions contemplated hereby or the validity or enforceability of the Bonds, the Authorizing Resolution, the Sale Agreement, the Indentures or this Agreement or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Issuer or any authority for the issuance of the Bonds, the adoption of the Authorizing Resolution or the execution and the delivery of this Agreement, the Sale Agreement or the Indentures;

(g) the Issuer is not in breach of or in default under any existing law, court or administrative regulation, decree or order, ordinance, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the Issuer is a party or by which the Issuer or its property is or may be bound, and no event has occurred or is continuing that, with the passage of time or the giving of notice, or both, would constitute a default or an event of default thereunder, in either case, in any manner or to any extent that could have a material adverse effect on the financial condition of the Issuer, the operations of the Issuer or the transactions contemplated by this Agreement and the Official Statement, or have an adverse effect on the validity or enforceability in accordance with the respective terms of the Bonds, the Authorizing Resolution, the Sale Agreement or the Indentures or in any way adversely affect the existence or powers of the Issuer or the excludability from gross income for federal income tax purposes of interest on the Series 2017A Bonds;

(h) the Issuer will not take or omit to take any action that will in any way cause the proceeds from the sale of the Bonds to be applied or results in such proceeds being applied in a manner other than as provided in the Authorizing Resolution;

(i) each representation, warranty or agreement stated in any certificate signed by any officer of the Issuer and delivered to the Purchaser in connection with the transactions contemplated by the Authorizing Resolution and this Agreement, at or before the Closing, shall constitute a representation, warranty or agreement by the Issuer upon which the Purchaser shall be entitled to rely; and

(j) if between the date of this Agreement and 25 days following the End of the Underwriting Period (as hereinafter defined) any event shall occur which, in the Issuer's opinion, might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact necessary to make the statements therein,

in the light of the circumstances under which they were made, not misleading, the Issuer shall notify the Purchaser, and if, in the opinion of the Purchaser, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will supplement or amend the Official Statement in a form and in a manner approved by the Purchaser; any approval by the Purchaser of such supplement or amendment to the Official Statement prior to the Closing shall not preclude the Purchaser from thereafter terminating this Agreement, and if the Official Statement is amended or supplemented subsequent to the date hereof, the Purchaser may terminate this Agreement by notification to the Issuer at any time prior to the Closing if, in the reasonable judgment of the Purchaser, such amendment or supplement has or will have a material adverse effect on the marketability of the Bonds. For purposes of this Agreement, "*End of the Underwriting Period*" means the later of (A) the Closing or (B) the date on which the Purchaser no longer retains an unsold balance of the Bonds, *provided, however*, that, unless otherwise advised by the Purchaser in writing on or prior to the Closing, the End of the Underwriting Period shall be the Closing.

5. At the Closing, the Issuer will deliver or make available to the Purchaser:

(a) The Bonds, in definitive form, duly executed and bearing proper CUSIP numbers;

(b) A certificate executed by authorized officers of the Issuer, in form and substance acceptable to the Purchaser, to the effect that the Official Statement, to the knowledge and belief of such officers, after due review, is accurate and complete in all material respects, and that the representations of the Issuer contained in this Agreement are true and correct when made and as of the Closing;

(c) The approving opinion of Louis F. Cainkar, Ltd., Chicago, Illinois, Bond Counsel ("*Bond Counsel*"), in substantially the forms set forth in Appendix A to the Official Statement satisfactory to the Purchaser, dated the Closing Date, relating to the legality and federal tax treatment of interest on the Bonds;

(d) A certificate indicating that there is no proceeding contesting the legality of the Bonds, the Authorizing Resolution or the proceedings pursuant to which the Authorizing Resolution was authorized;

(e) A certificate, satisfactory to the Purchaser, of an appropriate officer of the Issuer, dated as of the Closing Date, to the effect that there have been no instances in the previous five years in which the Issuer failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to Rule 15c2-12, except as noted in the Official Statement;

(f) A fully executed copy of the Undertaking;

(g) A certified copy of the Authorizing Resolution;

(h) Fully executed copies of the Master Indenture and the First Supplemental Indenture;

(i) The opinion of Quarles & Brady LLP, Chicago, Illinois, Disclosure Counsel ("*Disclosure Counsel*"), in form satisfactory to the Purchaser and Bond Counsel;

(j) The opinion of Nixon Peabody LLP, Chicago, Illinois, Special Bankruptcy Counsel ("*Special Bankruptcy Counsel*"), in form satisfactory to the Purchaser and Bond Counsel;

(k) The opinion of Burke Burns & Pinelli, Ltd., Chicago, Illinois ("*Issuer's Counsel*"), dated the Closing Date and addressed to the Issuer and to the Purchaser, as to the authority of the Issuer to enact the Authorizing Resolution and execute and deliver the Bonds, this Agreement, the Undertaking and all other documents related to the Bonds, and the binding effect of the same, satisfactory to Bond Counsel and to the Purchaser in its sole and absolute discretion;

(l) The opinion of Sanchez Daniels & Hoffman LLP, Chicago, Illinois, counsel to the Village ("*Village Counsel*"), in form satisfactory to the Purchaser, Bond Counsel, and Issuer's Counsel; and

(m) Such additional certificates, instruments and other documents (including, without limitation, those set forth on *Exhibit A* hereto) as the Purchaser may deem necessary with respect to the issuance and sale of the Bonds, all in form and substance satisfactory to the Purchaser.

6. (a) The Purchaser agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit B*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) The Issuer will treat the first price at which 10% of each maturity of the Bonds (the "*10% Test*") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Agreement, the Purchaser shall report to the Issuer the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% Test has not been satisfied as to any maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% Test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the Public (as hereinafter defined).

(c) The Purchaser confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the Public, together with the related pricing

wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the Purchaser that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Purchaser, which shall be at least until the 10% Test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public. The Issuer acknowledges that, in making the representation set forth in this subsection, the Purchaser will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the Hold-the-Offering-Price Rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the Hold-the-Offering-Price Rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Issuer further acknowledges that the Purchaser shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the Hold-the-Offering-Price Rule as applicable to the Bonds.

(d) The Purchaser acknowledges that sales of any Bonds to any person that is a Related Party to the Purchaser shall not constitute sales to the Public for purposes of this section. Further, for purposes of this section:

(i) "Public" means any person other than an Underwriter or a related party,

(ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the Purchaser to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public, including the Purchaser, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "Related Party" to an Underwriter if the Underwriter and such purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Agreement by all parties.

7. The fees and disbursements of Issuer's Counsel, Bond Counsel, Disclosure Counsel, Special Bankruptcy Counsel, Village Counsel, the cost of preparing and printing the Bonds, the cost of obtaining any ratings in connection with the issuance of the Bonds, including rating agency fees, the fees of the Trustee for the Bonds, the fees of the Issuer's municipal advisor, the cost of printing and mailing the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the Issuer incurred in connection with the offering and delivery of the Bonds, including the assignment of CUSIP identification numbers, shall all be the obligation of the Issuer.

The obligation of the Issuer to pay the above-described fees and expenses shall survive the termination of this Agreement or the failure to consummate the transactions described herein.

8. This Agreement is intended to benefit only the parties hereto, and the Issuer's representations and warranties shall survive any investigation made by or for the Purchaser, delivery and payment for the Bonds and the termination of this Agreement.

9. The Issuer acknowledges and agrees that (a) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Purchaser, (b) in connection with the purchase and sale of the Bonds and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Purchaser is and has been acting solely as a principal and is not acting as an agent, advisor or fiduciary of the Issuer, (c) the Purchaser has not assumed any advisory or fiduciary responsibility in favor of the Issuer with respect to the purchase and sale of the Bonds or the process leading thereto (irrespective of whether the Purchaser has advised or is currently advising the Issuer on other matters) or any other obligation to the Issuer except the obligations expressly set forth in this Agreement, (d) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, and (e) the Issuer will not claim that the Purchaser has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Issuer, in connection with the purchase and sale of the Bonds or the process leading thereto.

10. The Purchaser shall have the right to cancel its obligation to purchase the Bonds if, between the date of this Agreement and the Closing, the market price or marketability of the Bonds shall be materially adversely affected, in the sole judgment of the Purchaser, by the occurrence of any of the following:

(a) legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State of Illinois (the "State") or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or

other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Series 2017A Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein;

(b) legislation shall be introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction shall be issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice shall be issued or made by or on behalf of the Commission, or any other governmental agency having jurisdiction over the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Authorizing Resolution and the Indentures are not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(c) any state blue sky or securities commission or other governmental agency or body shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(d) a general suspension of trading in securities on the New York Stock Exchange or other national securities exchange, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so;

(e) the New York Stock Exchange or other national securities exchange or any governmental authority, shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Purchaser;

(f) any amendment to the federal or State Constitution or action by any federal or state court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Issuer, its property, income securities (or interest thereon) or the validity or enforceability of the assessments or the levy of taxes to pay principal of and interest on the Bonds;

(g) any event occurring, or information becoming known which, in the judgment of the Purchaser, makes untrue in any material respect any statement or

information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(h) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer;

(i) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise;

(j) any fact or event shall exist or have existed that, in the judgment of the Purchaser, requires or has required an amendment of or supplement to the Official Statement;

(k) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Issuer's obligations; and

(l) the purchase of and payment for the Bonds by the Purchaser, or the resale of the Bonds by the Purchaser, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

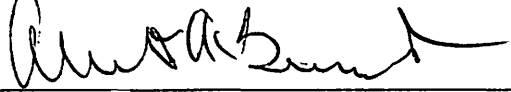
11. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

12. This Agreement shall be governed by the laws of the State of Illinois, without giving effect to conflict of laws principles.

[SIGNATURE PAGE FOLLOWS]

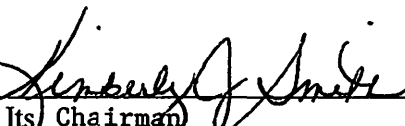
Very truly yours,

GEORGE K. BAUM & COMPANY, CHICAGO,  
ILLINOIS

By   
Its SVP

Accepted on behalf of

BRIDGEVIEW FINANCE CORPORATION

By   
Its Chairman



## EXHIBIT A

### DESCRIPTION OF BONDS

a. PURCHASE PRICE-SERIES 2017A: \$27,606,101.24 (representing the \$27,155,000.00 aggregate principal amount of the Series 2017A Bonds, plus net original issue premium of \$729,950.75, less an underwriting discount of \$278,849.51.)

b. DETAILS: The Series 2017A Bonds shall be issued in an aggregate principal amount of \$27,155,000, shall be dated the date of their issuance, and shall become due and payable serially (without option of prior redemption) on December 1 of the years, in the amounts, bearing interest at the rates per annum and reoffered at the yields per annum as follows:

| YEAR | AMOUNT        | INTEREST<br>RATE | YIELD  |
|------|---------------|------------------|--------|
| 2037 | \$ 11,360,000 | 5.000%           | 4.600% |
| **   |               |                  |        |
| 2042 | 15,795,000    | 5.000%           | 4.700% |

The first interest payment date on the Series 2017A Bonds shall be June 1, 2018.

c. PURCHASE PRICE-SERIES 2017B: \$20,082,150.00 (representing the \$20,285,000.00 aggregate principal amount of the Series 2017B Bonds less an underwriting discount of \$202,850.00.)

d. DETAILS: The Series 2017B Bonds shall be issued in an aggregate principal amount of \$20,285,000, shall be dated the date of their issuance, and shall become due and payable serially (with option of prior redemption as set forth below) on December 1 of the years, in the amounts, bearing interest at the rates per annum and reoffered at the yields per annum as follows:

| YEAR | AMOUNT       | INTEREST<br>RATE | YIELD  |
|------|--------------|------------------|--------|
| 2021 | \$ 1,215,000 | 4.300%           | 4.300% |
| 2022 | 1,270,000    | 4.550%           | 4.550% |
| 2023 | 1,325,000    | 4.750%           | 4.750% |
| 2024 | 1,390,000    | 4.850%           | 4.850% |
| ***  |              |                  |        |
| 2027 | 4,600,000    | 5.100%           | 5.100% |
| ***  |              |                  |        |
| 2033 | 10,485,000   | 5.700%           | 5.700% |

The first interest payment date on the Series 2017B Bonds shall be June 1, 2018.

e. **FORM:** The Bonds shall be delivered in the form of a separate, single, certificated, fully registered Bond for each of the maturities set forth above, and each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("*DTC*"), all as provided in the Authorizing Resolution. The Bonds shall be available at such place as is designated by the Purchaser in New York, New York, or such other place as the Purchaser and the Issuer agree upon, for examination and packaging by the Purchaser at least 24 hours prior to the Closing and at the Closing shall be delivered to the Purchaser through the facilities of DTC.

f. **REDEMPTION:** The Bonds are subject to optional and mandatory redemption prior to maturity as set forth in the Official Statement.

g. **CLOSING DATE:** December 29, 2017, or such other date mutually agreed to by the Issuer and the Purchaser.

h. **DELIVERY:** Delivery and payment shall be made at the offices of Louis F. Cainkar, Ltd., Chicago, Illinois, or such other place as shall have been mutually agreed upon by the Issuer and the Purchaser.

i. **ADDITIONAL CLOSING AND OTHER DOCUMENTS:**

1. A copy of the executed Information Return for Tax-Exempt Governmental Obligations, Form 8038-G.

2. Evidence satisfactory to the Purchaser that the Bonds have received a rating of "BBB+" (Stable Outlook) by Fitch Ratings Inc.

## EXHIBIT B

### ISSUE PRICE CERTIFICATE

The undersigned, on behalf of George K. Baum & Company, Chicago, Illinois (the "*Purchaser*"), hereby certifies as set forth below with respect to the sale and issuance of the \$27,155,000 Sales Tax Securitized Bonds, Series 2017A (the "*Series 2017A Bonds*"), and the \$20,285,000 Taxable Sales Tax Securitized Bonds, Series 2017B (the "*Series 2017B Bonds*," and together with the Series 2017A Bonds, the "*Bonds*"), of the Bridgeview Finance Corporation (the "*Issuer*").

#### I. General

The Purchaser, as underwriter of the Bonds, and the Issuer have executed a bond purchase agreement in connection with the Bonds on the Sale Date (the "*Agreement*"). The Purchaser has not modified the Agreement since its execution on the Sale Date.

#### II. Price

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A* (the "*First Sale Price*"). A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Schedule B*.

#### III. Defined Terms

1. *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

2. *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

3. A person is a "*Related Party*" to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

4. *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is December 20, 2017.

5. *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, including, specifically, the Purchaser, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

IN WITNESS WHEREOF, I hereunto affix my signature, this 29<sup>th</sup> day of December, 2017.

GEORGE K. BAUM & COMPANY,  
CHICAGO, ILLINOIS

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

## SCHEDULE A

### The Series 2017A Bonds:

|             |                                  |                              | FIRST SALE<br>PRICE<br>OF AT<br>LEAST 10% |
|-------------|----------------------------------|------------------------------|---|
| <u>YEAR</u> | <u>PRINCIPAL<br/>AMOUNT (\$)</u> | <u>INTEREST<br/>RATE (%)</u> | <u>(% OF PAR)</u>                         |
| 2037        | 11,360,000                       | 5.00                         | 103.154                                   |
| 2042        | <u>15,795,000</u>                | 5.00                         | 102.353                                   |
| Total       | 27,155,000                       |                              |   |

### The Series 2017B Bonds:

|             |                                  |                              | FIRST SALE<br>PRICE<br>OF AT<br>LEAST 10% |
|-------------|----------------------------------|------------------------------|---|
| <u>YEAR</u> | <u>PRINCIPAL<br/>AMOUNT (\$)</u> | <u>INTEREST<br/>RATE (%)</u> | <u>(% OF PAR)</u>                         |
| 2021        | 1,215,000                        | 4.30                         | 100.000                                   |
| 2022        | 1,270,000                        | 4.55                         | 100.000                                   |
| 2023        | 1,325,000                        | 4.75                         | 100.000                                   |
| 2024        | 1,390,000                        | 4.85                         | 100.000                                   |
| 2027        | 4,600,000                        | 5.10                         | 100.000                                   |
| 2033        | <u>10,485,000</u>                | 5.70                         | 100.000                                   |
| Total       | 20,285,000                       |                              |   |

**SCHEDULE B**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**

[To be attached.]

EXHIBIT D  
FORM OF SALE AGREEMENT



**ASSIGNMENT, PURCHASE AND SALE AGREEMENT**

**BETWEEN THE**

**VILLAGE OF BRIDGEVIEW, COOK COUNTY, ILLINOIS,**

**BRIDGEVIEW FINANCE CORPORATION AND**

**U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE**

**DATED DECEMBER 20, 2017**

## **ASSIGNMENT, PURCHASE AND SALE AGREEMENT**

This ASSIGNMENT, PURCHASE AND SALE AGREEMENT, dated as of December 20, 2017 (the “*Sale Agreement*”), among the Village of Bridgeview (the “*Village*”), the Bridgeview Finance Corporation, an Illinois not for profit corporation and instrumentality of the Village (the “*Corporation*”) and U.S. Bank National Association, as Trustee under the Indenture (as defined herein) (the “*Trustee*”):

WHEREAS, the Village is a home rule municipality under Section 6 of Article VII of the Illinois Constitution of 1970, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, Public Act 100-0023, effective July 6, 2017, adding Division 13, Assignment of Receipts, to Article 8, Finance, of the Illinois Municipal Code (65 ILCS 5/8-13-5, *et seq.*) (the “*Authorizing Statute*”), as amended, authorizes any home rule municipality to enter into agreements to assign, sell transfer or otherwise convey its interest in all or any part of any revenues or taxes that it receives from the State Entity; and

WHEREAS, the Village desires to sell to the Corporation and the Corporation desires to purchase from the Village certain Sales Tax Revenues; and

WHEREAS, the Corporation is willing to purchase from the Village such Sales Tax Revenues and will finance the purchase by selling the Series 2017 Bonds pursuant to a Bond Purchase Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

### **ARTICLE I**

#### **DEFINITIONS**

*Section 1.01. Definitions.* Whenever used in this Sale Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

“*Authorizing Statute*” is defined in the Preambles.

“*Beneficiaries*” means Bondholders, the owner of the Residual Certificate and such other parties expressly identified in the Indenture.

“*Board*” means the Board of Directors of the Corporation.

“*Bond Purchase Agreement*” means the Bond Purchase Agreement, dated December 20, 2017, by and between the Corporation and the Underwriter.

*“Bondholders”* or *“Holders”* means the registered owners of Outstanding Series 2017 Bonds.

*“Bonds”* or *“Series 2017 Bonds”* means the \$47,440,000 aggregate principal amount of Sales Tax Securitized Bonds, Series 2017 of the Bridgeview Finance Corporation initially dated their date of delivery, including any obligations issued in exchange or replacement therefore and any refunding bonds issued under the Indenture.

*“Closing Date”* means the date of issuance by the Corporation of the Series 2017 Bonds.

*“Conveyance Period”* means the period of time during which the conveyance of the Sales Tax Revenues by the Village to the Corporation pursuant to this Sale Agreement is effective, namely, from the Closing Date until the date on which all obligations of the Corporation under the Indenture are no longer Outstanding.

*“Costs of Issuance”* means those costs related to the authorization, sale or issuance of the Series 2017 Bonds, including but not limited to all fees, costs, expenses and governmental charges for: underwriting and transaction structuring, auditors or accountants, printing, reproducing documents, filing and recording of documents, fiduciaries, legal services, financial advisory, municipal advisory and professional consultants’ services, credit ratings, credit and liquidity enhancements, execution, and transportation and safekeeping of the Series 2017 Bonds; and also includes costs incurred by the Village to the extent the same are to be paid by the Corporation in accordance with this Sale Agreement.

*“Department of Revenue”* means the Illinois Department of Revenue.

*“Federal Bankruptcy Code”* means the Bankruptcy Reform Act of 1978, as amended, codified as Title 11, United States Code, as it has been and will be amended from time to time and any successor federal statute.

*“Financing Costs”* means: (i) Costs of Issuance, (ii) the capitalization of initial operating expenses of the Corporation, (iii) the funding of the Debt Service Reserve Account and any other debt service reserves established under the Indenture, and (iv) any other fees, discounts, expenses and costs of any kind whatsoever related to issuing, securing and marketing the Series 2017 Bonds.

*“Fiscal Year”* means the period January 1 through December 31 of the same year.

*“Home Rule Sales Tax Revenues”* means, for any period of time, all collections payable by the State of Illinois to or upon the order of the Village from those taxes imposed by the Village pursuant to its home rule powers as currently authorized by the Home Rule Municipal Retailers' Occupation Tax Act (65 ILCS 5/8-11-1), and the Home Rule Municipal Service Occupation Tax Act (65 ILCS 5/8-11-5), each as supplemented and amended, or any successor or substitute law, ordinance or other legislation subsequently enacted (which taxes are currently imposed by the Village pursuant to the Bridgeview Municipal Code), or successor or substitute taxes therefor as provided by law in the future.

*“Illinois Municipal Code”* means the Illinois Municipal Code (65 ILCS 5/1-1-1, *et seq.*), as amended.

*“Indentures”* means the Master Indenture, dated as of December 20, 2017, by and between the Corporation and the Trustee, as amended and supplemented and in effect from time to time.

*“Local Share Sales Tax Revenues”* means, for any period of time, all distributions from the Local Government Tax Fund (35 ILCS 105/6z-18, *et seq.*) payable by the State of Illinois to or upon the order of the Village from those taxes imposed pursuant to the Service Occupation Tax Act (35 ILCS 115/1, *et seq.*) and the Retailers' Occupation Tax Act (35 ILCS 120/1, *et seq.*), each as supplemented and amended, or successor or substitute taxes therefor as provided by law in the future.

*“Master Indenture”* means the Master Trust Indenture dated December 20, 2017, by and between the Corporation and the Trustee.

*“Opinion of Counsel”* means one or more written opinions of counsel who may be an employee of or counsel to the Village, which counsel shall be acceptable to the Trustee.

*“Outstanding Series 2017 Bonds”* means all such Series 2017 Bonds authenticated and delivered under the Indenture, but shall exclude Series 2017 Bonds that shall have been paid in full at maturity, or shall have otherwise been refunded, redeemed, defeased or discharged, or that may be deemed no longer outstanding pursuant to the Indenture.

*“Rating Agency”* means each nationally recognized statistical rating organization that has, at the request of the Corporation, a rating in effect for any of the Series 2017 Bonds.

*“Residual Fund”* means the account so designated and established pursuant to Section 5.02 of the Master Indenture.

*“Residual Revenues”* has the meaning set forth in Section 8.01 of this Agreement.

*“Residual Certificate”* means an instrument which evidences the right of the holder to be paid any Residual Revenues that have been released from the lien of the Indenture, in substantially the form attached hereto as Exhibit A.

*“Sale Agreement”* means this Assignment, Purchase and Sale Agreement, dated as of December 20, 2017, being an “Assignment Agreement” within the meaning of the Authorizing Statute, as the same may be amended or supplemented and in effect from time to time.

*“Sales Tax Revenues”* means, collectively, the Home Rule Sales Tax Revenues and the Local Share Sales Tax Revenues.

*“Secured Obligations”* means the Bonds and any Refunding Bonds.

*“Securitized Sales Tax Revenue Fund”* means the fund so designated, created and established pursuant to Section 5.02 of the Master Indenture.

*“Series 2017 Bonds”* means collectively, the Series 2017A Bonds and the Series 2017B Bonds.

*“Series 2017A Bonds”* means the Corporation’s \$27,155,000 Sales Tax Securitized Bonds, Series 2017A, initially dated their date of delivery, including any Bonds issued in exchange or replacement therefor.

*“Series 2017B Bonds”* means the Corporation’s \$20,285,000 Taxable Sales Tax Securitized Bonds, Taxable Series 2017B, initially dated their date of delivery, including any Bonds issued in exchange or replacement therefor.

*“State”* means the State of Illinois.

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

*“State Entity”* means the State Comptroller, the State Treasurer or the Illinois Department of Revenue.

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

*“Tax Code”* means the Internal Revenue Code of 1986, as amended.

*“Transaction Counsel”* means a nationally recognized bond or bankruptcy counsel as may be selected by the Corporation for a specific purpose hereunder.

*“Transaction Documents”* means this Sale Agreement, the Indentures, the Bond Purchase Agreement and the Residual Certificate.

*“Trustee”* means U.S. Bank National Association its successors in interest and any successor trustee under the Indenture.

*“Village Treasurer”* means the duly appointed Village Treasurer.

*Section 1.02. Other Definitional Provisions.* (a) Capitalized terms used herein and not otherwise defined herein have the meanings assigned to them in the Indenture.

(b) All terms defined in this Sale Agreement shall have the meanings ascribed hereunder when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(c) As used in this Sale Agreement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Sale Agreement or in any such certificate or other document, and accounting terms partly defined in this Sale Agreement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under generally accepted accounting principles. To the extent that the definitions of accounting terms in this Sale Agreement or in any such certificate or other document

are inconsistent with the meanings of such terms under generally accepted accounting principles, the definitions contained in this Sale Agreement or in any such certificate or other document shall control.

(d) The words “hereof,” “herein,” “hereunder” and words of similar import when used in this Sale Agreement shall refer to this Sale Agreement as a whole and not to any particular provision of this Sale Agreement; Article and Section references contained in this Sale Agreement are references to Articles and Sections in or to this Sale Agreement unless otherwise specified; and the term “including” shall mean “including without limitation.”

(e) The definitions contained in this Sale Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

(f) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments thereto and instruments incorporated therein; references to a person are also to its permitted successors and assigns.

(g) All statutory citations used herein refer to citations in effect on the date of execution and delivery of this Sale Agreement.

## **ARTICLE II**

### **CONVEYANCE OF CERTAIN SALES TAX REVENUES**

*Section 2.01. Conveyance of Certain Sales Tax Revenues.* (a) The Village irrevocably does hereby sell and convey to the Corporation, absolutely and unconditionally, as of the Closing Date and for the Conveyance Period, without recourse (subject to certain continuing obligations herein) in accordance with and subject to the terms of this Sale Agreement, all right, title and interest of the Village on the Closing Date in and to the Sales Tax Revenues. As consideration for such sale and conveyance of the Sales Tax Revenues by the Village to the Corporation, the Corporation does hereby promise to pay and otherwise convey to or upon the order of the Village, (i) without recourse, on the Closing Date, the Residual Certificate and the proceeds (net of the Financing Costs) of the Series 2017 Bonds and the Residual Certificate in accordance with and subject to the terms of the Indentures and the Authorizing Statute and (ii) the net proceeds of any Refunding Bonds.

(b) In accordance with the Authorizing Statute, upon execution and delivery of this Sale Agreement, the sale and conveyance and other transfer of the right to receive the Sales Tax Revenues shall for all purposes be a “true sale” and absolute conveyance of all right, title, and interest therein and not as a pledge or other security interest for any borrowing, valid, binding and enforceable in accordance with the terms of this Sale Agreement and the Indenture, and shall not be subject to disavowal, disaffirmance, cancellation, or avoidance by reason of the insolvency of any party, lack of consideration, or any other fact, occurrence or rule of law.

(c) The right of the Corporation to receive the Sales Tax Revenues, and the right of the Village to convey the Sales Tax Revenues, on and after the Closing Date, are valid and enforceable, and during the Conveyance Period for which the Sales Tax Revenues are payable to the Corporation and pledged under the Indenture, the right of the Corporation to receive the Sales Tax Revenues is superior and prior to, the right and claim of the owner of the Residual Certificate to receive the Residual Revenues. Notwithstanding anything to the contrary in the Indenture or the Residual Certificate, the Trustee shall not make any deposits to the Residual Fund unless and until the deposits required to be made by Section 5.04 of the Indenture have been made in full.

(d) From and after the Closing Date during the Conveyance Period, all Sales Tax Revenues assigned by the Village pursuant to the Authorizing Statute and paid to the Trustee shall be applied in accordance with the provisions of the Indenture. In the event the Village shall receive in error any payments or other funds constituting Sales Tax Revenues after the Closing Date, the Village will promptly disburse the same to the Trustee, as directed. In connection with the execution and delivery of this Sale Agreement, the Village has executed and delivered to the State Entity, an irrevocable direction to make the payments constituting Sales Tax Revenues directly to the Trustee as required by the Transaction Documents. Upon receipt of any Sales Tax Revenues, the Trustee shall immediately deposit such Sales Tax Revenues in the Securitized Sales Tax Revenue Fund.

*Section 2.02. "AS-IS" Sale.* The Corporation acknowledges, understands and agrees that it is acquiring the Sales Tax Revenues on an "AS IS" and "WITH ALL FAULTS" basis based solely on its own investigation. The Corporation acknowledges that other than as expressly provided herein, neither the Village nor any Village representative has made any representations or given any warranties or guarantees, express, implied or statutory, written or oral, in respect of the Sales Tax Revenues, their sufficiency to pay debt service on any Series 2017 Bonds, or for any other purpose.

*Section 2.03. Use of the Purchase Price.* In accordance with the Authorizing Statute, the purchase price of the Sales Tax Revenues payable to the Village pursuant to this Sale Agreement corresponding directly or indirectly to the proceeds of the Series 2017 Bonds (net of Financing Costs) shall be deposited, on the Closing Date, into the Village Proceeds Account within the Proceeds Fund, in accordance with the provisions of the Indentures and will be paid to or upon the direction of the Village as determined by the Mayor free from the provisions of this Sale Agreement, except that any portion of the purchase price of the Series 2017 Bonds to be used to refund outstanding obligations of the Village shall be deposited on the Closing Date into a refunding escrow account or with the paying agent for the obligation being refunded for the sole purpose of effectuating such refunding.

*Section 2.04. Benefits Provided.* The Village shall cooperate with the Corporation to the fullest extent permitted by law, including the Authorizing Statute, to assure receipt by the Corporation of all of the Sales Tax Revenues when and as due in accordance with the true intent and meaning of this Sale Agreement.

## ARTICLE III

### REPRESENTATIONS OF THE VILLAGE

*Section 3.01. Representations of the Village.* The Village, as seller, makes the following representations on which the Corporation is deemed to have relied in acquiring the Sales Tax Revenues. The representations speak as of the Closing Date, and shall survive the sale of the Sales Tax Revenues to the Corporation and the pledge thereof to the Trustee pursuant to the Indenture.

(a) *Power.* The Village is duly authorized to assign and sell the Sales Tax Revenues to the Corporation under the Authorizing Statute as a home rule municipality under Section 6 of Article VII of the Illinois Constitution of 1970. The Village has full power and authority to execute and deliver this Sale Agreement and to carry out its terms; the Village has duly authorized such sale and assignment to the Corporation by all necessary action; and the execution, delivery and performance of this Sale Agreement has been duly authorized by the Village by all necessary action.

(b) *Binding Obligation.* This Sale Agreement has been duly executed and delivered by the Village and, assuming the due authorization, execution and delivery of this Sale Agreement by the Corporation, constitutes a legal, valid and binding obligation of the Village enforceable in accordance with its terms.

(c) *No Consents.* No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body is required for the consummation of the transactions contemplated by this Sale Agreement, except for those which have been obtained and are in full force and effect.

(d) *No Violation.* The sale of the Sales Tax Revenues and the consummation of the transactions contemplated by the Authorizing Statute and the Transaction Documents and the fulfillment of the terms hereof and thereof do not, to the Village's knowledge, in any material way conflict with, result in any material breach by the Village of any of the material terms and provisions of, nor constitute (with or without notice or lapse of time) a material default by the Village under, any indenture, agreement or other instrument to which the Village is a party or by which it shall be bound; nor violate any law or, to the Village's knowledge, any order, rule or regulation applicable to the Village of any court or of any federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Village.

(e) *No Proceedings.* To the Village's knowledge, there are no proceedings or investigations pending against the Village before any court, regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Village: (i) asserting the invalidity of any of the Transaction Documents or the Series 2017 Bonds; (ii) seeking to prevent the issuance of the Series 2017 Bonds or the consummation of any of the transactions contemplated by any of the Transaction Documents; or (iii) seeking any determination or ruling that would affect the Village's ability to sell the Sales Tax Revenues or the validity or enforceability of any of the Transaction Documents, the Authorizing Statute, or the Series 2017 Bonds.



(f) *Title to Sales Tax Revenues.* Prior to their sale and conveyance hereunder, the Village is the sole owner of the Sales Tax Revenues. On and after the Closing Date: (i) the Village shall have no right, title or interest in or to the Sales Tax Revenues; and (ii) the Sales Tax Revenues shall be the property of the Corporation, and not of the Village, and shall be owned, received, held and disbursed by the Corporation and, as provided in the Indentures, by the Trustee, without appropriation and any direction of the Village.

(g) *Absence of Liens on Sales Tax Revenues.* Except as provided herein, the Village has not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Sales Tax Revenues, nor has the Village created, or permitted the creation of, any lien thereon. The Village warrants that the Sales Tax Revenues are free and clear of liens.

(h) *Assignment to Trustee.* The Village acknowledges that the Corporation will assign to the Trustee for the benefit of the Bondholders all of its rights and remedies with respect to the breach of any representations and warranties of the Village under this Sale Agreement. Upon discovery by the Village or the Corporation of a breach of any of the foregoing representations, warranties or covenants that materially and adversely affects the value of the Sales Tax Revenues or the sale thereof to the Corporation under this Sale Agreement, the party discovering such breach shall give prompt written notice to each other party hereto.

(i) The Village shall not be liable to the Trustee or the Bondholders for any loss, cost or expense resulting solely from the failure of the Trustee to promptly notify the Village upon the discovery by a responsible officer of the Trustee of a breach of any representation, warranty or covenant contained herein.

*Section 3.02. Limitation on Liability.* (a) The Village and any officer or employee or agent of the Village may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any person respecting any matters arising hereunder. The Village shall not be under any obligation to appear in, prosecute or defend any legal action that shall not be related to its obligations under this Sale Agreement, and that in its opinion may involve it in any expense or liability.

(b) The Village, the Corporation, or any officer, member, employee, or agent of the Village or Corporation, while acting within the scope of their authority, shall not be subject to any personal liability resulting from the exercising or carrying out of any of the Village's or Corporation's purposes or powers or any of their respective rights or obligations under the Transaction Documents.

## **ARTICLE IV**

### **REPRESENTATIONS OF THE CORPORATION**

*Section 4.01. Representations of the Corporation.* The Corporation, as buyer, makes the following representations on which the Village is deemed to have relied in selling the Sales Tax

Revenues. The representations speak as of the Closing Date, and shall survive the sale of the Sales Tax Revenues.

(a) *Power.* The Corporation is duly authorized to purchase and acquire the Sales Tax Revenues from the Village. The Corporation has full power and authority to execute and deliver this Sale Agreement and to carry out its terms; and the Corporation has duly authorized such purchase by all necessary action; and the execution, delivery and performance of this Sale Agreement have been duly authorized by the Corporation by all necessary action.

(b) *Binding Obligation.* This Sale Agreement has been duly executed and delivered by the Corporation and, assuming the due authorization, execution and delivery of this Sale Agreement by the Village, constitutes a legal, valid and binding obligation of the Corporation enforceable in accordance with its terms.

(c) *No Violation.* The purchase of the Sales Tax Revenues and the consummation of the transactions contemplated by the Authorizing Statute and the Transaction Documents and the fulfillment of the terms hereof and thereof do not, to the Corporation's knowledge, in any material way conflict with, result in any material breach by the Corporation of any of the material terms and provisions of, nor constitute (with or without notice or lapse of time) a material default by the Corporation under any indenture, agreement or other instrument to which the Corporation is a party or by which it shall be bound; nor violate any law or, to the Corporation's knowledge, any order, rule or regulation applicable to the Corporation of any court or of any federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Corporation, nor violate any provision of the Articles of Incorporation of the Corporation or the Bylaws of the Corporation.

(d) *No Reliance.* The Corporation acknowledges that the terms of the Sale Agreement, including the consideration given for the Sales Tax Revenues and the other terms specified in this Sale Agreement, have been agreed upon by the parties after good-faith, arm's-length negotiation. The Corporation expressly acknowledges and agrees that the Sales Tax Revenues may be insufficient to pay debt service on the Secured Obligations, and that the Village has made no representations whatsoever with respect thereto. The Corporation acknowledges and agrees that it has relied, and shall rely, solely upon its own investigation of all such matters, and it assumes all risks with respect thereto.

(e) *Assignment to Trustee.* The Corporation will assign to the Trustee for the benefit of the Bondholders all of its rights and remedies with respect to the breach of any representations and warranties of the Village under this Sale Agreement. Upon discovery by the Corporation of a breach of any of the foregoing representations, warranties or covenants that materially and adversely affects the value of the Sales Tax Revenues or the sale thereof to the Corporation under this Sale Agreement, the Corporation shall give prompt written notice to the Village and the Trustee.

## **ARTICLE V COVENANTS OF THE TRUSTEE**

*Section 5.01. Application of Sales Tax Revenues.* Pursuant to Section 2.01(c) of this Sale Agreement, the Sales Tax Revenues shall be paid directly to the Trustee and the Trustee hereby pledges and agrees to (i) deposit the Sales Tax Revenues in the Securitized Sales Tax Revenue Fund and (ii) on a daily basis, if practicable, but in no event later than two Business Days after receipt thereof, apply the Sales Tax Revenues in accordance with the provisions of Article V of the Master Indenture.

## **ARTICLE VI COVENANTS OF THE VILLAGE**

*Section 6.01. Protection of Title; Non-Impairment Covenant.* Pursuant to the Authorizing Statute, the Village pledges and agrees with the Corporation, and the Corporation is authorized to include such pledge and agreement in the Indentures for the benefit of the owners of the Secured Obligations, that the Village (i) has irrevocably directed the Director of the Department of Revenue, the State Comptroller and the State Treasurer to transfer all Sales Tax Revenues directly to the Trustee as the assignee of the Corporation, (ii) shall take no action that would in any way materially adversely (A) impair the Corporation's right to receive the Sales Tax Revenues, (B) limit or alter the rights vested in the Corporation to fulfill the terms of its agreements with the Secured Obligation Holders, or (C) impair the rights and remedies of the Bondholders or the security for the Secured Obligations until the Secured Obligations, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the Bondholders, are fully paid and discharged; *provided, however*, that the remedies available to the Corporation and the Bondholders for any breach of the pledges and agreements of the Village set forth in this section shall be limited to injunctive relief. The Village pledges that it shall not reduce the rate of any Sales Tax Revenues.

*Section 6.02. Issuance of Indebtedness by the Village.* The Village shall not issue any bonds or other evidences of indebtedness that are secured by a pledge or lien on all or any portion of the Sales Tax Revenues; provided that the Village may apply Sales Tax Revenues released pursuant to the Residual Certificate for any lawful corporate purpose of the Village, including the payment of indebtedness secured thereby.

*Section 6.03. Collection of Sales Tax Revenues.* The Village agrees to use all reasonable efforts to pursue any action legally available to it to cause collections of Sales Tax Revenues in any Fiscal Year to be maintained at such levels as shall produce Sales Tax Revenues in each Fiscal Year equal to not less than 100% of the sum in such Fiscal Year of: (a) the aggregate principal and interest on all Outstanding Series 2017 Bonds required to be paid during any Fiscal Year; and (b) the deposits to the Debt Service Reserve for such Fiscal Year required by the provisions of the

Indentures, and (c) any other deposits or other amounts required by the provisions of the Indenture for such Fiscal Year.

*Section 6.04. Tax Covenant.* The Village shall at all times do and perform all acts and things permitted by law and necessary or desirable to assure that interest paid to the holders of any tax-exempt Secured Obligations issued by the Corporation shall be and remain excludable from gross income for federal income tax purposes pursuant to Section 103(a) of the Tax Code and applicable regulations issued thereunder. No proceeds of the Secured Obligations received by the Village shall at any time be used directly or indirectly to acquire securities, obligations or investment property the acquisition or holding of which would cause any tax-exempt Secured Obligations to be an “arbitrage bond” as defined in the Tax Code and any applicable regulations issued thereunder. Further, the Village shall not permit facilities financed or refinanced with proceeds of tax-exempt Secured Obligations received by the Village from the Corporation to be used in a manner that would result in any interest paid to the holders of any such tax-exempt Secured Obligations being no longer excludable from gross income for federal income tax purposes. In furtherance of these covenants, the Village shall execute and comply with the tax certificate provided by Transaction Counsel in connection with the issuance of such tax-exempt Secured Obligations.

*Section 6.05. Independent Director.* Any Independent Director appointed by the Village shall satisfy the requirements of the Corporation’s Bylaws.

## **ARTICLE VII**

### **COVENANTS OF THE CORPORATION**

*Section 7.01. Independent Director.* While any Secured Obligations are outstanding, at least one membership position of the Corporation’s board of directors shall be an “Independent Director” as defined in the Corporation’s Bylaws.

*Section 7.02. No Other Debt.* The Corporation shall not incur any indebtedness other than as permitted under the Master Indenture.

*Section 7.03. Separateness.* The Corporation shall: (a) have its own separate telephone number, stationery and bank checks signed by it and in its own name; (b) if it uses any premises, its portion of such premises shall be defined and separately identified; (c) maintain its books and records separately from the Village and any other entity; (d) segregate its assets from those of the Village and any other entity; (e) strictly observe corporate formalities in its dealings; (f) maintain compliance with the General Not for Profit Corporation Act of 1986, as amended (805 ILCS 105/101.01, *et seq.*); (g) timely and fully perform and comply with all obligations under the Transaction Documents; and (h) not make any change in the character of its business that could adversely affect the enforceability of any Transaction Document or the ability of the Corporation to perform its obligations under this Sale Agreement, or any other Transaction Document, without the prior written consent of the Village and the Trustee.

*Section 7.04. No Amendments to Governing Documents.* The Corporation shall not amend its articles of incorporation, bylaws, or other governing documents without the express written consent of the Trustee and the Village.

*Section 7.05. Compliance with Laws.* The Corporation shall comply in all material respects with all applicable laws, rules, regulations and orders, and preserve and maintain its existence, rights, franchises, qualifications, and privileges as a not for profit corporation.

*Section 7.06. Further Actions.* Upon request of the Village or the Trustee, the Corporation will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Sale Agreement. The Corporation shall, as soon as practicable, pay to the Village any amounts due to the Village that are received by the Corporation in error.

## **ARTICLE VIII**

### **RESIDUAL REVENUES**

*Section 8.01. Residual Revenues.* As part of the consideration for the sale to the Corporation by the Village of the Sales Tax Revenues, the Corporation agrees to issue the Residual Certificate to the Village in the form attached hereto as Exhibit A. In accordance with the provisions of Article V. of the Master Indenture, amounts in the Residual Fund (“*Residual Revenues*”) will be paid to the holder of the Residual Certificate promptly upon application of the Sales Tax Revenues in each month pursuant to Article V. of the Master Indenture.

*Section 8.02. Modification of Indenture.* The Corporation and the Trustee hereby agree that, regardless of the provisions of the Indenture related to the amendment or modification thereof, the Indenture shall not be amended or modified in any manner adverse to the Village with respect to the disposition of the proceeds of any Secured Obligations issued by the Corporation without the written consent of the Village.

## **ARTICLE IX**

### **SERIES 2017 BONDS SOLELY OBLIGATIONS OF THE CORPORATION**

*Section 9.01. Series 2017 Bonds Not a Debt of Village or State.* Neither the Series 2017 Bond nor any related contract of the Corporation shall constitute an indebtedness or an obligation of the Village, the State or any subdivision thereof within the purview of any constitutional or statutory limitation or provision or a charge against the general credit or taxing powers, if any, of any of them but shall be payable solely from the Sales Tax Revenues deposited with the Trustee. No Owner of any Bond or provider of any related contract shall have the right to compel the exercise of the taxing power of the Village, the State or any subdivision thereof to pay any principal installment of, redemption premium, if any, or interest on the Series 2017 Bonds or to make any payment due under any related contract.

## ARTICLE X

### MISCELLANEOUS

*Section 10.01. Amendment.* Except as otherwise provided herein, after issuance of the Series 2017 Bonds, this Sale Agreement may be amended by the Village and the Corporation with the consent of the Trustee, but without the consent of any of the Bondholders: (a) to cure any ambiguity; (b) to correct or supplement any provisions in this Sale Agreement; (c) to correct or amplify the description of the Sales Tax Revenues; (d) to add additional covenants for the benefit of the Corporation; (e) to make adjustments necessary to account for administrative changes in the laws of the State related to the distribution of Sales Tax Revenues; or (f) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions in this Sale Agreement that shall not adversely affect in any material respect the security for the Series 2017 Bonds.

Except as otherwise provided in the preceding paragraph, this Sale Agreement may also be amended from time to time by the Village and the Corporation with the consent of the Holders of not less than a majority in principal amount of the Outstanding Series 2017 Bonds for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Sale Agreement or of modifying in any manner the rights of the Bondholders; but no such amendment shall reduce the aforesaid portion of the outstanding amount of the Series 2017 Bonds, the Holders of which are required to consent to any such amendment, without the consent of the Holders of all the Outstanding Series 2017 Bonds.

It shall not be necessary for the consent of Bondholders pursuant to this Section to approve the particular form of any proposed amendment or consent, but it shall be sufficient if such consent shall approve the substance thereof.

Prior to the execution of any amendment to this Sale Agreement, the holder of the Residual Certificate and the Trustee shall be entitled to receive and conclusively rely upon an Opinion of Counsel stating that the execution of such amendment is authorized or permitted by this Sale Agreement. Without the prior written consent of the holder of the Residual Certificate and the Trustee, which consent may be granted or withheld in such party's sole discretion, no amendment, supplement or other modification of this Sale Agreement shall be entered into or be effective if such amendment, supplement or modification affects the holder of the Residual Certificate or the Trustee's, as applicable, own rights, duties or immunities under this Sale Agreement or otherwise.

*Section 10.02. Notices.* All demands, notices and communications upon or to the Village, the Corporation, or the Trustee under this Sale Agreement shall be in writing, personally delivered or mailed by certified mail, return receipt requested, and shall be deemed to have been duly given upon receipt:

in the case of the Village:

Village of Bridgeview  
Attn: Mayor  
7500 South Oketo Avenue  
Bridgeview, Illinois 60455

with a copy to:

Vincent Cainkar  
Louis F. Cainkar, Ltd.  
6215 West 79<sup>th</sup> Street, Suite 2A  
Burbank, Illinois 60459

in the case of the Corporation:

Bridgeview Finance Corporation  
Attn: Chairman  
7000 South Harlem Avenue  
Bridgeview, Illinois 60455

in the case of the Trustee:

U.S. Bank National Association  
Attn: Jonathan Glover  
190 S. LaSalle Street, 10<sup>th</sup> Floor  
Mail Code MK-ISLTR  
Chicago, IL 60603

As to each of the foregoing, at such other address as shall be designated by written notice to the other parties.

*Section 10.03. Limitations on Rights of Others.* The provisions of this Sale Agreement are solely for the benefit of the Village, the Corporation, the owner of the Residual Certificate, the Trustee, the Bondholders and all other Beneficiaries, and nothing in this Sale Agreement, whether express or implied, shall be construed to give to any other person any legal or equitable right, remedy or claim under or in respect of this Sale Agreement or any covenants, conditions or provisions contained herein.

*Section 10.04. Notice of End of Conveyance Period.* At such time as this Agreement is no longer effective because the Conveyance Period has ended, the Trustee shall give written notice to the State Entities and the Village that this Agreement and the direction provided for in Section 2.04(d) hereof are no longer in effect.

*Section 10.05. Severability.* Any provision of this Sale Agreement that is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.


*Section 10.06. Separate Counterparts.* This Sale Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

*Section 10.07. Headings.* The headings of the various Articles and Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

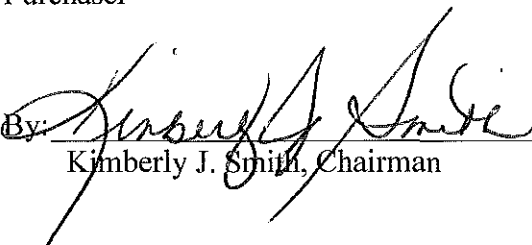
*Section 10.08. Governing Law.* This Sale Agreement shall be construed in accordance with the laws of the State of Illinois, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the parties hereto have caused this Sale Agreement to be duly executed by their respective officers as of the day and year first above written.

VILLAGE OF BRIDGEVIEW,  
Seller

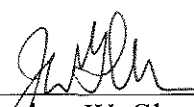
By:   
Steven M. Landek, Mayor

BRIDGEVIEW FINANCE CORPORATION,  
Purchaser

By:   
Kimberly J. Smith, Chairman

ACKNOWLEDGED AND AGREED:

U.S. BANK NATIONAL ASSOCIATION,  
Trustee

By:   
Jonathan W. Glover, Vice President



## EXHIBIT A

### BRIDGEVIEW FINANCE CORPORATION

#### RESIDUAL CERTIFICATE

#### REGISTERED OWNER: VILLAGE OF BRIDGEVIEW

The BRIDGEVIEW FINANCE CORPORATION (the “*Corporation*”), an Illinois not for profit corporation and instrumentality of the Village of Bridgeview, Cook County, Illinois (the “*Village*”), for value received, promises to pay to the registered owner of this Residual Certificate, in accordance with Article V of the Master Trust Indenture, dated as of December 20, 2017 (as it may be amended and supplemented, the “*Master Indenture*”), between the Corporation and U.S. Bank National Association, Chicago, Illinois, as trustee (the “*Trustee*”), the Residual Revenues then payable to the registered owner of the Residual Certificate pursuant to the Master Indenture and the Authorizing Statute, by wire transfer, at the discretion of the Corporation, or by check mailed to the address of the registered owner hereof as shown on the registration books of the Corporation as maintained by the Trustee, as of close of business on the Business Day immediately preceding the applicable payment date. Capitalized terms used but not defined in this Residual Certificate shall have the meanings given to them in the Master Indenture.

Notwithstanding anything to the contrary in the Master Indenture or this Residual Certificate, the Trustee shall not make any transfers to the Residual Account unless and until the deposits required by Article V of the Master Indenture have been made in full.

Reference is made to the Master Indenture for a description of the funds pledged and for the provisions with respect to the incurring of indebtedness and to the rights, limitations of rights, duties, obligations and immunities of the Corporation, the Trustee, the Bondholders and the registered owner of this Residual Certificate.

This Residual Certificate is issuable only in fully registered form and may not be converted into bearer form. The Corporation and the Trustee may treat the registered owner hereof as the absolute owner of this Residual Certificate for all purposes, notwithstanding any notice to the contrary.

In accordance with Section 7.14 of the Master Indenture, this Residual Certificate may not be transferred by the holder hereof unless the Corporation and the Village have received an opinion of Transaction Counsel that such transfer will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income of the holder thereof for purposes of federal income taxation.

This Residual Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been dated and manually signed by the Trustee.

IN WITNESS WHEREOF, the BRIDGEVIEW FINANCE CORPORATION has caused this Residual Certificate to be executed in its name by its Chairman as of the 29<sup>th</sup> day of December, 2017.

BRIDGEVIEW FINANCE CORPORATION

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Kimberly J. Smith, Chairman

**TRUSTEE CERTIFICATE OF AUTHENTICATION**

This Residual Certificate is the Residual Certificate described in the Master Indenture and in the Assignment, Purchase and Sale Agreement, dated as of December 20, 2017, among the Village, the Corporation, and the Trustee under the Indenture.

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

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Authorized Signatory

Date of Authentication: December 29, 2017

EXHIBIT E

FORM OF PRELIMINARY OFFICIAL STATEMENT

## NEW ISSUE –BOOK-ENTRY ONLY

**RATING: FITCH RATINGS, INC.: "BBB+" (stable)**  
**(See "RATINGS" herein)**

*In the opinion of Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and in accuracy of certain representations and certifications described herein, interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Series 2017B Bonds is included in gross income for federal income tax purposes under the Code. Interest on the Series 2017 Bonds is included in all State of Illinois income taxation. See "TAX MATTERS" herein.*

**\$26,600,000\***

**BRIDGEVIEW FINANCE CORPORATION**  
**SALES TAX SECURITIZED BONDS,**  
**SERIES 2017A**

**\$20,400,000\***

**BRIDGEVIEW FINANCE CORPORATION**  
**TAXABLE SALES TAX SECURITIZED**  
**BONDS, SERIES 2017B**

**Dated: Date of Delivery****Due: as shown on the inside cover page**

The Bridgeview Finance Corporation (the "*Corporation*") is a special purpose, bankruptcy-remote not for profit corporation incorporated under the General Not For Profit Corporation Act of 1986 of the State of Illinois (805 ILCS 105), as amended. The Corporation is an instrumentality of, but separate and apart from, the Village of Bridgeview (the "*Village*").

The \$26,600,000\* Bridgeview Finance Corporation, Sales Tax Securitized Bonds, Series 2017A (the "*Series 2017A Bonds*") and the \$20,400,000\* Bridgeview Finance Corporation, Taxable Sales Tax Securitized Bonds, Series 2017B (the "*Series 2017B Bonds*" and together with the Series 2017A Bonds, the "*Series 2017 Bonds*") will be issued pursuant to a Master Trust Indenture dated as of December 1, 2017 (the "*Master Indenture*"), by and between the Corporation and U.S. Bank National Association, as trustee (the "*Trustee*"), as supplemented by that certain First Supplemental Trust Indenture, dated as of December 1, 2017 (the "*First Supplemental Indenture*" and together with the Master Indenture, the "*Indenture*") in denominations of \$5,000 or integral multiples thereof. Interest on the Series 2017 Bonds will be payable on each June 1 and December 1, commencing June 1, 2018. The Series 2017 Bonds will be issued as fully registered Series 2017 Bonds and will initially be registered in the name of Cede & Co., the nominee for The Depository Trust Company, New York, New York ("*DTC*"). See "BOOK-ENTRY SYSTEM" for more information. The Series 2017A Bonds are subject to redemption prior to maturity as described herein. See "THE SERIES 2017 BONDS REDEMPTION" for more information.

The Series 2017 Bonds are limited obligations of the Corporation and are payable solely from the funds of the Corporation (the "*Revenues*") consisting of amounts received pursuant to that certain Assignment, Purchase and Sale Agreement (the "*Sale Agreement*") by and among the Corporation, the Village and the Trustee and other pledged funds of the Master Indenture. Pursuant to the Sale Agreement, the Village shall irrevocably assign to the Corporation its rights to receive from the State of Illinois (the "*State*") those certain Home Rule Sales Tax Revenues (as defined herein) and the Local Share Sales Tax Revenues (as defined herein, and together with the Home Rule Sales Tax Revenues, the "*Sales Tax Revenues*"). The Trustee shall hold the Sales Tax Revenues consisting of payments made by the State, pursuant to the provisions of the Indenture. Payments from the State and assigned by the Village to the Corporation are required to be made in each fiscal year of the Village through and including the bond year ending December 1, 2042.

**Payments representing Sales Tax Revenues due from the State to the Village are payable without annual appropriation for such purpose by the State Legislature. The Corporation has no financial assets available for payment of the Series 2017 Bonds other than the Sales Tax Revenues and the other pledged funds of the Master Indenture.**

The proceeds of the Series 2017 Bonds are expected to be used to (i) provide funds for the Corporation to purchase all of the Village's right, title and interest in the Sales Tax Revenues from the Village pursuant to the Sale Agreement; (ii) fund a debt service reserve fund; and (iii) pay certain costs of issuance relating to the issuance of the Series 2017 Bonds. The Village intends to use such funds to (i) refund all outstanding obligations related to the its General Obligation Variable Rate Demand Project and Refunding Bonds, Series 2008; (ii) refund a portion of its outstanding obligations related to its General Obligation Bonds, Stadium and Redevelopment Projects, Taxable Series 2005 Bonds (the "*Series 2005 Bonds*"); and (iii) refund a portion of its outstanding obligations related to its General Obligation Bonds, Series 2003 Bonds (the "*Series 2003 Bonds*" together, with the Series 2008 Bonds and the Series 2005 Bonds, the "*Refunded Bonds*"); and (iv) fund certain capital and infrastructure projects located in the Village. See APPENDIX C- DESCRIPTION OF REFUNDED BONDS.

THE SERIES 2017 BONDS WILL NOT REPRESENT OR CONSTITUTE A DEBT OF THE VILLAGE OR OF THE STATE OF ILLINOIS (THE "STATE") WITHIN THE MEANING OF ANY CONSTITUTIONAL OR ANY STATUTORY LIMITATION OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE VILLAGE OR THE STATE OR GRANT TO THE OWNERS THEREOF ANY RIGHT TO HAVE THE VILLAGE OR THE GENERAL ASSEMBLY OF THE STATE LEVY ANY TAXES OR APPROPRIATE ANY FUNDS FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2017 BONDS. THE OWNERS OF THE SERIES 2017 BONDS SHALL, HOWEVER, HAVE THE RIGHT TO ENFORCE THE COVENANTS OF THE CORPORATION DESCRIBED HEREIN UNDER THE CAPTION "SECURITY FOR THE SERIES 2017 BONDS - COVENANTS REGARDING SALES TAX REVENUES." THE SERIES 2017 BONDS ARE PAYABLE SOLELY FROM THE SALES TAX REVENUES DESCRIBED HEREIN AND SOURCES PLEDGED FOR THEIR PAYMENT IN ACCORDANCE WITH THE INDENTURE. THE CORPORATION DOES NOT HAVE THE POWER TO PLEDGE THE CREDIT, THE REVENUES OR THE TAXING POWER OF THE STATE OR THE VILLAGE, AND NEITHER THE CREDIT, THE REVENUES NOR THE TAXING POWER OF THE STATE NOR THE VILLAGE IS, OR SHALL BE DEEMED TO BE, PLEDGED TO THE PAYMENT OF ANY OF THE SERIES 2017 BONDS. THE CORPORATION HAS NO TAXING POWER.

The Series 2017 Bonds are being offered, subject to prior sale, when, as and if issued by the Corporation and accepted by the Underwriter, subject to the approval of legality of the Series 2017 Bonds and certain other matters by Louis F. Cainkar Ltd., Chicago, Illinois, Bond Counsel to the Corporation. Certain legal matters will be passed upon for the Corporation by its counsel, Burke Burns & Pinelli, Ltd., Chicago, Illinois and its Disclosure Counsel, Quarles & Brady LLP, Chicago, Illinois, and its Special Bankruptcy Counsel, Nixon Peabody, LLP, Chicago, Illinois. For the Village by its special counsel, Sanchez Daniels & Hoffman LLP, Chicago, Illinois. It is expected that the Series 2017 Bonds in definitive form, will be available for delivery to the underwriter through the facilities of DTC in New York, New York on or about \_\_\_\_\_, 2017.

**GEORGE K. BAUM & COMPANY**

**MATURITY SCHEDULE\***  
**\$26,600,000\***  
**BRIDGEVIEW FINANCE CORPORATION**  
**SALES TAX SECURITIZED BONDS, SERIES 2017A**

| <u>Maturity Date</u><br><u>(December 1)</u> | <u>Principal</u><br><u>Amount</u> | <u>Interest</u><br><u>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>CUSIP**</u> |
|---|-----------------------------------|--------------------------------|--------------|--------------|----------------|
| 2033  |                                   |                                |              |              |                |
| 2034  |                                   |                                |              |              |                |
| 2035  |                                   |                                |              |              |                |
| 2036  |                                   |                                |              |              |                |
| 2037  |                                   |                                |              |              |                |
| 2038  |                                   |                                |              |              |                |
| 2039  |                                   |                                |              |              |                |
| 2040  |                                   |                                |              |              |                |
| 2041  |                                   |                                |              |              |                |
| 2042  |                                   |                                |              |              |                |

**\$20,400,000\***  
**BRIDGEVIEW FINANCE CORPORATION**  
**SALES TAX SECURITIZED BONDS, TAXABLE SERIES 2017B**

| <u>Maturity Date</u><br><u>(December 1)</u> | <u>Principal</u><br><u>Amount</u> | <u>Interest</u><br><u>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>CUSIP**</u> |
|---|-----------------------------------|--------------------------------|--------------|--------------|----------------|
| 2021  | \$                                |                                |              |              |                |
| 2022  |                                   |                                |              |              |                |
| 2023  |                                   |                                |              |              |                |
| 2024  |                                   |                                |              |              |                |
| 2025  |                                   |                                |              |              |                |
| 2026  |                                   |                                |              |              |                |
| 2027  |                                   |                                |              |              |                |
| 2028  |                                   |                                |              |              |                |
| 2029  |                                   |                                |              |              |                |
| 2030  |                                   |                                |              |              |                |
| 2031  |                                   |                                |              |              |                |
| 2032  |                                   |                                |              |              |                |
| 2033  |                                   |                                |              |              |                |

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\*Preliminary, subject to change.

\*\*CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw Hill Companies, Inc. CUSIP numbers have been assigned by an independent company not affiliated with the Corporation, the Underwriter or the Village and are included solely for the convenience of the holders of the Series 2017 Bonds. Neither the Corporation nor the Underwriter nor the Village is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2017 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after execution and delivery of the Series 2017 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2017 Bonds.

## **REGARDING USE OF THIS OFFICIAL STATEMENT**

No dealer, broker, salesman or other person has been authorized by the Corporation or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering described herein and if given or made, such other information or representations must not be relied upon as statements having been authorized by the Corporation, the Underwriter or any other entity. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Series 2017 Bonds, nor shall there be any offer to sell or solicitation of an offer to buy the Series 2017 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement is submitted in connection with the sale of the securities described in it and may not be reproduced or used, in whole or in part, for any other purposes.

Unless otherwise indicated, the Corporation is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning DTC has been obtained from DTC. The other information set forth herein has been furnished by the Corporation or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Corporation since the date of this Official Statement.

This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forecasts, projections and estimates that are based on the Corporation's beliefs as well as assumptions made by and information currently available to the Corporation. In light of the important factors that may materially affect the amount of Sales Tax Revenues (see "CERTAIN INVESTMENT CONSIDERATIONS"), the inclusion in this Official Statement of such forecasts, projections and estimates should not be regarded as a representation by the Corporation, its financial advisors, the Village or the Underwriters that the results of such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representations of fact or guarantees of results. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

The Corporation has covenanted to provide continuing disclosure as described in this Official Statement. See "CONTINUING DISCLOSURE UNDERTAKING," pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

References in this Official Statement to the Indenture and the Sale Agreement (each as defined herein) do not purport to be complete. Refer to the Indenture and the Sale Agreement for full and complete details of their provisions. Copies of the Indenture and the Sale Agreement are on file with the Trustee.

**IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2017 BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

**THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT IS NOT INTENDED TO BE USED, AND CANNOT BE USED, BY A PURCHASER OF THE SERIES 2017 BONDS FOR THE PURPOSE OF AVOIDING FEDERAL TAX PENALTIES. EACH PURCHASER OF THE SERIES 2017 BONDS IS URGED TO CONTACT AN INDEPENDENT TAX ADVISOR CONCERNING AN INVESTMENT IN THE SERIES 2017 BONDS.**

**THESE SERIES 2017 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE**

COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE SERIES 2017 BONDS HAVE RISK CHARACTERISTICS WHICH REQUIRE CAREFUL ANALYSIS AND CONSIDERATION BEFORE A DECISION TO PURCHASE IS MADE. SEE "CERTAIN INVESTMENT CONSIDERATIONS." THE SERIES 2017 BONDS SHOULD ONLY BE PURCHASED BY INVESTORS WHO HAVE ADEQUATE EXPERIENCE TO EVALUATE THE MERITS AND THE RISKS OF THE SERIES 2017 BONDS AND WHO ARE ABLE TO BEAR THE RISK OF LOSS OF ALL OR A PORTION OF THEIR INVESTMENT IN THE SERIES 2017 BONDS. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO FINANCIAL, LEGAL, AND RELATED MATTERS CONCERNING THE INVESTMENT DESCRIBED IN THIS OFFICIAL STATEMENT.

## Table of Contents

|   |     |
|---|-----|
| SUMMARY OF TERMS .....  | iii |
| INTRODUCTION.....   | 1   |
| General .....   | 1   |
| Forward-Looking Statements.....   | 2   |
| THE SALE AGREEMENT.....   | 3   |
| Conveyance of Certain Sales Tax Revenues .....  | 3   |
| Residual Revenues; Modification of Indenture .....  | 4   |
| Covenants of the Village.....   | 4   |
| Covenants of the Corporation .....  | 5   |
| Amendments .....  | 5   |
| THE RESIDUAL CERTIFICATE .....  | 6   |
| PLAN OF FINANCE .....   | 6   |
| THE CORPORATION.....  | 6   |
| THE SERIES 2017 BONDS .....   | 8   |
| General .....   | 8   |
| Purpose.....  | 8   |
| Security .....  | 8   |
| Redemption .....  | 9   |
| Redemption Procedures .....   | 10  |
| Registration, Transfer and Exchange .....   | 10  |
| SECURITY FOR THE SERIES 2017 BONDS .....  | 11  |
| Pledge of Trust Estate .....  | 11  |
| Debt Service Reserve .....  | 11  |
| Additional Obligations .....  | 11  |
| Flow of Funds .....   | 12  |
| Residual Revenues Not Pledged to the Series 2017 Bonds.....   | 13  |
| Events of Default and Remedies .....  | 13  |
| Certain Covenants of the State and the Village.....   | 15  |
| Statutory Lien.....   | 16  |
| Limited Obligations; No Indebtedness of Village.....  | 16  |
| SALES TAX REVENUES.....   | 16  |
| General .....   | 16  |
| Historical Collections of Sales Tax Revenues .....  | 19  |
| Sales Tax Revenues Not Legally Available for Any Other Purpose.....                                     | 23  |
| ANNUAL DEBT SERVICE .....   | 23  |
| Maximum Annual Debt Service.....  | 23  |
| ESTIMATED SOURCES AND USES OF FUNDS .....   | 24  |
| CERTAIN INVESTMENT CONSIDERATIONS.....  | 24  |
| Factors Affecting Sales Tax Revenues.....   | 24  |
| Adverse Change in Laws .....  | 25  |
| Limited Resources of the Corporation; Series 2017 Bonds Are Not a Debt of the Village<br>or State ..... | 25  |
| No Right to Accelerate Series 2017 Bonds after an Event of Default; Limited Remedies .....              | 26  |
| Bankruptcy of the Village .....   | 26  |
| Bankruptcy Remoteness.....  | 26  |
| Limitations on Certain Opinions .....   | 28  |
| BOOK-ENTRY SYSTEM .....   | 28  |
| TAX MATTERS .....   | 30  |
| CERTAIN LEGAL MATTERS .....   | 32  |
| CONTINUING DISCLOSURE undertaking .....   | 32  |
| Annual Financial Information Disclosure .....   | 33  |
| Events Notification; Events Disclosure.....   | 33  |
| Consequences of Failure to Provide Information.....   | 34  |
| Amendment; Waiver .....   | 34  |
| EMMA .....  | 34  |



|   |    |
|---|----|
| Termination of Undertaking.....   | 34 |
| Additional Information .....  | 35 |
| LITIGATION.....   | 35 |
| RATINGS .....   | 35 |
| MUNICIPAL ADVISOR .....   | 35 |
| UNDERWRITING.....   | 35 |
| AUTHORIZATION OF OFFICIAL STATEMENT.....                                | 36 |
|   |    |
| APPENDIX A PROPOSED FORM OF OPINION OF BOND COUNSEL                     |    |
| APPENDIX B CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE |    |
| MASTER INDENTURE  |    |
| APPENDIX C DESCRIPTION OF REFUNDED BONDS                                |    |

\$26,600,000\*  
BRIDGEVIEW FINANCE CORPORATION  
SALES TAX SECURITIZED BONDS,  
SERIES 2017A

\$20,400,000\*  
BRIDGEVIEW FINANCE CORPORATION  
TAXABLE SALES TAX SECURITIZED BONDS,  
SERIES 2017B

## SUMMARY OF TERMS

The following information is qualified in its entirety by reference to information appearing elsewhere in this Official Statement. Terms used in this summary and not defined herein are defined in the APPENDIX B CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER INDENTURE.

- Issuer: ..... Bridgeview Finance Corporation (the "*Corporation*"), an Illinois not-for-profit corporation, created pursuant to General Not For Profit Corporation Act of 1986 of the State of Illinois (805 ILCS 105) and for the purpose of utilizing Illinois Public Act 100-0023, approved and effective July 6, 2017, adding Division 13 to Article 8 of the Illinois Municipal Code, as amended (the "*Authorizing Statute*").
- Series 2017 Bonds: ..... The \$26,600,000\* Bridgeview Finance Corporation, Sales Tax Securitized Bonds, Series 2017A (the "*Series 2017A Bonds*") and the \$20,400,000\* Bridgeview Finance Corporation, Taxable Sales Tax Securitized Bonds, Series 2017B (the "*Series 2017B Bonds*") and together with the Series 2017A Bonds, the "*Series 2017 Bonds*") will be issued pursuant to a Master Trust Indenture dated as of December 1, 2017 (the "*Master Indenture*"), by and between the Corporation and U.S. Bank National Association, as trustee (the "*Trustee*"), as supplemented by that certain First Supplemental Trust Indenture, dated as of December 1, 2017 (the "*First Supplemental Indenture*" and together with the Master Indenture, the "*Indenture*").
- Interest Payment Dates: ..... Interest on the Series 2017 Bonds will accrue from their dated date at the rates set forth on the inside cover page hereof and will be payable semi-annually each June 1 and December 1, commencing June 1, 2018, computed on the basis of a 360-day year consisting of twelve 30-day months. The record date for payment of interest on the Series 2017 Bonds is the fifteenth day of the calendar month (whether or not a Business Day) next preceding an Interest Payment Date.
- Principal Maturity: ..... Principal maturities are as shown on the inside cover of this Official Statement.
- Redemption: ..... The Series 2017A Bonds are subject to optional redemption prior to maturity on December 1, 2027\* at par.
- The Series 2017B Bonds are subject to optional redemption prior to maturity on December 1, 2027\* at par.
- Rating: ..... Fitch Ratings, Inc.: BBB+ (stable)
- Use of Proceeds: ..... The proceeds of the Series 2017 Bonds are expected to be used to (i) provide funds for the Corporation to purchase all of the Village's right, title and interest in the Sales Tax Revenues from the Village pursuant to the Sale Agreement; and (ii) fund the Debt Service Reserve Fund; and (iii) pay certain costs of issuance relating to the issuance of the Series 2017 Bonds.
- Security: ..... The Series 2017 Bonds are payable solely from the Sales Tax Revenues described herein and sources pledged for their payment in accordance with the Indenture, including, without limitation, the present and continuing right to make claim for, collect, receive and receipt for the Sales Tax Revenues, and to bring actions and proceedings for the enforcement of the payment thereof.
- Sale/Assignment of Payments: .. Pursuant to that certain Assignment, Purchase and Sale Agreement (the "*Sale Agreement*") dated as of December \_\_, 2017, entered into by and among the Village, the Corporation and the Trustee, the Village irrevocably conveyed to the Corporation

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\*Preliminary; subject to change.

as of the Closing Date, for the Conveyance Period, in accordance with the terms of the Sale Agreement, all right, title and interest of the Village in and to the Sales Tax Revenues. Pursuant to the Sale Agreement, the Corporation shall convey to the Village, on the Closing Date, the net proceeds of the Series 2017 Bonds in accordance with the terms of the Indenture and the Authorizing Statute.

Tax Exemption:..... In the opinion of Louis F. Cainkar Ltd., Chicago, Illinois, Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and in accuracy of certain representations and certifications described herein, interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*") and is not a specific preference item for purposes of the federal alternative minimum tax. Interest on the Series 2017B Bonds is included in gross income for federal income tax purposes under the Code. Interest on the Series 2017 Bonds is included in all State of Illinois income taxation. See "TAX MATTERS" herein.

Special Bankruptcy Counsel In the reasoned and qualified opinion of Nixon Peabody LLP, Chicago, Illinois, Special Bankruptcy Counsel, issued to the Corporation and the Underwriters under existing law and assuming compliance with the covenants and other obligations of the Village, the State of Illinois and the Corporation described herein, and the accuracy of certain representations and certifications described herein (i) the Village's conveyance of the Sales Tax Revenues to the Corporation would be deemed a true sale and not a loan by the Village, and (ii) were the Village to enter bankruptcy proceedings, the Corporation would not be subject to substantive consolidation with the Village nor would payments to bondholders be subject to the automatic bankruptcy stay.

\$20,600,000\*  
BRIDGEVIEW FINANCE CORPORATION  
SALES TAX SECURITIZED BONDS,  
SERIES 2017A

\$20,400,000\*  
BRIDGEVIEW FINANCE CORPORATION  
TAXABLE SALES TAX SECURITIZED BONDS,  
SERIES 2017B

## INTRODUCTION

### General

The purpose of this Official Statement, including the cover page and the appendices hereto, is to provide certain information concerning the issuance and sale by the Bridgeview Finance Corporation (the "*Corporation*") of its \$26,600,000\* Sales Tax Securitized Bonds, Series 2017A (the "*Series 2017A Bonds*") and the \$20,400,000\* Bridgeview Finance Corporation, Taxable Sales Tax Securitized Bonds, Series 2017B (the "*Series 2017B Bonds*" and together with the Series 2017A Bonds, the "*Bonds*"). The Corporation is a special purpose, bankruptcy-remote not for profit corporation incorporated under the provisions of the General Not For Profit Corporation Act of 1986 of the State of Illinois (805 ILCS 105), as amended. See "CERTAIN INVESTMENT CONSIDERATIONS—Bankruptcy of the Village." The Corporation is an instrumentality of, but separate and apart from, the Village of Bridgeview (the "*Village*"), a home rule municipality under Section 6 of Article VII of the Illinois Constitution of 1970

The proceeds of the Series 2017 Bonds are expected to be used to (i) provide funds for the Corporation to purchase all of the Village's right, title and interest in the Sales Tax Revenues from the Village pursuant to the Sale Agreement; and (ii) fund the Debt Service Reserve Fund; and (iii) pay certain costs of issuance relating to the issuance of the Series 2017 Bonds. See "PLAN OF FINANCE."

The Series 2017 Bonds will be issued pursuant to a Master Trust Indenture dated as of December 1, 2017 (the "*Master Indenture*"), by and between the Corporation and U.S. Bank National Association, as trustee (the "*Trustee*"), as supplemented by that certain First Supplemental Trust Indenture, dated as of December 1, 2017 (the "*First Supplemental Indenture*" and together with the Master Indenture, the "*Indenture*"). Interest on the Series 2017 Bonds will be payable on each June 1 and December 1, commencing June 1, 2018. The Series 2017 Bonds will be issued as fully registered Series 2017 Bonds and will initially be registered in the name of Cede & Co., the nominee for The Depository Trust Company, New York, New York ("*DTC*"). See "BOOK-ENTRY SYSTEM" for more information. The Series 2017 Bonds are subject to redemption prior to maturity as described herein. See "THE SERIES 2017 BONDS REDEMPTION" for more information. Certain capitalized terms used in this Official Statement, unless otherwise defined, are defined in APPENDIX B "CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER INDENTURE." Certain factors that may affect an investment decision concerning the Series 2017 Bonds are described throughout this Official Statement. Persons considering a purchase of the Series 2017 Bonds should read this Official Statement in its entirety. Copies of statutes, resolutions, reports or other documents referred to herein are available, upon request, from the Corporation.

The Series 2017 Bonds will be issued under the authority granted to the Corporation as an Illinois not-for-profit corporation and instrumentality of the Village pursuant to Public Act 100-0023, effective July 6, 2017, adding Division 13 to Article 8 of the Illinois Municipal Code, as amended (65 ILCS 5/8-13-5 et seq.) (the "*Authorizing Statute*") and an ordinance passed by the Board of Trustees of the Village (the "*Village Board*") on October 18, 2017 (the "*Village Ordinance*") and the Indenture. The Authorizing Statute authorizes any home rule municipality to enter into agreements to assign, sell, transfer or otherwise convey all or any part of any revenues or taxes that it receives from the State Comptroller, the State Treasurer or the Illinois Department of Revenue (the "*Department of Revenue*") to a corporation, trust or other entity that has been established for the limited purpose of issuing obligations for the benefit of such home rule municipality.

As authorized by the Authorizing Statute, pursuant to an Assignment, Purchase and Sale Agreement dated as of December 1, 2017 (the "*Sale Agreement*"), on the date of delivery of the Series 2017 Bonds (the "*Closing Date*"), the Village will sell and convey to the Corporation, without recourse (subject to the obligations contained in the Sale Agreement) all right, title and interest of the Village on the Closing Date in and to the Sales Tax Revenues. The purchase price to be paid by the Corporation to the Village under the Sale Agreement consists of: (i) the net proceeds

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\*Preliminary; subject to change.

of the Series 2017 Bonds and (ii) an instrument (the "*Residual Certificate*") which will be initially held by the Trustee in the name of the designated holder of such certificate which will entitle such designated holder to receive all funds that are on deposit in the Residual Fund ("*Residual Revenues*") each month after the required payments on the Series 2017 Bonds and other payments and deposits required under the Indenture have been made, the Village will irrevocably direct the State Comptroller, the State Treasurer and the Director of the Department of Revenue to pay all Sales Tax Revenues directly to the Trustee. Upon receipt of any Sales Tax Revenues, the Trustee will immediately deposit such Sales Tax Revenues in the Securitized Sales Tax Revenue Fund. See "THE SALE AGREEMENT." The Sales Tax Revenues are not legally available for any other purpose, including payment of the Village's general obligation bonds or any other indebtedness of the Village. See "SALES TAX REVENUES—Sales Tax Revenues Not Legally Available for Any Other Purpose." The Authorizing Statute provides that obligations issued by the Corporation (including the Series 2017 Bonds) shall be secured by a statutory lien (with the meaning given to such term in Section 101(53) of Title 11 of the United States Code (the "Bankruptcy Code")) on the Sales Tax Revenues received or entitled to be received by the Corporation, which shall automatically attach from the time obligations are issued without further action or authorization by the Corporation or any other entity. See "SECURITY FOR THE SERIES 2017 BONDS—Statutory Lien".

The "*Sales Tax Revenues*" consist of (a) all amounts payable upon the order of the State Comptroller to or upon the order of the Village or the Corporation as transferee resulting from the collection of two separate taxes (collectively, the "*Home Rule Sales Taxes*") imposed by the Village pursuant to its home rule powers and authority granted by State statute and collected by the Department of Revenue (the "*Home Rule Sales Tax Revenues*"), and (b) all amounts payable upon the order of the State Comptroller to or upon the order of the Village or the Corporation as transferee resulting from the collection of two separate taxes (collectively, the "*State Sales Taxes*") imposed by the State and collected by the Department of Revenue (the "*Local Share Sales Tax Revenues*"). See "SALES TAX REVENUES." Under the Indenture, the Corporation will assign and pledge the Sales Tax Revenues to the Trustee as security for the Series 2017 Bonds. On the Closing Date, the Village will irrevocably direct the State Comptroller, the State Treasurer and the Director of the Department of Revenue to pay all Sales Tax Revenues directly to the Trustee. See "SECURITY FOR THE SERIES 2017 BONDS."

The Series 2017 Bonds do not constitute a debt of the State of Illinois (the "*State*") or the Village, and neither the State nor the Village is liable thereon. The Corporation does not have the power to pledge the credit, the revenues or the taxing power of the State or the Village, and neither the credit, the revenues nor the taxing power of the State or the Village is pledged to the payment of any of the Series 2017 Bonds. The Corporation has no taxing power.

The offering of the Series 2017 Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the Series 2017 Bonds. This Official Statement speaks only as of its date, and the information contained herein is subject to change. Capitalized terms used but not defined in this Official Statement have the meanings provided in the First Supplemental Indenture, the Master Indenture and the Assignment, Purchase and Sale Agreement (as defined below), as applicable. See "APPENDIX B – CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER INDENTURE – Definition of Certain Terms."

### **Forward-Looking Statements**

This Official Statement contains statements relating to future results that are forward-looking statements of the type defined in the Private Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "expect," "project," "intend," "anticipate," "believe," "may," "will," "continue" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty and risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results, and that those differences could be material.

## THE SALE AGREEMENT

*The following summary describes certain terms of the Sale Agreement. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Sale Agreement. A copy of the Sale Agreement may be obtained upon written request to the Trustee.*

### **Conveyance of Certain Sales Tax Revenues**

Pursuant to the Sale Agreement, the Village will irrevocably sell and convey to the Corporation, absolutely and unconditionally, as of the Closing Date and for the Conveyance Period (as herein defined), without recourse (subject to certain continuing obligations in the Sale Agreement) in accordance with and subject to the terms of the Sale Agreement, all right, title and interest of the Village on the Closing Date in and to the Sales Tax Revenues. As consideration for such sale and conveyance of the Sales Tax Revenues by the Village to the Corporation, the Corporation will promise to pay and otherwise convey to or upon the order of the Village, without recourse, on the Closing Date, the Residual Certificate and the proceeds (net of the costs of issuance) of the Series 2017 Bonds in accordance with and subject to the terms of the Indenture and the Authorizing Statute. "Conveyance Period" means the period of time during which the conveyance of the Sales Tax Revenues by the Village to the Corporation pursuant to the Sale Agreement is effective, namely, from the Closing Date until the date on which there are no Series 2017 Bonds remaining Outstanding, or December 1, 2042.

In accordance with the Authorizing Statute, the sale and conveyance and other transfer of the right to receive the Sales Tax Revenues will for all purposes constitute a "true sale" and absolute conveyance of all right, title, and interest therein and not as a pledge or other security interest for any borrowing, valid, binding and enforceable in accordance with the terms of the Sale Agreement and the Indenture, and will not be subject to disavowal, disaffirmance, cancellation, or avoidance by reason of the insolvency of any party, lack of consideration, or any other fact, occurrence or rule of law.

The Sale Agreement provides that the right of the Corporation to receive the Sales Tax Revenues and the right of the Village to convey the Sales Tax Revenues, on and after the Closing Date, is valid and enforceable. During the Conveyance Period for which the Sales Tax Revenues are payable to the Corporation and pledged under the Indenture, the right of the Corporation to receive the Sales Tax Revenues will be superior and prior to, the right and claim of the owner of the Residual Certificate to receive the Residual Revenues. Notwithstanding anything to the contrary in the Indenture or the Residual Certificate, the Trustee will not make any deposits to the Residual Fund unless and until the deposits required to be made by the Indenture as described below under "SECURITY FOR THE SERIES 2017 BONDS—Flow of Funds" have been made in full.

From and after the Closing Date during the Conveyance Period, all Sales Tax Revenues assigned by the Village pursuant to the Authorizing Statute and paid to the Trustee will be applied in accordance with the provisions of the Indenture. In the event the Village should receive in error any payments or other funds constituting Sales Tax Revenues after the Closing Date, the Village will promptly disburse the same to the Trustee, as directed. Upon receipt of any Sales Tax Revenues, the Trustee shall immediately deposit such Sales Tax Revenues in the Securitized Sales Tax Revenue Fund.

In accordance with the Authorizing Statute, the purchase price of the Sales Tax Revenues payable to the Village pursuant to the Sale Agreement corresponding directly or indirectly to the proceeds of the Series 2017 Bonds (net of costs of issuance) shall be deposited, on the Closing Date, into the Village Proceeds Account within the Proceeds Fund under, and pursuant to the provisions of, the Indenture, and will be paid to or upon the direction of the Village, as determined by the Village Treasurer (as defined herein), free from the provisions of the Sale Agreement, except (i) with respect to the covenant of the Village described in subsection (d) under "Covenants of the Village" below, and (ii) that any portion of the purchase price of the Series 2017 Bonds to be used to refund outstanding obligations of the Village will be deposited with the respective trustee for such obligations on the Closing Date for the purposes of effectuating such refunding.

The Village will cooperate with the Corporation to the fullest extent permitted by law, including the Authorizing Statute, to assure receipt by the Corporation of all of the Sales Tax Revenues when and as due in accordance with the Sale Agreement.

## **Residual Revenues; Modification of Indenture**

As part of the consideration for the sale to the Corporation by the Village of the Sales Tax Revenues, the Corporation agrees to issue the Residual Certificate. In accordance with the Indenture, the Residual Revenues will be paid to the holder of the Residual Certificate (initially the Village) promptly upon the application of the Sales Tax Revenues in each month pursuant to the Indenture.

The Sale Agreement provides that regardless of the provisions of the Indenture related to the amendment or modification thereof, the Indenture will not be amended or modified in any manner adverse to (i) the holder of the Residual Certificate without the written consent of the holder of the Residual Certificate (initially the Village) or (ii) the Village with respect to the disposition of any Series 2017 Bonds issued by the Corporation without the written consent of the Village.

## **Covenants of the Village**

The Village covenants as follows:

(a) Pursuant to the Authorizing Statute, the Village pledges and agrees with the Corporation that the Village (i) has irrevocably directed the Director of the Department of Revenue, the State Comptroller and the State Treasurer to transfer all Sales Tax Revenues directly to the Trustee as the assignee of the Corporation, (ii) will take no action that would in any way materially adversely (A) impair the Corporation's right to receive the Sales Tax Revenues, (B) limit or alter the rights vested in the Corporation to fulfill the terms of its agreements with the holders of the Series 2017 Bonds, or (C) impair the rights and remedies of the holders of the Series 2017 Bonds or the security for the Series 2017 Bonds until the Series 2017 Bonds, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the Bondholders, are fully paid and discharged; *provided, however*, that the remedies available to the Corporation and the holders of the Series 2017 Bonds for any breach of the pledges and agreements of the Village set forth in the Sale Agreement are limited to injunctive relief. The Agreement provides that the Corporation is authorized to include such pledge and agreement in the Indenture for the benefit of the holders of the Series 2017 Bonds.

(b) The Village will not issue any bonds or other evidences of indebtedness that are secured by a pledge or lien on all or any portion of the Sales Tax Revenues; provided that the Village may apply Sales Tax Revenues released pursuant to the Residual Certificate for any lawful corporate purpose of the Village, including the payment of indebtedness secured thereby.

(c) The Village will use all reasonable efforts to pursue any action legally available to it to cause collections of Sales Tax Revenues in any Fiscal Year to be maintained at such levels as shall produce Sales Tax Revenues in such Fiscal Year equal to not less than 100% of the sum in such Fiscal Year of (i) the aggregate principal of and interest on all Outstanding Bonds required to be paid during any Fiscal Year, and (ii) the deposits to the Debt Service Reserve Account for such Fiscal Year required by the provisions of the Indenture.

(d) The Village will at all times do and perform all acts and things permitted by law and necessary or desirable to assure that interest paid to the holders of any tax exempt bonds issued by the Corporation will be and remain excludable from gross income for federal income tax purposes pursuant to Section 103(a) of the Code (as defined herein), and any applicable regulations issued thereunder. No proceeds of the Series 2017 Bonds received by the Village will at any time be used directly or indirectly to acquire securities, obligations or investment property the acquisition or holding of which would cause any tax exempt bond to be an "arbitrage bond" as defined in the Code and any applicable regulations issued thereunder. Further, the Village will not permit facilities financed or refinanced with proceeds of tax exempt Series 2017 Bonds received by the Village from the Corporation to be used in a manner that results in any tax exempt bond being treated as a "private activity bond" as defined in the Code and any applicable regulations issued thereunder.

(e) Any Independent Director (as defined herein) appointed by the Village will satisfy the requirements of the Corporation's bylaws. See "THE CORPORATION" herein.

## **Covenants of the Corporation**

The Corporation covenants as follows:

(a) While any Bond is outstanding, at least one Director on the Corporation's Board of Directors will be an Independent Director as defined in the Corporation's bylaws. See "THE CORPORATION" herein.

(b) The Corporation will not incur any indebtedness other than bonds as permitted under the Indenture.

(c) The Corporation will: (i) have its own separate telephone number, stationery and bank checks signed by it and in its own name, (ii) if it uses any premises, its portion of such premises shall be defined and separately identified, (iii) maintain its books and records separately from the Village and any other entity, (iv) segregate its assets from those of the Village and any other entity, (v) strictly observe corporate formalities in its dealings, (vi) maintain compliance with the General Not For Profit Corporation Act of the State of Illinois, as amended, (vii) timely and fully perform and comply with all obligations under the Sale Agreement, the Indenture, the Contract of Purchase of the Series 2017 Bonds by and between the Corporation and the Underwriters (as herein defined) and the Residual Certificate (collectively, the "**Transaction Documents**"), and (viii) not make any change in the character of its business that could adversely affect the enforceability of any Transaction Document or the ability of the Corporation to perform its obligations under this Sale Agreement, or any other Transaction Document, without the prior written consent of the Village and the Trustee.

(d) The Corporation will not amend its articles of incorporation, bylaws, or other governing documents without the express written consent of the Trustee and the Village.

(e) The Corporation will comply in all material respects with all applicable laws, rules, regulations and orders, and preserve and maintain its existence, rights, franchises, qualifications, and privileges as a not for profit corporation.

(f) Upon request of the Village or the Trustee, the Corporation will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of the Sale Agreement. The Corporation will, as soon as practicable, pay to the Village any amounts due to the Village that are received by the Corporation in error.

## **Covenant of the Trustee**

The Trustee pledges and agrees to (i) deposit the Sales Tax Revenues in the Securitized Sales Tax Revenue Fund and (ii) on a daily basis, if practicable, but in no event later than two Business Days after receipt thereof, apply the Sales Tax Revenues in accordance with the provisions of the Indenture.

## **Amendments**

After issuance of the Series 2017 Bonds, the Sale Agreement may be amended by the Village and the Corporation with the consent of the Trustee, but without the consent of any of the holders of the Series 2017 Bonds: (a) to cure any ambiguity; (b) to correct or supplement any provisions in the Sale Agreement; (c) to correct or amplify the description of the Sales Tax Revenues; (d) to add additional covenants for the benefit of the Corporation; (e) to make adjustments necessary to account for administrative changes in the laws of the State related to the distribution of Sales Tax Revenues; or (f) for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions in the Sale Agreement that shall not adversely affect in any material respect the security for the Series 2017 Bonds.

The Sale Agreement may also be amended from time to time by the Village and the Corporation with the consent of the holders of not less than a majority in principal amount of the Outstanding Bonds for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Sale Agreement or of modifying in any manner the rights of the holders of the Series 2017 Bonds; but no such amendment shall reduce the aforesaid portion of the outstanding amount of the Series 2017 Bonds, the holders of which are required to consent to any such amendment, without the consent of the holders of all the Outstanding Bonds.



Under the Sale Agreement, it is not necessary for the consent of the holders of the Series 2017 Bonds to approve the particular form of any proposed amendment or consent, but it shall be sufficient if such consent shall approve the substance thereof. Without the prior written consent of the holder of the Residual Certificate and the Trustee, which consent may not be unreasonably withheld, no amendment, supplement or other modification of the Sale Agreement will be entered into or be effective if such amendment, supplement or modification affects the Residual Certificate holder's or the Trustee's, as applicable, own rights, duties or immunities under the Sale Agreement or otherwise.

### **THE RESIDUAL CERTIFICATE**

The Corporation will also issue the Residual Certificate. The Residual Certificate will be transferred by the Corporation to the Village pursuant to the Sale Agreement as part of the purchase price for the Sales Tax Revenues. The Residual Certificate evidences the right of the holder to be paid all Residual Revenues on deposit in the Residual Fund in any month after required payments on the Series 2017 Bonds and other payments and deposits required under the Indenture have been made. The Trustee and the holders of the Series 2017 Bonds have no claim to the Residual Revenues under any circumstance, including a deficiency in the Sales Tax Revenues.

### **PLAN OF FINANCE**

The Series 2017 Bonds are limited obligations of the Corporation and are payable solely from the funds of the Corporation (the "*Revenues*") consisting of amounts received pursuant to the Sale Agreement and other pledged funds of the Master Indenture. Pursuant to the Sale Agreement, the Village shall irrevocably assign to the Corporation its rights to receive from the State those certain Sales Tax Revenues. The Trustee shall hold the Sales Tax Revenues consisting of payments made by the State, pursuant to the provisions of the Indenture. Payments from the State and assigned by the Village to the Corporation are required to be made in each fiscal year of the Village through and including the bond year ending December 1, 2042.

The proceeds of the Series 2017 Bonds are expected to be used to (i) provide funds for the Corporation to purchase all of the Village's right, title and interest in the Sales Tax Revenues from the Village pursuant to the Sale Agreement; (ii) fund a debt service reserve fund; and (iii) pay certain costs of issuance relating to the issuance of the Series 2017 Bonds. The Village intends to use such funds to (i) refund all outstanding obligations related to the its General Obligation Variable Rate Demand Project and Refunding Bonds, Series 2008; (ii) refund a portion of its outstanding obligations related to its General Obligation Bonds, Stadium and Redevelopment Projects, Taxable Series 2005 Bonds (the "*Series 2005 Bonds*"); and (iii) refund a portion of its outstanding obligations related to its General Obligation Bonds, Series 2003 Bonds (the "*Series 2003 Bonds*" together, with the Series 2008 Bonds and the Series 2005 Bonds, the "*Refunded Bonds*"); and (iv) fund certain capital and infrastructure projects located in the Village. See APPENDIX C- DESCRIPTION OF REFUNDED BONDS.

### **THE CORPORATION**

The Corporation is an Illinois general not-for-profit corporation and instrumentality of the Village of Bridgeview formed on December 6, 2017 pursuant to the provisions of the Authorizing Statute. By ordinance passed October 18, 2017 (the "*Village Ordinance*") the Board of Trustees of the Village (the "*Village Board*") authorized the establishment the Bridgeview Finance Corporation as a special purpose entity, for the limited purpose of issuing, for the benefit of the Village, bonds, notes, certificates, contract rights and other obligations (collectively, the "*Corporation Obligations*"), in order to (i) provide funding for any lawful purpose of the Village, including, but not limited to, funding for working capital, capital and infrastructure requirements of the Village, including, without limitation, public right of way improvements in Village neighborhoods, including street and alley construction and improvements, lighting improvements, sidewalk improvements and replacement, and curb and gutter repairs and replacement; industrial street construction and improvements, residential and commercial infrastructure redevelopment and railroad viaduct clearance improvements; transportation improvements to Village property and facilities including street resurfacing, bridge and freight tunnel rehabilitation, traffic signal modernization, new traffic signal installation, intersection safety improvements and transit facility improvements; the acquisition and/or construction of other capital items useful or necessary for Village purposes; the duly authorized acquisition of improved and unimproved real property within the Village for municipal, industrial, commercial or residential

purposes, or any combination thereof, and the improvement, demolition and/or remediation of any such property; and constructing, equipping, altering and repairing various municipal facilities including fire stations, police stations, libraries, senior and health centers, water and sewer facilities and other municipal facilities, (ii) refund any outstanding bonds, notes, lines of credit, and any other obligations of the Village, (iii) refund outstanding Corporation Obligations on such terms as shall be determined from time to time by the Village and the Corporation, (iv) fund capitalized interest, and (v) pay all costs related thereto

The Board has three voting directors which consist of (i) *ex officio*, the Village Treasurer; (ii) the Chairman of the Finance Committee of the Village Council and (iii) an Independent Director. The Independent Director will be a director independent of the Village who has not been, in the preceding five years: (a) a direct or indirect legal or beneficial owner in the Corporation or any of its affiliates, (b) a creditor, supplier, employee, officer, family member, manager or contractor of the Corporation or any of its affiliates, or (c) a person who controls (whether directly, indirectly, or otherwise) the Corporation or any of its affiliates. In the event the Village Treasurer or Finance Chairman are terminated or cease to exist for any reason, a replacement director shall be appointed by the Mayor of the Village with the approval of the Corporate Authorities (as defined in the By-Laws). The Independent Director shall serve for a three year term and shall serve until such successor assign shall be appointed.

The names of the Corporation's current directors and officers, and their principal occupations, are set out below. The Village Treasurer also serves as Chair of the Board.

The current directors of the Corporation are:

| <u>Name</u>      | <u>Title of Principal Occupation</u>             |
|------------------|--|
| Kimberly Smith   | Village Treasurer                                |
| Michael Pticek   | Chairman of the Finance Committee of the Village |
| Russell Hartigan | Independent Director                             |

The current officers of the Corporation are:

| <u>Name</u>    | <u>Office</u> | <u>Title of Principal Occupation</u>             |
|----------------|---------------|--|
| Kimberly Smith | Chairman      | Village Treasurer                                |
| Michael Pticek | Sec./Treas.   | Chairman of the Finance Committee of the Village |

The Corporation has no other officers or directors.

The Village Ordinance also provides for the assignment, sale, transfer or conveyance by the Village to the Corporation of specified revenue sources of the Village in consideration for the issuance of such Corporation Obligations and the transfer to, or upon the order of, the Village of the net proceeds of such Corporation Obligations.

It is anticipated that the interest component of certain of such Corporation Obligations may be excludable from gross income of the owners thereof for federal income tax purposes. In order for the Corporation to issue Corporation Obligations on such a tax-exempt basis, the Village has granted to the Corporation the power to be an "on behalf of issuer" of the Village and to provide that the Corporation Obligations must be approved by the Village Board prior their issuance.

**THE REPAYMENT OF ANY CORPORATION OBLIGATION IS NOT AN OBLIGATION, GENERAL OR SPECIAL, OF THE VILLAGE AND WILL NOT BE SECURED BY THE VILLAGE'S FULL FAITH AND CREDIT.**

## THE SERIES 2017 BONDS

*The following summary describes certain terms of the Series 2017 Bonds. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture and the Series 2017 Bonds. A copy of the Indenture may be obtained upon written request to the Trustee.*

### General

The Series 2017 Bonds will be dated the date of delivery, will mature on December 1, and will bear interest from the dated date until paid or redeemed, payable semiannually on each June 1 and December 1, commencing June 1, 2018. The Series 2017 Bonds will bear interest at the rates per year, and will mature in the principal amounts on December 1 in each year, as set forth on the inside cover page of this Official Statement. Interest on the Series 2017 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2017 Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiples thereof (each an "Authorized Denomination").

Interest on the Series 2017 Bonds will be payable by check mailed to the registered owner thereof at the address thereof as it appears on the registry books of the Corporation as of the 15th day (whether or not a Business Day) of the calendar month next preceding each interest payment date (the "Record Date") or, at the option of any owner of \$1,000,000 or more in aggregate principal amount of the Series 2017 Bonds, by wire transfer of immediately available funds to such bank in the continental United States as such owner requests in writing.

The Series 2017 Bonds will initially be registered through a book-entry only system operated by The Depository Trust Company, New York, New York ("DTC"). Beneficial interests in the Series 2017 Bonds may be held through DTC, directly as a participant or indirectly through organizations that are participants in such system. See "BOOK-ENTRY SYSTEM" for Details of payments of the Series 2017 Bonds and the book-entry only system. Beneficial owners of the Series 2017 Bonds will not receive or have the right to receive physical delivery of the Series 2017 Bonds, and will not be or be considered to be the registered owners thereof. Accordingly, beneficial owners must rely upon (i) the procedures of DTC and, if such beneficial owner is not a DTC Direct Participant or Indirect Participant (as defined in "BOOK-ENTRY SYSTEM"), the Direct or Indirect Participant who will act on behalf of such beneficial owner to receive notices and payments of principal or Redemption Price of and interest on the Series 2017 Bonds, and to exercise voting rights and (ii) the records of DTC and, if such beneficial owner is not a Participant, such beneficial owner's Direct or Indirect Participant, to evidence its beneficial ownership of the Series 2017 Bonds. So long as DTC or its nominee is the registered owner of the Series 2017 Bonds, references herein to Bondholders or registered owners of such Series 2017 Bonds means DTC or its nominee and do not mean the beneficial owners of such Series 2017 Bonds.

### Purpose

The proceeds of the Series 2017 Bonds are expected to be used to (i) provide funds for the Corporation to purchase all of the Village's right, title and interest in the Sales Tax Revenues from the Village pursuant to the Sale Agreement; (ii) fund a debt service reserve fund; and (iii) pay certain costs of issuance relating to the issuance of the Series 2017 Bonds. The Village intends to use such funds to (i) refund the Refunded Bonds; and (ii) fund certain capital and infrastructure projects located in the Village. See APPENDIX C – "DESCRIPTION OF REFUNDED BONDS."

### Security

The Series 2017 Bonds will be limited obligations of the Corporation and will be payable solely from the Sales Tax Revenues described herein and from certain Funds, Accounts and Sub-Accounts established pursuant to the Indenture. See "SECURITY FOR THE SERIES 2017 BONDS," and APPENDIX B - "CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER INDENTURE - Pledge of Trust Estate." The Series 2017 Bonds will not represent or constitute a debt of the Village or of the State within the meaning of any constitutional or any statutory limitation or a pledge of the faith and credit of the Village or the State or grant to the Owners thereof any right to have the Village or the General Assembly of the State to levy any taxes or appropriate any funds for the payment of the principal of, premium, if any, or interest on the Series 2017 Bonds. The Owners of

the Series 2017 Bonds shall, however, have the right to enforce the covenants of the Corporation described under the caption "SECURITY FOR THE SERIES 2017 BONDS - Covenants Regarding Sales Tax Revenues."

## Redemption

### Optional Redemption- Series 2017A Bonds

The Series 2017A Bonds are subject to redemption prior to maturity at the option of the Corporation in whole, or in part (and if part, in an Authorized Denomination), on December 1, 2027\* or any date thereafter, at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest to the redemption date.

### Mandatory Redemption -Series 2017A Bonds

The Series 2017A Bonds maturing on December 1, [\_\_\_\_] and December 1, [\_\_\_\_] are Term Bonds subject to mandatory redemptions at a Redemption Price equal to 100% of the principal amount being redeemed, plus accrued interest, on the dates and in the amounts set forth below:

#### **Series 2017A Bonds maturing on December 1, [\_\_\_\_]**

| Year<br>(December 1) | Principal<br>Amount |
|----------------------|---------------------|
| †                    |                     |
| _____                |                     |
| † Stated maturity    |                     |

#### **Series 2017A Bonds maturing on December 1, [\_\_\_\_]**

| Year<br>(December 1) | Principal<br>Amount |
|----------------------|---------------------|
| †                    |                     |
| _____                |                     |
| † Stated maturity    |                     |

### Optional Redemption- Series 2017B Bonds

The Series 2017B Bonds are subject to redemption prior to maturity, at the election or direction of the Corporation, in whole or in part (and, if in part, in an Authorized Denomination) on any date on or after December 1, 2027\* at a Redemption Price of par plus any accrued interest thereon to the date fixed for redemption.

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\* Preliminary, subject to change.

### Mandatory Redemption Series 2017B Bonds

The Series 2017B Bonds maturing on December 1, [\_\_\_\_] and December 1, [\_\_\_\_] are Term Bonds subject to mandatory redemption at a Redemption Price equal to 100% of the principal amount being redeemed, plus accrued interest, on the dates and in the amounts set forth below:

#### **Series 2017B Bonds maturing on December 1, [\_\_\_\_]**

| <u>Year</u><br><u>(December 1)</u> | <u>Principal</u><br><u>Amount</u> |
|------------------------------------|-----------------------------------|
|------------------------------------|-----------------------------------|

†  
\_\_\_\_\_  
† Stated maturity

#### **Series 2017B Bonds maturing on December 1, [\_\_\_\_]**

| <u>Year</u><br><u>(December 1)</u> | <u>Principal</u><br><u>Amount</u> |
|------------------------------------|-----------------------------------|
|------------------------------------|-----------------------------------|

†  
\_\_\_\_\_  
† Stated maturity

### **Redemption Procedures**

Notice of redemption of the Series 2017 Bonds identifying the Series 2017 Bonds or portions thereof to be redeemed, and specifying the redemption date, the redemption price, the places and dates of payment, that from the redemption date interest will cease to accrue, and whether the redemption (in the case of an optional redemption) is conditioned upon sufficient moneys being available on the redemption date (or any other condition), shall be given by the Trustee by mailing a copy of such redemption notice, not less than 30 days (or other shorter time period allowed by the Depository) nor more than 60 days prior to the date fixed for redemption, to the Registered Owner of each such Series 2017 Bond to be redeemed in whole or in part at the address shown on the registration books. Redemption notices will be sent by first class mail, except that notices to Registered Owners of at least \$1,000,000 of the Series 2017 Bonds of the same series shall be sent by registered mail. Failure to mail any such notice to the Registered Owner of any such Series 2017 Bond or any defect therein shall not affect the validity of the proceedings for such redemption of such Series 2017 Bond. Any such notice mailed as described above shall be conclusively presumed to have been duly given, whether or not the Registered Owner of any Series 2017 Bond receives the notice.

If a Series 2017 Bond is of a denomination larger than \$5,000, all or a portion of such Series 2017 Bond (in an Authorized Denomination or any integral multiple thereof) may be redeemed, but such Series 2017 Bond shall be redeemed only in a principal amount equal to \$5,000 or any integral multiple thereof. Upon surrender of any Series 2017 Bond for redemption in part only, the Corporation shall execute and the Trustee shall authenticate and deliver to the Registered Owner thereof, at the expense of the Corporation, a new Series 2017 Bond or Series 2017 Bonds of the same series, maturity and interest rate and of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Series 2017 Bond surrendered.

If fewer than all of the Series 2017 Bonds of the same series, maturity and interest rate are called for redemption, such Series 2017 Bonds (or portions thereof) to be redeemed shall be selected by lot by the Trustee (except at any time when such Series 2017 Bonds are held in a book-entry system, in which case selection of such Series 2017 Bonds to be redeemed will be in accordance with procedures established by the book-entry depository in a timely manner).

### **Registration, Transfer and Exchange**

The Series 2017 Bonds are transferable only upon the registration books of the Trustee serving as Series 2017 Bond Registrar. For as long as the book-entry-only system of ownership is in effect for the Series 2017 Bonds,

transfers of beneficial ownership interests in the Series 2017 Bonds will be accomplished as described in herein under "BOOK-ENTRY SYSTEM" and Cede & Co. will be the registered owner of the Series 2017 Bonds.

## **SECURITY FOR THE SERIES 2017 BONDS**

### **Pledge of Trust Estate**

Pursuant to the Indenture, the Series 2017 Bonds will be secured by a pledge of and security interest in the "Trust Estate," consisting of: (a) all right, title and interest of the Corporation in and to the Sales Tax Revenues, including, without limitation, the present and continuing right to make claim for, collect, receive and receipt for the Home Rule Sales Tax Revenues, and to bring actions and proceedings for the enforcement of the payment thereof, and the State's non-impairment pledge and agreement authorized by the Authorizing Statute; (b) all right, title and interest of the Corporation in, to and under the Sale Agreement, including, without limitation, the present and continuing right to make claim for, collect, receive and receipt for the Local Sales Tax Revenues to bring actions and proceeding for the enforcement of the payment thereof, and the State's non-impairment pledge and agreement authorized by the Authorizing Statute; (c) except as otherwise provided in the Indenture, all of the Corporation's right, title and interest in money and securities on deposit with the Trustee in the funds and accounts created pursuant to the Master Indenture (other than the Operating Fund, the Village Proceeds Account and the Residual Fund) and any Supplemental Indenture, provided that the priority in which such money and securities are applied to the repayment of the Series 2017 Bonds is as expressly specified in the Indenture; and (d) any and all other property of every kind and nature from time to time, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred to the Trustee as and for additional security under the Indenture by the Corporation or by any person on behalf of the Corporation, including without limitation the money and securities of the Corporation held by the Trustee as security for the Series 2017 Bonds.

The Sales Tax Revenues consist of the Home Rule Sales Tax Revenues resulting from the Home Rule Sales Taxes and the Local Share Sales Tax Revenues resulting from the State Sales Taxes. See "SALES TAX REVENUES" for a description of the Sales Tax Revenues, the Home Rule Sales Taxes and the State Sales Taxes and historical collection information.

The Trust Estate does not include the proceeds of any Series 2017 Bonds held in the Village Proceeds Account or any other proceeds of the Series 2017 Bonds paid to or at the direction of the Village (but does include the proceeds of the Series 2017 Bonds held in the Capitalized Interest Account). None of the proceeds of the Series 2017 Bonds held in the Village Proceeds Account or otherwise paid to or at the direction of the Village will in any way be pledged to the payment of the Series 2017 Bonds or be part of the Trust Estate. Each registered owner of Series 2017 Bonds ("Bondholder" or "Holder") by purchase of its Series 2017 Bonds waives any right in or to any proceeds derived from the issuance of Series 2017 Bonds held in the Village Proceeds Account or otherwise paid to or at the direction of the Village.

### **Debt Service Reserve**

Pursuant to the Indenture, the Trustee shall deposit to the credit of the Debt Service Reserve Fund such proceeds of the sale of Series 2017 Bonds as set forth in the First Supplemental Indenture. If at any time the amount in the Debt Service Reserve Fund is not at least equal to the Debt Service Reserve Fund Requirement, the Corporation shall have no obligation to maintain or restore the Debt Service Reserve Fund to the Debt Service Reserve Fund Requirement other than as expressly provided in the Indenture.

### **Additional Obligations**

**The Corporation shall not issue any Additional Bonds or obligations, whether on a parity or on a subordinate basis, to the Series 2017 Bonds; provided, however, the Corporation may issue Refunding Bonds for the refunding of all Outstanding Bonds or a particular Series if the debt service payable on all Outstanding Bonds, after giving effect to the issuance of the Refunding Bonds will not be greater than the amount payable during such Fiscal Year for the debt service on all Outstanding Bonds immediately prior to the issuance of such Refunding Bonds to pay for the refunding of all Outstanding Bonds.**

## Flow of Funds

The Sales Tax Revenues are collected by the Illinois Department of Revenue. See "SALES TAX REVENUES—General—Collection and Distribution." On the Closing Date, the Village will irrevocably direct the State Comptroller, the State Treasurer and the Director of the Department of Revenue to pay all Sales Tax Revenues directly to the Trustee. All Sales Tax Revenues received by the Trustee shall be deposited on a daily basis, if practicable, but in no event more than two (2) Business Days after receipt thereof by the Trustee, into the Securitized Sales Tax Revenue Fund.

Promptly (and in no event later than two Business Days) following the deposit of Sales Tax Revenues into the Securitized Sales Tax Revenue Fund, the Trustee shall withdraw from the Securitized Sales Tax Revenue Fund and transfer and apply such amounts as follows and in the following order of priority:

(i) To the Operating Fund the amount that, together with all other Sales Tax Revenues on deposit therein causes the total amount deposited in such Fund in a Fiscal Year to equal (i) the lesser of (a) \$50,000 (the "*Operating Cap*") and (b) the budgeted Corporation Expenses for such Fiscal Year, less (ii) the amount on deposit in the Operating Fund as of the first day of such Fiscal Year available for the Corporation's expenses for such Fiscal Year;

(ii) to the Debt Service Fund all revenues until the amount on deposit is equal to 100% of the principal and interest payments due during the current Fiscal Year;

(iii) to reimburse, *pro rata*, each provider or issuer of a Reserve Fund Facility (a "*Provider*") for the amount payable to such Provider on account of amounts advanced by it under a Reserve Fund Facility, including interest on amounts advanced and fees and charges with respect thereto ("*Provider Payments*"), which are then unpaid, in proportion to the respective Provider Payments then unpaid to each Provider;

(iv) upon the direction of an Authorized Officer of the Corporation, to the Arbitrage Rebate Fund the amount set forth in such direction;

(v) to the Debt Service Reserve Fund, the Debt Service Reserve Fund Requirement, if any;

(vi) to the Corporation, the amount, if any, necessary to pay Operating Expenses specified by a certificate of an Authorized Officer of the Corporation in excess of the Operating Cap for such Fiscal Year or incurred but not paid in the preceding Fiscal Year;

(vii) to the Residual Fund, any remaining balance, which will promptly be paid to the holder of the Residual Certificate (initially the Village) under the terms of the Indenture, the Sale Agreement and the Residual Certificate.

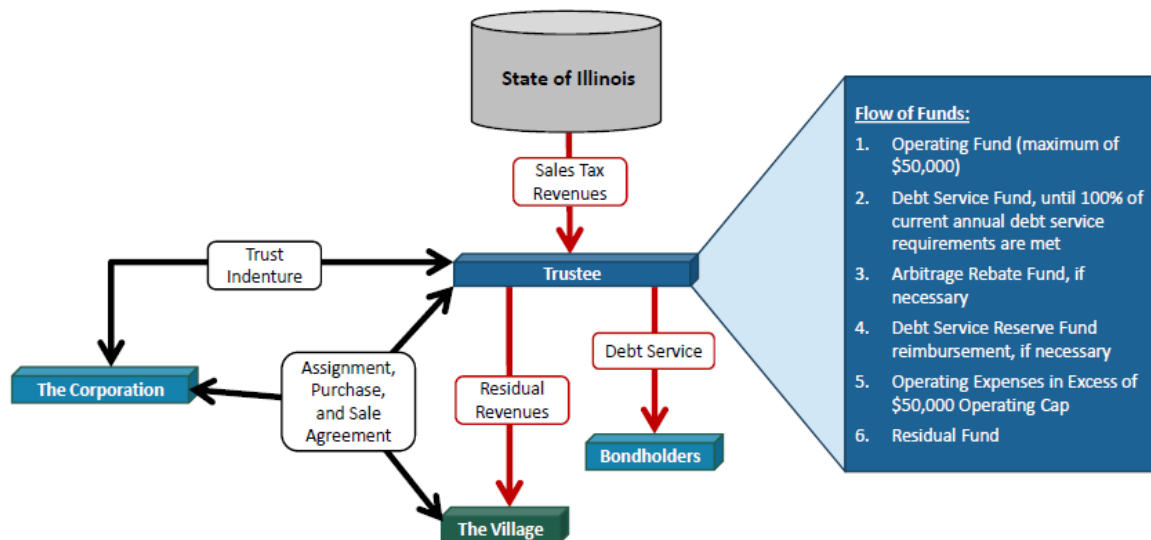
The Trustee will pay out of the Debt Service Fund the principal of and interest on all Outstanding Bonds as such amounts become due and payable.

If, on the second Business Day or on any subsequent date preceding any date on which the principal of or interest on Outstanding Bonds is due, the amount in the Debt Service Fund is less than the amount required for payment of the interest on and the principal of the Outstanding Bonds due on said date, the Trustee will withdraw, from the Debt Service Reserve Fund, and deposit to the Debt Service Fund, such amount as will increase the amount therein to an amount sufficient to make such payments.

On the last day of each Fiscal Year, money in the Debt Service Fund in excess of the amount required to pay principal of or interest on Outstanding Bonds on the next succeeding Principal Payment Date (including income or interest earned) will be withdrawn and transferred first, to the Debt Service Reserve Fund in such amount, if any, as is necessary to make the amount on deposit in the Debt Service Reserve Fund equal to the Debt Service Reserve Fund Requirement (if any), and second, any excess remaining may at the direction of the Corporation either be retained in the Debt Service Fund or transferred to any other fund or account established pursuant to the Indenture.

The graph below depicts the Flow of Funds described above.

Flow of Funds



### Residual Revenues Not Pledged to the Series 2017 Bonds

In accordance with the Indenture and the Sale Agreement, any Sales Tax Revenues and any other funds deposited to the Residual Fund become Residual Revenues upon such deposit. Residual Revenues will promptly be paid to the holder of the Residual Certificate (initially the Village) free and clear of the lien of the Indenture, upon deposit to the Residual Fund following the application of the Sales Tax Revenues as described above under "—Flow of Funds." The Residual Revenues are funds of the Village, as the initial holder of the Residual Certificate. The Village may apply the Residual Revenues for any purpose and may incur indebtedness secured by the Residual Revenues. The Trustee and the holders of the Series 2017 Bonds have no claim on the Residual Revenues under any circumstance, including a deficiency in the Sales Tax Revenues.

### Events of Default and Remedies

#### *Events of Default*

An "**Event of Default**" under the Indenture means any one of the following events:

(a) payment of the principal or Redemption Price of any Series 2017 Bond is not made by the Corporation when due and payable, either at maturity or by proceedings for redemption or otherwise;

(b) payment of an installment of interest on any Series 2017 Bond is not made by the Corporation when due and payable;

(c) the Corporation defaults in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Indenture or in the Series 2017 Bonds or in any Supplemental Indenture on the part of the Corporation to be performed and such default shall continue for ninety (90) days after written notice specifying such default and requiring same to be remedied shall have been given to the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than 25% in principal amount of the Outstanding Bonds, unless, if such default is capable of being cured but is not



capable of being cured within ninety (90) days, the Corporation has commenced to cure such default within said ninety (90) days and diligently prosecutes the cure thereof; or

(d) the Corporation shall (1) generally not be paying its debts as they become due, (2) commence a voluntary case or other proceeding seeking liquidation, reorganization, dissolution, rehabilitation or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding by any such official in an involuntary case or other proceeding commenced against it, (3) make a general assignment for the benefit of its creditors, (4) declare a moratorium or (5) take any corporate action to authorize any of the foregoing; or

(e) a trustee in bankruptcy, custodian or receiver for the Corporation or any substantial part of its property shall have been appointed and the same has not been discharged within ninety (90) days after such appointment.

### *Remedies*

There shall be no right of acceleration with respect to the Series 2017 Bonds.

If an Event of Default occurs:

(i) The Trustee may, and upon the written request of the Holders of not less than a majority in principal amount of the Outstanding Bonds, shall, protect and enforce its rights and the rights of the Bondholders under the Master Indenture or under any Supplemental Indenture or under the laws of the State by such suits, actions or special proceedings in equity or at law: (a) for specific performance of any covenant in the Master Indenture or any Supplemental Indenture or in aid or execution of any power granted in the Master Indenture or any Supplemental Indenture, or (b) for an accounting against the Corporation as if the Corporation were the trustee of an express trust, or (c) for the enforcement of any proper legal or equitable remedy as the Trustee deems most effectual to protect and enforce such rights, including the enforcement of its rights and remedies, as assignee, under any agreement assigned to it under the Indenture, including but not limited to the Sale Agreement, and of its rights and obligations under the Authorizing Statute.

(ii) The Trustee shall give notice of each Event of Default known to it to the Corporation, the holder of the Residual Certificate and each Provider within ten (10) days after knowledge of the occurrence thereof and to the Holders of Series 2017 Bonds within thirty (30) days after knowledge of the occurrence thereof, unless such Event of Default shall have been remedied or cured before the giving of such notice. In the case of an Event of Default other than an Event of Default described in clause (a) or (b) of the definition of "Event of Default" above, the Trustee may withhold notice thereof to the Holders of Series 2017 Bonds if and so long as the Trustee in good faith determines that the withholding of such notice is in the best interests of the Holders of the Series 2017 Bonds. The Holders of a majority in principal amount of the Outstanding Bonds shall have the right to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Master Indenture and each Supplemental Indenture and the exercise of any other right or power conferred on the Trustee.

Neither the Trustee nor the holders of Series 2017 Bonds have the right to sell or foreclose on the Sales Tax Revenues or the rights of the Corporation under the Sale Agreement. An Event of Default will not result in acceleration of any of the Series 2017 Bonds.

### *Priority of Payments after Default*

If at any time the money held by the Trustee under the Master Indenture and under each Supplemental Indenture is not sufficient to pay the principal of and interest on the Series 2017 Bonds as they become due and payable, such money together with any money then available or thereafter becoming available for such purpose, whether through exercise of the remedies provided for in the Indenture or otherwise, shall be applied (after payment of all amounts owing to the Trustee under the Indenture) as follows:

(i) First, to the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

(ii) Second, to the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Series 2017 Bonds which shall have become due whether at maturity or by call for redemption in the order of their due dates and, if the amount available shall not be sufficient to pay in full all such amounts due on any date, then to the payment thereof ratably, according to the amount of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

### **Certain Covenants of the State and the Village**

#### *Covenants of the State Contained in the Authorizing Statute*

In the Authorizing Statute, the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the rights and powers vested in the State Comptroller, the State Treasurer, or the Department of Revenue by the Authorizing Statute with respect to the disposition of the Sales Tax Revenues that have been conveyed by the Village to the Corporation under the Sale Agreement so as to impair the terms of any contract, including the Sale Agreement, made by the Village with the Corporation or any contract executed by the Corporation in connection with the issuance of obligations by the Corporation for the benefit of the Village until all requirements with respect to the deposit by the State Comptroller, the State Treasurer, or the Department of Revenue of Sales Tax Revenues for the benefit of the Corporation have been fully met and discharged. In addition, the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the basis on which the Village's share or percentage of Sales Tax Revenues is derived, or the use of such funds, so as to impair the terms of any such contract.

#### *Covenants of the Village Contained in the Sale Agreement*

*Collection of Sales Tax Revenues.* The Village will use all reasonable efforts to pursue any action legally available to it to cause its collections of Sales Tax Revenues in any Fiscal Year to be maintained at such levels as shall produce Sales Tax Revenues in such Fiscal Year equal to not less than 100% of the sum in such Fiscal Year of (a) the aggregate principal of and interest on all Outstanding Bonds required to be paid during such Fiscal Year, (b) the deposits to the Debt Service Reserve Fund for such Fiscal Year required by the provisions of the Indenture, and (c) any other deposits or other amounts required by the provisions of the Indenture for such Fiscal Year. The Corporation includes this pledge and agreement of the Village in the Indenture.

*Protection of Title; Non-Impairment Covenant.* The Village has irrevocably directed the Director of the Department of Revenue, the State Comptroller and the State Treasurer to transfer all Sales Tax Revenues directly to the Trustee as the assignee of the Corporation. The Village will take no action that would in any way materially adversely (a) impair the Corporation's right to receive the Sales Tax Revenues, (b) limit or alter the rights vested in the Corporation to fulfill the terms of its agreements with the holders of the Series 2017 Bonds, or (c) impair the rights and remedies of the holders of the Series 2017 Bonds or the security for the Series 2017 Bonds until the Series 2017 Bonds, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the holders of the Series 2017 Bonds, are fully paid and discharged; provided, however, that the remedies available to the Corporation and the holders of the Series 2017 Bonds for any breach of the pledges and agreements of the Village set forth in [the Sale Agreement] are limited to injunctive relief.

*Indebtedness Secured by Sales Tax Revenues.* The Village will not issue any bonds or other evidences of indebtedness that are secured by a pledge or lien on all or any portion of the Sales Tax Revenues; provided that the Village may apply Residual Revenues released pursuant to the Residual Certificate for any lawful corporate purpose of the Village, including the payment of indebtedness secured thereby.

*Tax Covenant.* The Village will at all times do and perform all acts and things permitted by law and necessary or desirable to assure that interest paid to the holders of any tax-exempt bonds issued by the Corporation shall be and remain excludable from gross income for federal income tax purposes pursuant to Section 103(a) of the Code and applicable regulations issued thereunder. No proceeds of the Series 2017 Bonds received by the Village shall at any time be used directly or indirectly to acquire securities, obligations or investment property the acquisition or holding of which would cause any tax-exempt bond to be an "arbitrage bond" as defined in the Code and any applicable regulations issued thereunder. The Village will not permit facilities financed or refinanced with proceeds of Series 2017 Bonds received by the Village from the Corporation to be used in a manner that results in any tax-exempt bond being treated as a "private activity bond" as defined in the Code and any applicable regulations issued thereunder. In furtherance of these covenants, the Village will execute and comply with the tax certificate provided by Bond Counsel in connection with the issuance of any such tax-exempt Series 2017 Bonds (including the Series 2017A Bonds).

### **Statutory Lien**

The Authorizing Statute provides that obligations issued by the Corporation (including the Series 2017 Bonds) shall be secured by a statutory lien (with the meaning given to such term in Section 101(53) of Title 11 of the Bankruptcy Code) on the Sales Tax Revenues received or entitled to be received by the Corporation. The statutory lien shall automatically attach from the time such obligations are issued without further action or authorization by the Corporation or any other entity (including the Village), person, governmental authority or officer. The statutory lien shall be valid and binding from the time such obligations are executed and delivered and the statutory lien shall automatically be effective, binding and enforceable against the Corporation, the Village, the State Comptroller, the State Treasurer and the Department of Revenue, and their agents, successors, and transferees, and creditors.

### **Limited Obligations; No Indebtedness of Village**

The Bonds, including the Series 2017 Bonds, are limited obligations of the Corporation and payable solely from the Sales Tax Revenues and the other collateral pledged under the Indenture. The Series 2017 Bonds do not represent or constitute a debt of the Village or of the State within the meaning of any constitutional or any statutory limitation or a pledge of the faith and credit of the Village or the State or grant to the holders thereof any right to have the Village or the General Assembly of the State levy any taxes or appropriate any funds for the payment of the principal or Redemption Price of or interest on the Series 2017 Bonds. The Corporation does not have the power to pledge the credit, the revenues or the taxing power of the State or the Village, and neither the credit, the revenues nor the taxing power of the State or the Village is, or shall be deemed to be, pledged to the payment of any of the Series 2017 Bonds. The Corporation has no taxing power.

The Indenture does not create indebtedness of the Village for any purpose, including constitutional or statutory limitations.

## **SALES TAX REVENUES**

### **General**

The Sales Tax Revenues consist of the Home Rule Sales Tax Revenues resulting from the Home Rule Sales Taxes and the Local Share Sales Tax Revenues resulting from the State Sales Taxes, all as described below.

#### *Home Rule Sales Tax Revenues*

The Home Rule Sales Tax Revenues result from the collection of the Home Rule Sales Taxes, as currently authorized by the Home Rule Municipal Retailers' Occupation Tax Act (65 ILCS 5/8-11-1) and the Home Rule Municipal Service Occupation Tax Act (65 ILCS 5/8-11-5) (collectively, the "*Home Rule Sales Tax Statutes*"), each as supplemented and amended, or any successor or substitute law, ordinance or other legislation subsequently enacted (which taxes are currently imposed by the Village pursuant to the Bridgeview Municipal Code, as amended), or

successor or substitute taxes therefor as provided by law in the future. The Department of Revenue pays over to the State Treasurer, ex officio, as trustee, all taxes and penalties collected under the Home Rule Sales Tax Statutes.

(i) The Home Rule Municipal Retailers' Occupation Tax ("*Home Rule Municipal Retailers' Occupation Tax*") is currently imposed at a rate of 1.00% on gross receipts from sales of tangible personal property by retailers in the Village. This tax must be imposed in increments of 0.25%, and can only be imposed if the Village also imposes a municipal service occupation tax.

(ii) The Home Rule Municipal Service Occupation Tax ("*Home Rule Municipal Service Occupation Tax*") is currently imposed at a rate of 1.00% on service providers when tangible personal property is transferred within the course of performing a service in the Village. The tax is measured on the selling price of the transferred property. This tax must be imposed at the same rate as the Home Rule Municipal Retailers' Occupation Tax described in subsection (i) above.

Currently there is no legal limit on the rate at which the Village may impose the Home Rule Sales Taxes. An ordinance of the Village Council changing the rate of any of the Home Rule Sales Taxes collected by the Department of Revenue on behalf of the Village is required either (i) to be filed with the Department of Revenue on or before April 1 in order for the Department of Revenue to make the rate increase effective beginning the next succeeding July 1 or (ii) to be filed with the Department of Revenue on or before October 1 in order for the Department of Revenue to make the rate increase effective for the following calendar year.

The Home Rule Sales Tax Revenues include interest payable by the State Treasurer with respect to the Home Rule Municipal Retailers' Occupation Tax and the Home Rule Municipal Service Occupation Tax.

#### *Local Share Sales Tax Revenues*

The Local Share Sales Tax Revenues result from the collection of the State Sales Taxes, as imposed by the State pursuant to the Retailers' Occupation Tax Act (35 ILCS 120), and the Service Occupation Tax Act (35 ILCS 115) (collectively, the "*State Sales Tax Statutes*"), each as supplemented and amended, or successor or substitute taxes therefor as provided by law in the future. The Department of Revenue deposits the net receipts from collections of these taxes into various funds created by and pursuant to the applicable State Sales Tax Statutes, including the Local Government Tax Fund. Pursuant to the State Finance Act (30 ILCS 105) (the "*State Finance Act*"), distributions of such net receipts are made from the Local Government Tax Fund and the State and Local Sales Tax Reform Fund, both special funds in the State Treasury. Pursuant to the State Finance Act, distributions from the Local Government Tax Fund are not subject to annual appropriation by the State General Assembly.

(i) The Illinois Retailers' Occupation Tax ("*Illinois Retailers' Occupation Tax*") is currently imposed at the rate of 6.25% on gross receipts from sales of tangible personal property and at the rate of 1.00 percent on sales of grocery food, drugs and medical appliances by Illinois retailers. Under the Illinois Retailers' Occupation Tax Act, the Department of Revenue deposits a portion of the net receipts of this tax in the Local Government Tax Fund (16 percent of the tax on general merchandise and 100% of the tax on grocery food, drugs and medical appliances). The Village is allocated, and the Corporation will receive, 100% of the amounts deposited in the Local Government Tax Fund from this tax resulting from sales that occurred in the Village.

(ii) The Illinois Service Occupation Tax ("*Illinois Service Occupation Tax*") is currently imposed at the rate of 6.25% on sales of tangible personal property and at the rate of 1.00% on sales of grocery food, drugs and medical appliances on service providers when tangible personal property is transferred within the course of performing a service. Under the Illinois Service Occupation Tax Act, the Department of Revenue deposits a portion of the net receipts of this tax in the Local Government Tax Fund (16% of the tax on general merchandise and 100% of the tax on grocery food, drugs and medical appliances). The Village is allocated, and the Corporation will receive, 100% of the amounts deposited in the Local Government Tax Fund from this tax resulting from sales that occurred in the Village.

Any change in the tax rates or amount of net tax receipts allocated to the Village constituting Local Share Sales Tax Revenues would require the enactment of legislation by the Illinois General Assembly. See "INVESTMENT AND LEGAL CONSIDERATIONS—Adverse Change in Laws." In the Authorizing Statute, the State pledges to and agrees with the Village that the State will not limit or alter the basis on which the Village's share or percentage of Sales Tax Revenues is derived, or the use of the Sales Tax Revenues, so as to impair the terms of any contract, including the Sale Agreement, made by the Village with the Corporation or any contract executed by the Corporation in connection with the issuance of obligations by the Corporation for the benefit of the Village. See "SECURITY FOR THE SERIES 2017 BONDS—Certain Covenants of the State and the Village—Covenants of the State Contained in the Authorizing Statute."

### *Collection*

The Home Rule Sales Taxes and the State Sales Taxes currently are imposed on the gross receipts from the retail sale or the cost price of the tangible personal property transferred by the service provider and generally are collected by the seller from the purchaser. The Home Rule Sales Taxes are generally imposed on the same basis, and are subject to the same exemptions, as the State Sales Taxes. The Home Rule Sales Taxes are collected by the Department of Revenue pursuant to the Home Rule Sales Tax Statutes and applicable sections of the Municipal Code of the Village. Each of the State Sales Tax Statutes provides that the applicable State Sales Tax will be collected by the Department of Revenue.

Most retailers collect sales taxes at the point of sale and accumulate the total sales taxes collected monthly. Retailers have until the 20th day of the subsequent month to file sales tax returns and remit collections to the Illinois Department of Revenue. Taxpayers with an average monthly sales tax liability in excess of \$20,000 are required to file returns and remit payments to the Department of Revenue four times per month.

### *Distribution*

The Home Rule Sales Tax Revenues and Local Share Sales Tax Revenues are payable to local jurisdictions without annual appropriation by the Illinois General Assembly.

Pursuant to the Home Rule Sales Tax Statutes, the Department of Revenue pays over to the State Treasurer, ex officio, as trustee, all taxes and penalties collected thereunder. Each of the Home Rule Sales Tax Statutes provides that on or before the 25th day of the calendar month after receipt by the Illinois Department of Revenue, the Illinois Department of Revenue prepares and certifies to the State Comptroller the disbursement of amounts due to each municipality. With respect to each Home Rule Sales Tax, the amount to be paid to each municipality is the amount collected by retailers during the second preceding calendar month under the applicable Home Rule Sales Tax Statute, not including refunds made during the second preceding calendar month by the Department of Revenue on behalf of the applicable municipality, less the 2% administrative fee described above. Each of the Home Rule Sales Tax Statutes provides that within ten days after receipt by the State Comptroller of the disbursement certification, the State Comptroller will cause the orders to be drawn for the respective amounts in accordance with the Department of Revenue's certification. Accordingly, the State distributes the Home Rule Sales Tax Revenues two months after collection by the Illinois Department of Revenue. The Illinois Department of Revenue follows a similar process and timetable for the collection of the State Sales Taxes and the distribution to local jurisdictions for the applicable Local Share Sales Taxes.

On the Closing Date, the Village will irrevocably direct the State Comptroller, the State Treasurer and the Director of the Department of Revenue to distribute all Sales Tax Revenues directly to the Trustee. See "SECURITY FOR THE SERIES 2017 BONDS." From and after the Closing Date, the Sales Tax Revenues will be deposited to the Securitized Sales Tax Revenue Fund without any action of the Trustee or the Corporation.

## Historical Collections of Sales Tax Revenues

### *Annual Collections*

The following tables show the historical Sales Tax Revenues based on an accrual basis based on the tax liability at the point of sale reported by retailers.

#### Annual Sales Tax Revenues 2007-2016

| Year Ended<br>December 31, | Home Rule<br>Sales Tax<br>Revenues <sup>(1)</sup> | Percent<br>Change<br>Over Prior<br>Year | Local Share<br>Sales Tax<br>Revenues | Percent<br>Change<br>Over Prior<br>Year | Total<br>Sales Tax<br>Revenues | Percent<br>Change<br>Over Prior<br>Year |
|----------------------------|---|---|--------------------------------------|---|--------------------------------|---|
| 2007                       | \$3,308,583                                       | 7.75%                                   | \$4,907,567                          | 0.89%                                   | \$ 8,216,150                   | 3.55%                                   |
| 2008                       | 3,931,004   | 18.81                                   | 6,168,188                            | 25.69                                   | 10,099,192                     | 22.92                                   |
| 2009                       | 2,846,600   | (27.59)                                 | 4,366,703                            | (29.21)                                 | 7,213,303                      | (28.58)                                 |
| 2010                       | 2,534,562   | (10.96)                                 | 3,915,765                            | (10.33)                                 | 6,450,327                      | (10.58)                                 |
| 2011                       | 2,507,098   | (1.08)                                  | 3,959,239                            | 1.11                                    | 6,466,337                      | 0.25                                    |
| 2012                       | 2,540,314   | 1.32                                    | 4,060,622                            | 2.56                                    | 6,600,936                      | 2.08                                    |
| 2013                       | 3,104,233   | 22.00                                   | 4,713,929                            | 16.09                                   | 7,818,162                      | 18.44                                   |
| 2014                       | 3,411,360   | 9.89                                    | 5,133,101                            | 8.89                                    | 8,544,461                      | 9.29                                    |
| 2015                       | 3,678,491   | 7.83                                    | 5,580,797                            | 8.72                                    | 9,259,288                      | 8.37                                    |
| 2016                       | 3,969,122   | 7.90                                    | 5,978,101                            | 7.12                                    | 9,947,223                      | 7.43                                    |

Source: Illinois Department of Revenue.

<sup>(1)</sup> The Department of Revenue charges administrative fees for collection of the Home Rule Sales Taxes beginning July, 2017. Pursuant to the Home Rule Municipal Retailers' Occupation Tax Act and the Home Rule Municipal Service Occupation Tax Act, effective July 6, 2017, the Department of Revenue retains 2% of collections of the Home Rule Municipal Retailers' Occupation Tax and the Home Rule Service Occupation Tax. Such administrative fees are subject to change by enactment of legislation by the Illinois General Assembly.

### *Collection and Distribution*

The following are the rates of sales taxes imposed on retailers and service providers in the Village on the sale of most items of nontitled tangible personal property other than soft drinks, grocery food, drugs and medical appliances:

|                                   |               |
|-----------------------------------|---------------|
| State of Illinois Sales Taxes     | 6.25%         |
| Village Home Rule Sales Taxes     | 1.00          |
| Cook County Home Rule Sales Taxes | 1.75          |
| RTA Sales Tax                     | <u>1.00</u>   |
| Total                             | <u>10.00%</u> |

The following are the rates of sales taxes imposed on retailers and service providers in the Village on the sale of soft drinks, grocery food, drugs, medical appliances and items required to be title or registered including motor vehicles, watercraft, aircraft, trailers and mobile homes:

|                               |              |
|-------------------------------|--------------|
| State of Illinois Sales Taxes | 1.00%        |
| RTA Sales Tax                 | <u>1.25</u>  |
| Total                         | <u>2.25%</u> |

Retailers collect the sales taxes during a given month. They file their sales tax returns and remit the applicable taxes collected the next month with the Illinois Department of Revenue (the "Department"). The Department allocates the taxes and distributes the amounts owed to the Village by the second month after it is collected by the Department.

As part of the periodic reporting of sales and sales tax receipts by retailers, they are required to provide a Standard Industrial Classification Code (SIC Code) for their business. The Illinois Department of Revenue reports sales tax collections quarterly by this self-reported code. The SIC Code provides the Village will a general composition of sales by various retailers. The following summarizes the past fifteen years of Home Rule Sales Tax Revenues by SIC Code in the Village:

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**Historical Summary of Home Rule Sales Taxes**

| <u>Calendar</u><br><u>Year</u> | <u>Merchandise</u><br><u>&amp; Apparel</u> | <u>Groceries</u> | <u>Taverns &amp;</u><br><u>Restaurants</u> | <u>Furniture &amp;</u><br><u>Electronics</u> | <u>Building &amp;</u><br><u>Hardware</u> | <u>Automotive</u><br><u>&amp; Gas Stations</u> | <u>Drugs &amp; Misc.</u><br><u>Retail</u> | <u>Agricultural</u><br><u>&amp; Others</u> | <u>Manufacturers</u> | <u>Total</u> |
|--------------------------------|--|------------------|--|--|--|--|---|--|----------------------|--------------|
| 2002                           | \$475,102                                  | \$80,595         | \$145,805                                  | \$19,928                                     | \$220,239                                | \$122,530                                      | \$116,585                                 | \$299,792                                  | \$136,284            | \$1,616,860  |
| 2003                           | 813,931                                    | 136,359          | 284,745                                    | 31,295                                       | 516,824                                  | 283,192  | 237,188                                   | 514,073                                    | 192,693              | 3,010,300    |
| 2004                           | 804,027                                    | 121,710          | 308,175                                    | 30,696                                       | 577,961                                  | 308,946  | 261,931                                   | 374,685                                    | 70,560               | 2,858,691    |
| 2005                           | 837,975                                    | 124,368          | 329,611                                    | 30,757                                       | 592,332                                  | 308,629  | 270,364                                   | 434,665                                    | 80,743               | 3,009,444    |
| 2006                           | 763,430                                    | 125,984          | 348,449                                    | 30,808                                       | 562,487                                  | 309,463  | 332,258                                   | 415,072                                    | 182,688              | 3,070,639    |
| 2007                           | 752,920                                    | 67,396           | 364,644                                    | 31,745                                       | 460,946                                  | 240,905  | 257,405                                   | 414,355                                    | 718,267              | 3,308,583    |
| 2008                           | 778,224                                    | 74,117           | 358,822                                    | 33,884                                       | 400,411                                  | 236,275  | 257,288                                   | 369,237                                    | 1,422,746            | 3,931,004    |
| 2009                           | 765,364                                    | 102,550          | 336,990                                    | 26,444                                       | 376,344                                  | 215,839  | 272,245                                   | 268,390                                    | 482,434              | 2,846,600    |
| 2010                           | 768,754                                    | 104,569          | 351,222                                    | 28,832                                       | 383,577                                  | 221,936  | 336,879                                   | 272,756                                    | 66,037               | 2,534,562    |
| 2011                           | 702,956                                    | 96,348           | 354,964                                    | 32,739                                       | 376,088                                  | 201,484  | 383,207                                   | 224,943                                    | 134,369              | 2,507,098    |
| 2012                           | 693,508                                    | 96,099           | 382,150                                    | 73,072                                       | 378,134                                  | 164,003  | 382,152                                   | 237,492                                    | 133,704              | 2,540,314    |
| 2013                           | 657,292                                    | 86,612           | 381,126                                    | 85,542                                       | 372,413                                  | 183,185  | 384,154                                   | 815,788                                    | 138,121              | 3,104,233    |
| 2014                           | 633,555                                    | 85,977           | 400,161                                    | 102,847                                      | 384,426                                  | 188,673  | 389,270                                   | 818,097                                    | 408,354              | 3,411,360    |
| 2015                           | 672,549                                    | 235,645          | 446,055                                    | 107,192                                      | 72,229                                   | 176,207  | 354,916                                   | 358,111                                    | 1,255,587            | 3,678,491    |
| 2016                           | 641,487                                    | 274,307          | 471,882                                    | 139,842                                      | 323,594                                  | 208,797  | 332,648                                   | 353,262                                    | 1,223,303            | 3,969,122    |
| First Nine Months              |  |                  |  |  |  |  |   |  |                      |              |
| 2016                           | \$483,153                                  | \$197,267        | \$360,513                                  | \$109,899                                    | \$216,409                                | \$147,562                                      | \$246,287                                 | \$262,045                                  | \$884,467            | \$2,907,602  |
| 2017                           | 445,140                                    | 227,986          | 363,049                                    | 103,144                                      | 318,918                                  | 162,089  | 261,362                                   | 252,019                                    | 966,145              | 3,099,852    |

Source: Illinois Department of Revenue

The following summarizes the past fifteen years of Local Share Sales Tax Revenues by SIC Code in the Village:

**VILLAGE OF BRIDGEVIEW, ILLINOIS**  
**Historical Summary of Local Sales Taxes (Local Share Sales Tax portion of State Sales Tax)**

| <u>Calendar Year</u> | <u>Merchandise &amp; Apparel</u> | <u>Groceries</u> | <u>Taverns &amp; Restaurants</u> | <u>Furniture &amp; Electronics</u> | <u>Building &amp; Hardware</u> | <u>Automotive &amp; Gas Stations</u> | <u>Drugs &amp; Misc. Retail</u> | <u>Agricultural &amp; Others</u> | <u>Manufacturers</u> | <u>Total</u> |
|----------------------|----------------------------------|------------------|----------------------------------|------------------------------------|--------------------------------|--------------------------------------|---------------------------------|----------------------------------|----------------------|--------------|
| 2002                 | \$1,030,687                      | \$692,259        | \$297,653                        | \$45,742                           | \$454,491                      | \$1,038,695                          | \$293,801                       | \$638,043                        | \$236,928            | \$4,728,299  |
| 2003                 | 1,002,011                        | 619,907          | 314,007                          | 36,341                             | 522,494                        | 1,056,778                            | 320,515                         | 522,799                          | 198,309              | 4,593,161    |
| 2004                 | 998,562                          | 592,170          | 315,452                          | 34,567                             | 588,858                        | 1,023,457                            | 355,937                         | 403,363                          | 76,538               | 4,388,904    |
| 2005                 | 1,027,001                        | 599,702          | 335,688                          | 33,677                             | 603,403                        | 1,092,668                            | 372,929                         | 448,526                          | 89,711               | 4,603,305    |
| 2006                 | 939,577                          | 603,620          | 354,225                          | 33,987                             | 574,609                        | 1,283,289                            | 446,165                         | 438,742                          | 189,913              | 4,864,127    |
| 2007                 | 932,432                          | 375,190          | 369,473                          | 33,142                             | 469,675                        | 1,180,852                            | 378,300                         | 446,528                          | 721,975              | 4,907,567    |
| 2008                 | 967,833                          | 523,194          | 361,762                          | 35,640                             | 408,295                        | 900,364                              | 388,657                         | 379,646                          | 2,202,797            | 6,168,188    |
| 2009                 | 950,970                          | 665,529          | 339,053                          | 29,077                             | 386,703                        | 756,545                              | 426,205                         | 277,153                          | 535,468              | 4,366,703    |
| 2010                 | 941,128                          | 625,948          | 352,771                          | 30,857                             | 406,037                        | 629,618                              | 552,094                         | 310,615                          | 66,697               | 3,915,765    |
| 2011                 | 877,744                          | 638,008          | 356,626                          | 36,495                             | 394,242                        | 449,572                              | 825,766                         | 245,579                          | 135,207              | 3,959,239    |
| 2012                 | 860,887                          | 636,131          | 384,096                          | 74,406                             | 394,566                        | 476,618                              | 854,446                         | 244,637                          | 134,835              | 4,060,622    |
| 2013                 | 818,382                          | 612,727          | 382,932                          | 87,426                             | 389,652                        | 556,908                              | 879,847                         | 846,552                          | 139,503              | 4,713,929    |
| 2014                 | 800,258                          | 629,595          | 403,453                          | 103,607                            | 397,566                        | 630,025                              | 907,643                         | 852,050                          | 408,904              | 5,133,101    |
| 2015                 | 869,687                          | 923,445          | 450,158                          | 109,947                            | 85,877                         | 588,016                              | 924,451                         | 372,710                          | 1,256,506            | 5,580,797    |
| 2016                 | 820,924                          | 1,033,226        | 476,536                          | 141,297                            | 343,084                        | 663,201                              | 930,825                         | 345,151                          | 1,223,857            | 5,978,101    |
| First Nine Months    |                                  |                  |                                  |                                    |                                |                                      |                                 |                                  |                      |              |
| 2016                 | \$616,170                        | \$759,638        | \$363,832                        | \$110,234                          | \$232,444                      | \$499,326                            | \$707,525                       | \$252,050                        | \$885,014            | \$4,426,233  |
| 2017                 | 566,170                          | 832,563          | 366,172                          | 105,623                            | 335,243                        | 542,826                              | 703,586                         | 259,651                          | 966,280              | 4,678,114    |

Source: Illinois Department of Revenue



### *Monthly Collections*

The following table shows the historical monthly Home Rule Sales Tax Revenues on an accrual basis based on collection by retailers in the Village from January 2012 to November 2017. The State distributes these revenues three months later (September 2017 collections by retailers are distributed December 2017).

#### **VILLAGE OF BRIDGEVIEW, ILLINOIS** **Monthly Summary of Home Rule Sales Tax Revenues**

| <u>Month</u> | <u>2012</u>        | <u>2013</u>        | <u>2014</u>        | <u>2015</u>               | <u>2016</u>        | <u>2017</u>        |
|--------------|--------------------|--------------------|--------------------|---------------------------|--------------------|--------------------|
| January      | \$172,529          | \$179,120          | \$214,621          | \$246,896                 | \$253,295          | \$294,416          |
| February     | 178,361            | 169,065            | 206,303            | 238,242                   | 283,148            | 287,513            |
| March        | 236,697            | 202,335            | 233,888            | 301,498                   | 304,266            | 330,696            |
| April        | 207,132            | 210,757            | 263,172            | 269,058                   | 298,715            | 317,895            |
| May          | 226,204            | 278,811            | 291,322            | 293,952                   | 347,738            | 359,131            |
| June         | 232,829            | 289,902            | 299,695            | 315,914                   | 336,750            | 364,033            |
| July         | 216,917            | 285,890            | 304,181            | 323,393                   | 353,850            | 373,743            |
| August       | 215,491            | 298,547            | 323,980            | 337,917                   | 363,489            | 379,726            |
| September    | 203,490            | 278,175            | 305,070            | 316,545                   | 367,550            | 357,909            |
| October      | 202,979            | 275,965            | 331,974            | 308,992                   | 338,363            |                    |
| November     | 216,741            | 302,277            | 296,097            | 327,933                   | 347,609            |                    |
| December     | <u>231,776</u>     | <u>325,177</u>     | <u>342,131</u>     | <u>394,450</u>            | <u>376,083</u>     |                    |
|              | <u>\$2,541,146</u> | <u>\$3,096,021</u> | <u>\$3,412,434</u> | <u>\$3,674,790</u>        | <u>\$3,970,856</u> | <u>\$3,065,062</u> |
|              |                    |                    |                    | First nine months of 2016 | <u>\$2,908,801</u> |                    |

Source: Illinois Department of Revenue

The following table shows the historical monthly Local Share Sales Tax Revenues on an accrual basis based on collection by retailers in the Village from January 2012 to November 2017. The State distributes these revenues three months later (September 2017 collections by retailers are distributed December 2017).

#### **VILLAGE OF BRIDGEVIEW, ILLINOIS** **Monthly Summary of Local Share Sales Tax Revenues**

| <u>Month</u> | <u>2012</u>        | <u>2013</u>        | <u>2014</u>        | <u>2015</u>               | <u>2016</u>        | <u>2017</u>        |
|--------------|--------------------|--------------------|--------------------|---------------------------|--------------------|--------------------|
| January      | \$287,962          | \$297,185          | \$329,479          | \$373,538                 | \$429,398          | \$455,872          |
| February     | 301,148            | 279,999            | 337,594            | 361,472                   | 441,550            | 447,520            |
| March        | 366,733            | 348,316            | 382,210            | 469,451                   | 468,416            | 515,006            |
| April        | 336,788            | 353,336            | 412,199            | 432,958                   | 454,142            | 497,755            |
| May          | 370,608            | 419,667            | 438,653            | 468,171                   | 527,343            | 552,002            |
| June         | 358,780            | 429,413            | 465,609            | 479,654                   | 517,348            | 560,012            |
| July         | 355,500            | 418,273            | 453,332            | 489,446                   | 519,546            | 549,657            |
| August       | 345,316            | 464,078            | 461,141            | 519,912                   | 539,148            | 557,344            |
| September    | 320,888            | 420,347            | 443,264            | 482,735                   | 529,343            | 542,965            |
| October      | 320,384            | 404,427            | 484,359            | 452,324                   | 504,939            |                    |
| November     | 339,750            | 431,556            | 435,870            | 476,355                   | 500,216            |                    |
| December     | <u>356,765</u>     | <u>447,302</u>     | <u>489,392</u>     | <u>574,781</u>            | <u>546,712</u>     |                    |
|              | <u>\$4,060,622</u> | <u>\$4,713,899</u> | <u>\$5,133,102</u> | <u>\$5,580,797</u>        | <u>\$5,978,101</u> | <u>\$4,678,133</u> |
|              |                    |                    |                    | First nine months of 2016 | <u>\$4,426,234</u> |                    |

Source: Illinois Department of Revenue

### Sales Tax Revenues Not Legally Available for Any Other Purpose

With the Authorizing Statute, the State has exercised its right to control the disposition of the Sales Tax Revenues and determined that the Sales Tax Revenues, once sold, are no longer property of the Village. Once sold pursuant to the Sale Agreement, the Sales Tax Revenues are not legally available for any other purpose, including payment of the Village's general obligation bonds or any other indebtedness of the Village.

## ANNUAL DEBT SERVICE

### Maximum Annual Debt Service

The debt service on the Series 2017 Bonds is set forth below after giving effect to the issuance of the Series 2017 Bonds and the application of the proceeds thereof. See "PLAN OF FINANCE." Following the issuance of the Series 2017 Bonds, no debt obligations will be payable from Sales Tax Revenues except for the Series 2017 Bonds. Obligations payable from Sales Tax Revenues may be issued in the future as permitted by the Indenture.

[illegible]

## ESTIMATED SOURCES AND USES OF FUNDS<sup>2</sup>

The following summarizes the sources and uses of the Series 2017 Bonds.

| <b>Sources</b>                   | <b>Estimated Sources and Uses</b> |                    | <b>Total</b> |
|----------------------------------|-----------------------------------|--------------------|--------------|
|                                  | <b>2017A Bonds</b>                | <b>2017B Bonds</b> |              |
| Par Amount                       | \$20,600,000                      | \$20,400,000       | \$47,000,000 |
| Total                            | \$20,600,000                      | \$20,400,000       | \$47,000,000 |
| <b>Uses</b>                      |                                   |                    |              |
| Deposit for Refunded Bonds       |                                   |                    |              |
| Debt Service Reserve Fund        |                                   |                    |              |
| Project Fund Deposit             |                                   |                    |              |
| Costs of Issuance <sup>(1)</sup> |                                   |                    |              |
| Total                            |                                   |                    |              |

<sup>(1)</sup> Includes, among other costs, underwriter's discount, legal, accounting and financial advisory fees, regulatory fees and underwriter expenses, initial fees of the Trustee, publication costs and printing expenses.

## CERTAIN INVESTMENT CONSIDERATIONS

*The following discussion of investment considerations should be reviewed by prospective investors prior to purchasing the Series 2017 Bonds. Any one or more of the investment considerations discussed herein could lead to a decrease in the market value and the liquidity of the Series 2017 Bonds or, ultimately, a payment default on the Series 2017 Bonds. There can be no assurance that other factors not discussed herein will not become material in the future. In addition, the following discussion summarizes some, but not all, of the possible legal issues that could adversely affect the ability of the Corporation to pay debt service on all or a portion of the Series 2017 Bonds on a timely basis or in full, and could have an adverse effect on the liquidity and/or market value of the Series 2017 Bonds. The discussion does not address every possible legal challenge that could result in a decision that would cause the Sales Tax Revenues to be reduced or eliminated. References in the discussion to various opinions are incomplete summaries of such opinions and are qualified in their entirety by reference to the actual opinions.*

### Factors Affecting Sales Tax Revenues

#### *Changes in Economic and Demographic Conditions*

Sales tax revenues historically have been sensitive to changes in local, regional and national economic conditions. For example, sales tax revenues have historically declined during economic recessions, when high unemployment adversely affects consumption. Demographic changes in the population of the Village and the Chicago metropolitan area may adversely affect the level of Sales Tax Revenues. A decline in the Village's population, or reductions in the level of commercial and industrial activity in the Village, could reduce the number and value of taxable transactions and thus reduce the amount of Sales Tax Revenues. It is not possible to predict whether or to what extent any such changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur, and what impact any such changes would have on Sales Tax Revenues.

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<sup>2</sup>Preliminary, subject to change.

### *Changes to Tax Rates, Base and Exemptions*

From time to time, changes are made to the tax rates, base and exemptions of the Home Rule Sales Taxes and the State Sales Taxes. Any such changes could adversely affect the amount of Sales Tax Revenues received by the Village.

### *Geographic Competition*

Increases in sales tax rates in the Village and Cook County may create incentives for certain purchases to be made in jurisdictions with lower overall sales tax rates. As a result, increasing sales tax rates may not result in a corresponding percentage increase in revenues, and may prompt certain commercial and industrial activities to relocate to jurisdictions with lower sales tax rates.

### *Internet Sales*

In recent years, increasing numbers of sales transactions have taken place over the Internet, and Internet sales transactions are expected to continue to increase. Effective January 1, 2015, the State expanded the application of the Illinois Use Tax and the Illinois Service Use Tax to apply to out-of-state retailers and service providers that (a) have a contract with a person located in the State under which the person, for a commission or other consideration based upon the sale of tangible personal property by the retailer or service by the service provider, directly or indirectly refers potential customers to the retailer or service provider by providing to the potential customers a promotional code or other mechanism that allows the retailer or service provider to track purchases referred by such persons, and (b) made cumulative gross sales exceeding \$10,000 during the preceding 4 quarterly periods to customers referred to the retailer by persons in the State under such contracts. Examples of "other mechanisms" include a link on the person's Internet website, promotional codes distributed through the mail, and promotional codes distributed through radio or their broadcast media. An effect of this expansion is to subject certain Internet sales to the Illinois Use Tax or the Illinois Service Use Tax. However, other Internet sales may not be treated, for sales and use tax purposes, comparably to, or may displace, the types of transactions where sales and use taxes currently are collected (including Internet sales currently subject to use taxes), which may have an adverse effect on tax collections.

### **Adverse Change in Laws**

There are a variety of State and federal laws, regulations and constitutional provisions that apply to the Village's and the State's ability to raise taxes (including specifically the Home Rule Sales Taxes and the State Sales Taxes). There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, regulations and provisions. Any such change, interpretation or addition may have a material adverse effect on the Corporation or the Sales Tax Revenues.

Notwithstanding the foregoing, in the Authorizing Statute, the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the basis on which the Village's share or percentage of Sales Tax Revenues is derived, or the use of such funds, so as to impair the terms of any contract, including the Sale Agreement, made by the Village with the Corporation or any contract executed by the Corporation in connection with the issuance of obligations by the Corporation for the benefit of the Village. See "SECURITY FOR THE SERIES 2017 BONDS—Certain Covenants of the State and the Village—*Covenants of the State Contained in the Authorizing Statute.*"

### **Limited Resources of the Corporation; Series 2017 Bonds Are Not a Debt of the Village or State**

The Series 2017 Bonds are limited obligations of the Corporation and are payable only from the Trust Estate. The Series 2017 Bonds are not obligations of the Village or the State, neither the Village nor the State is liable thereon, and no recourse may be had to either for payment of amounts owing on the Series 2017 Bonds. The Corporation does not have the power to pledge the credit, the revenues or the taxing power of the State or the Village, and neither the credit, the revenues nor the taxing power of the State or the Village is, or shall be deemed to be, pledged to the payment of any of the Series 2017 Bonds. The Corporation has no taxing power. See "SECURITY FOR THE SERIES 2017 BONDS."

## **No Right to Accelerate Series 2017 Bonds after an Event of Default; Limited Remedies**

Under the Indenture, the occurrence of an Event of Default will not result in or permit an acceleration of any of the Bonds, including the Series 2017 Bonds. This means that should an Event of Default occur, the Trustee and the holders of the Series 2017 Bonds may need to take action each month to exercise their rights and remedies with respect to each month's payment that is due on the Series 2017 Bonds. In addition, neither the Trustee nor the holders of the Series 2017 Bonds have the right to sell or foreclose on the Sales Tax Revenues or the rights of the Corporation under the Sale Agreement. The effect of these two provisions is that the only remedy for an Event of Default may be that each month, the Trustee or the holders of the Series 2017 Bonds will need to file with an appropriate court a request for a writ of mandamus directing the Village and the Corporation to turn over the Sales Tax Revenues with respect to that month. Under such circumstances, there may be delays or reductions in payments on, or other losses with respect to, the Series 2017 Bonds.

## **Bankruptcy of the Village**

Municipalities cannot file for protection under Title 11 of the United States Code (the "*Bankruptcy Code*") unless specifically authorized to be a debtor by state law or by a governmental officer or organization empowered by state law to authorize such entity to be a debtor in a bankruptcy proceeding. Illinois state law does not currently permit the Village to file a bankruptcy proceeding; however, from time to time, legislation has been introduced in the Illinois General Assembly from time to time which, if enacted, would permit Illinois municipalities to file for bankruptcy relief, which would be under Chapter 9 of the Bankruptcy Code. No assurance can be provided as to whether the Illinois General Assembly may adopt any legislation that would permit the Village to file for bankruptcy. The law is unclear as to whether the Governor of Illinois or another member of the executive branch of the Illinois state government has the power to authorize the Village to file a bankruptcy proceeding. It is also possible that Congress will enact legislation that changes the eligibility requirements for municipalities to file for bankruptcy relief.

Actions could be taken in a bankruptcy of the Village which would adversely affect the exclusion of interest on the Series 2017A Bonds from gross income for federal income tax purposes.

There may be other possible effects of a bankruptcy of the Village that could result in delays or reductions in payments on the Series 2017 Bonds or other losses to the holders of the Series 2017 Bonds. Regardless of any specific adverse determinations in a Village bankruptcy proceeding, the fact of a Village bankruptcy proceeding could have an adverse effect on the liquidity and value of the Series 2017 Bonds.

## **Bankruptcy Remoteness**

### *General*

The Village and the Corporation intend and have structured the transfer of the Sales Tax Revenues to the Corporation in accordance with the Authorizing Statute and pursuant to the Sale Agreement as an absolute sale and not as the grant of a security interest in the Sales Tax Revenues to secure a borrowing of the Village. Chapter 9 of the Bankruptcy Code provides that a bankruptcy court may not confirm a plan if the debtor is prohibited by law from taking any action necessary to carry out the plan. With the Authorizing Statute, the State has exercised its right to control the disposition of the Sales Tax Revenues under the Illinois Constitution and determined that the Sales Tax Revenues, once sold, are no longer property of the Village. In the event of a Village bankruptcy, a bankruptcy court could conclude that a plan of adjustment that contradicts this right and determination of the State would require the Village to take action that is prohibited by law in order to carry out the plan and thus would not be confirmable. In addition, the opinion of Special Bankruptcy Counsel discussed in the first paragraph below under "*Certain Opinions*" identifies certain factors that courts have considered in determining whether a transfer of assets should be deemed a true sale or a loan and notes that: the terms of the Sale Agreement expressly memorialize and confirm the Village's transfer of the Sales Tax Revenues to the Corporation without recourse as a sale of the right, title and interest in and to the Sales Tax Revenues; the Village has no right to obtain the return of the Sales Tax Revenues (although the Village is entitled to the return of all Sales Tax Revenues that become Residual Revenues) and therefore Bond Counsel has concluded that any change in their market value will not be for the direct benefit of or to the detriment of the Village; the interest rates on the Series 2017 Bonds will be based on the current market rates for comparably rated, tax-exempt or taxable bonds, not the rate at which the Village could obtain a secured loan; both the Authorizing Statute and the Sale Agreement use the form and language of an absolute assignment and transfer of the Sales Tax Revenues

and the Village, for accounting purposes, will treat the transfer as an absolute sale; and the Sale Agreement explicitly states that the transfer of the Sales Tax Revenues from the Village to the Corporation is an absolute sale rather than a secured borrowing. Notwithstanding the foregoing, no assurance can be given that a court will follow the intention of the Village and the Corporation. If the Village were to become a debtor in a bankruptcy case, and a party in interest (including the Village itself) were to take the position that the transfer of the Sales Tax Revenues to the Corporation should be recharacterized as the grant of a security interest in the Sales Tax Revenues, delays in payments on the Series 2017 Bonds could result. If a court were to adopt such position, then delays or reductions in payments on, or other losses with respect to, the Series 2017 Bonds could result.

The Village and the Corporation have taken steps to minimize the risk that in the event the Village were to become the debtor in a bankruptcy case, a court would order that the assets and liabilities of the Village be substantively consolidated with those of the Corporation. The Corporation is a separate, special purpose not-for-profit corporation, the organizational documents of which provide that it shall not commence a voluntary bankruptcy case without the unanimous affirmative vote of all of its directors (although this provision may not be enforceable). The opinion of Special Bankruptcy Counsel discussed in the second paragraph below under "*Certain Opinions*" identifies certain factors that courts have considered in substantive consolidation cases and notes that: the Village and the Corporation have a separate corporate existence under the requirements of the Authorizing Statute, the Corporation's bylaws, and the Sale Agreement; the Village and the Corporation are not only separate entities under State statutes, but are distinct kinds of entities under the Illinois Constitution; the Series 2017 Bonds are not the obligations or debts of the Village (or the State) and therefore the holders of the Series 2017 Bonds are not creditors of the Village and are not relying on the credit of the Village; and efforts have been made to prevent holders from being confused that the Series 2017 Bonds are Village-issued or Village-backed bonds, thereby eliminating a central factor that would be required for substantive consolidation of the Corporation with the Village. Notwithstanding the foregoing, no assurance can be given that the risk of substantive consolidation has been eliminated. If a party in interest (including the Village itself) were to take the position that the assets and liabilities of the Corporation should be substantively consolidated with those of the Village, delays in payments on the Series 2017 Bonds could result. If a court were to adopt such position, then delays or reductions in payments on, or other losses with respect to, the Series 2017 Bonds could result.

#### *Certain Opinions*

Special Bankruptcy Counsel will render an opinion to the Corporation and the Underwriters that, subject to all the assumptions, qualifications, and discussions set forth therein, under current laws, in a case under the Bankruptcy Code in which the Village is a debtor, a court, exercising reasonable judgment after full consideration of all relevant factors, would hold that (i) the money paid or payable (including after the petition date) by the State to the Village as assigned to the Corporation pursuant to the Sale Agreement and the Authorizing Statute is not property of the Village and not "property of the estate" of the Village and (ii) the rights of the Corporation to such money are not subject to the operation of Section 362(a) (as incorporated in Chapter 9 by the operation of Section 901(a)) or Section 922(a) of the Bankruptcy Code in a Chapter 9 case of the Village. Certain of the assumptions contained in the opinion will be assumptions that certain facts or circumstances will exist or occur, and Special Bankruptcy Counsel will provide no assurance that such facts or circumstances will exist or occur as assumed in the opinion. The opinion will be based on an analysis of existing federal laws and court decisions, and will cover certain matters not directly addressed by such authorities. There are no court decisions directly on point, there are court decisions that could be viewed as contrary to the conclusions expressed in the opinion, and the matter is not free from doubt. Accordingly, no assurance will be given that a court would not hold that the money paid or payable (including after the petition date) by the State to the Village as assigned to the Corporation pursuant to the Sale Agreement and the Authorizing Statute (a) is not property of the Village or not "property of the estate" of the Village, or (b) is not subject to the automatic stay under the Bankruptcy Code, thus resulting in delays or reductions in payments on, or other losses with respect to, the Series 2017 Bonds.

Special Bankruptcy Counsel will also render an opinion to the Corporation and the Underwriters that, subject to all the assumptions, qualifications, and discussions set forth therein, under current laws, in a case under the Bankruptcy Code in which the Village is a debtor, the court, exercising reasonable judgment after full consideration of all relevant factors, would not order the substantive consolidation of the assets and liabilities of the Corporation and those of the Village. Certain of the assumptions contained in the opinion will be assumptions that certain facts or circumstances will exist or occur, and Special Bankruptcy Counsel can provide no assurance that such facts or

circumstances will exist or occur as assumed in the opinion. The opinion will be based on an analysis of existing federal laws and court decisions, and will cover certain matters not directly addressed by such authorities. There are no court decisions directly on point, there are court decisions that could be viewed as contrary to the conclusions expressed in the opinion, and the matter is not free from doubt. Accordingly, no assurance can be given that if the Village were to become a debtor in a bankruptcy case, a court would not order the substantive consolidation of the assets and liabilities of the Corporation with those of the Village, thus resulting in delays or reductions in payments on, or other losses with respect to, the Series 2017 Bonds.

### **Limitations on Certain Opinions**

A court's decision regarding the matters upon which a lawyer is opining would be based on such court's own analysis and interpretation of the factual evidence before it and of applicable legal principles. Thus, if a court reached a different result from that expressed in an opinion, it would not necessarily constitute reversible error or be inconsistent with that opinion. An opinion of counsel is not a prediction of what a particular court (including any appellate court) that reached the issue on the merits would hold, but, instead, is the opinion of such counsel as to the proper result to be reached by a court applying existing legal rules to the facts as properly found after appropriate briefing and argument and, in addition, is not a guarantee, warranty or representation, but rather reflects the informed professional judgment of such counsel as to specific questions of law. Opinions of counsel are not binding on any court or party to a court proceeding. The descriptions of the opinions set forth herein are summaries, do not purport to be complete, and are qualified in their entirety by the opinions themselves.

### **BOOK-ENTRY SYSTEM**

*The information in this section concerning The Depository Trust Company ("DTC") and DTC's book-entry-only system has been obtained from DTC. The Corporation, the Village, the Trustee and Underwriter take no responsibility for the accuracy thereof.*

DTC, New York, New York, will act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2017 Bond certificate in typewritten form will be issued for each stated maturity of the Series 2017 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "1934 Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other bond transactions in deposited bonds, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of bond certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. bond brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission (the "Commission"). More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into

the transaction. Transfers of ownership interests in the Series 2017 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the certificate documents. For example, Beneficial Owners of Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2017 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2017 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Series 2017 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the District or the Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Series 2017 Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of all payments on the Series 2017 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Corporation or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to the Corporation or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates are required to be printed and delivered. The Corporation may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

THE INFORMATION IN THIS SECTION CONCERNING DTC AND THE DTC BOOK-ENTRY SYSTEM HAS BEEN PROVIDED BY DTC. THE CORPORATION, THE VILLAGE, THE TRUSTEE AND THE UNDERWRITER BELIEVE SUCH INFORMATION TO BE RELIABLE, BUT TAKE NO RESPONSIBILITY FOR THE ACCURACY THEREOF. NO REPRESENTATION IS MADE BY ANY SUCH PARTY AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.



## TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the Series 2017 Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of Series 2017 Bond proceeds and the facilities financed therewith, and certain other matters. The Corporation has covenanted to comply with all requirements that must be satisfied in order for the interest on the Series 2017 Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Series 2017 Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2017 Bonds.

Subject to the Corporation's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Series 2017A Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations. Interest on the Series 2017 Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. The Internal Revenue Code of 1986, as amended (the "*Code*") includes provisions for an alternative minimum tax ("*AMT*") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("*AMTI*"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include all tax exempt interest, including interest on the Series 2017 Bonds.

In rendering its opinion, Bond Counsel will rely upon certifications of the Corporation with respect to certain material facts within the Corporation's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Series 2017 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2017 Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "*Issue Price*") for each maturity of the Series 2017 Bonds is the price at which a substantial amount of such maturity of the Series 2017 Bonds is first sold to the public. The Issue Price of a maturity of the Series 2017 Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the Issue Price of a maturity of the Series 2017 Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Series 2017 Bonds (the "*OID Bonds*") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Corporation complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of the Series 2017 Bonds who dispose of the Series 2017 Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase the Series 2017 Bonds in the initial public offering, but at a price different from the Issue Price or purchase the Series 2017 Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Series 2017 Bond is purchased at any time for a price that is less than the Series 2017 Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount (the "*Revised Issue Price*"), the purchaser will be treated as having purchased a Series 2017 Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Series 2017 Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Series 2017 Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Series 2017 Bonds.

An investor may purchase a Series 2017 Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "Bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Series 2017 Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized Series 2017 Bond premium relating to a tax-exempt Series 2017 Bond. The amortized Series 2017 Bond premium is treated as a reduction in the tax-exempt interest received. As Series 2017 Bond premium is amortized, it reduces the investor's basis in the Series 2017 Bond. Investors who purchase a Series 2017 Bond at a premium should consult their own tax advisors regarding the amortization of Series 2017 Bond premium and its effect on the Series 2017 Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Series 2017 Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Series 2017 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Series 2017 Bonds issued prior to enactment. Prospective purchasers of the Series 2017 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "*Service*") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Series 2017 Bonds. If an audit is commenced, under current procedures the Service may treat the Corporation as a taxpayer and the Series 2017 Bond holders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Series 2017 Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Series 2017 Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Series 2017 Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Series 2017 Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Series 2017B Bonds is includible in gross income of the owners thereof for federal and state income tax purposes.

## **CERTAIN LEGAL MATTERS**

All legal matters incident to the authorization, issuance, sale and delivery of the Series 2017 Bonds are subject to the legal opinion of Louis F. Cainkar Ltd., Chicago, Illinois, Bond Counsel, to the effect that the Series 2017 Bonds have been duly authorized, executed and delivered in accordance with Illinois law and constitute valid and legally binding obligations of the Corporation, and to the effect that interest on the Series 2017A Bonds is excludable from the gross income of the owners as stated below. The proposed form of such opinion is set forth in "APPENDIX A – FORM OF BOND COUNSEL OPINION." The opinion of Bond Counsel will express no opinion and make no comment with respect to the sufficiency of the security for, or the marketability of, the Series 2017 Bonds. Bond Counsel has not assumed any responsibility with respect to the preparation of this Official Statement or undertaken to verify any information contained herein, except that, in its capacity as Bond Counsel, such firm has reviewed the information under "THE SERIES 2017 BONDS," "SECURITY FOR THE SERIES 2017 BONDS," and "TAX MATTERS" appearing in this Official Statement and the definitions and summaries of certain principal documents in "APPENDIX B – CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER INDENTURE" for the purpose of verifying that such information and summaries conform to the matters described therein.

Certain legal matters will be passed upon by Burke Burns & Pinelli, Ltd., as counsel to the Corporation; by Quarles & Brady LLP, Chicago, Illinois, Disclosure Counsel to the Corporation; the Corporation's Special Bankruptcy Counsel, Nixon Peabody LLP, Chicago, Illinois and for the Village by its special counsel, Sanchez Daniels & Hoffman LLP, Chicago, Illinois.

The various legal opinions to be delivered concurrently with the delivery of the Series 2017 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment of the transaction opined upon or of the future performance of parties to such transaction. Further, the various legal opinions to be delivered concurrently with the delivery of the Series 2017 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State of Illinois and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

## **CONTINUING DISCLOSURE UNDERTAKING**

The Corporation will enter into a Continuing Disclosure Undertaking (the "*Undertaking*") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board ("*MSRB*") pursuant to requirements of Section (b)(5) of Rule 15c2-12 (the "*Rule*") adopted by the Securities and Exchange Commission (the "*Commission*") under the Securities Exchange Act of 1934. The MSRB has designated its Electronic Municipal Market Access ("*EMMA*") system to be used for continuing disclosures to investors. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below.

A failure by the Corporation to comply with the Undertaking will not constitute a default under the Bonds or the Indenture, and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See "– Consequences of Failure of to Provide Information" under this caption. A failure by the Corporation to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The following is a brief summary of certain provisions of the Undertaking and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Corporation.

## **Annual Financial Information Disclosure**

The Corporation covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (as described below) to the MSRB, beginning with the Corporation's fiscal year ending December 31, 2018. The Corporation is required to file such information so that the MSRB receives the information by the dates specified in the Undertaking.

"*Annual Financial Information*" means financial information and operating data of the type included in this Offering Circular under the captions "SALES TAX REVENUES—General" and "—Historical Collections of Sales Tax Revenues", which shall include the following:

(i) descriptions of the Home Rule Sales Taxes and the State Sales Taxes, which shall include a description of the tax rates and the components of the Home Rule Sales Taxes and the State Sales Taxes (unless such taxes have been materially changed or modified, in which case such information about the changed or modified tax will be provided); and

(ii) the information in the tables titled "Annual Sales Tax Revenues", "Monthly Sales Tax Revenues" and "Components of Sales Tax Revenues" under the caption "SALES TAX REVENUES—Historical Collection of Pledged Sales Tax Revenues."

"*Audited Financial Statements*" means the audited basic financial statements of the Corporation prepared in accordance with generally accepted accounting principles as in effect from time to time.

Annual Financial Information and Audited Financial Statements will be provided to the MSRB not more than 210 days after the last day of the Corporation's fiscal year, which currently is December 31. If Audited Financial Statements are not available by such date, unaudited financial statements will be provided to the MSRB, and the Audited Financial Statements will be filed within 30 days of availability to the Corporation.

## **Events Notification; Events Disclosure**

The Corporation covenants that it will disseminate in a timely manner, not in excess of ten business days, to the MSRB the disclosure of the occurrence of a Reportable Event. The "*Reportable Events*" are:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Series 2017A Bonds, or other material events affecting the tax status of the Series 2017A Bonds;
- (7) modifications to rights of holders of the Series 2017 Bonds, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Series 2017 Bonds, if material;
- (11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Corporation (such an Event will be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Corporation in a proceeding under the Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Corporation, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Corporation);

(13) the consummation of a merger, consolidation, or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

### **Consequences of Failure to Provide Information**

The Corporation shall give notice in a timely manner to the MSRB of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the Corporation to comply with any provision of the Undertaking, the beneficial owner of any Series 2017 Bond may seek mandamus or specific performance by court order to cause the Corporation to comply with its obligations under the Undertaking. The Undertaking provides that any court order must be initiated in the Circuit Court of Cook County. A default under the Undertaking shall not be deemed a default under the Series 2017 Bonds or the Indenture, and the sole remedy under the Undertaking in the event of any failure of the Corporation to comply with the Undertaking shall be an action to compel performance.

### **Amendment; Waiver**

Notwithstanding any other provision of the Undertaking, the Corporation may amend the Undertaking, and any provision of the Undertaking may be waived, if:

(a) (i) the amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Corporation or type of business conducted; (ii) the Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the offering of the Series 2017 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2017 Bonds, as determined by a party unaffiliated with the Corporation (such as the Trustee or Transaction Counsel), or by approving vote of the beneficial owners of the Series 2017 Bonds pursuant to the terms of the Indenture at the time of the amendment; or

(b) the amendment or waiver is otherwise permitted by the Rule.

### **EMMA**

All documents submitted to the MSRB through EMMA pursuant to the Undertaking shall be in electronic format and accompanied by identifying information as prescribed by the MSRB, in accordance with the Rule. All documents submitted to the MSRB through EMMA will be word-searchable PDFs, configured to permit documents to be saved, viewed, printed and electronically retransmitted.

### **Termination of Undertaking**

The Undertaking shall be terminated if the Corporation shall no longer have any legal liability for any obligation on or relating to repayment of the Series 2017 Bonds under the Indenture.

## **Additional Information**

Nothing in the Undertaking will be deemed to prevent the Corporation from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements, or notice of occurrence of a Reportable Event, in addition to that which is required by the Undertaking. If the Corporation chooses to include any information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event in addition to that which is specifically required by the Undertaking, the Corporation shall have no obligation under the Undertaking to update such information or include it in any future Annual Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event.

## **LITIGATION**

There is no litigation pending in any court (either State or federal) to restrain or enjoin the issuance or delivery of the Series 2017 Bonds or questioning the creation, organization or existence of the Corporation, the validity or enforceability of the Indenture, the sale of the Sales Tax Revenues by the Village to the Corporation, the proceedings for the authorization, execution, authentication and delivery of the Series 2017 Bonds or the validity of the Series 2017 Bonds.

## **RATINGS**

It is expected that, upon the issuance of the Series 2017 Bonds, Fitch Ratings, Inc. (the "*Rating Agency*") will assign the Series 2017 Bonds a rating of BBB+ (stable). Such ratings reflect only the view of the Rating Agency at the time such rating was issued and any explanation of the significance of such rating may be obtained from the Rating Agency at the following address: One State Street Plaza, New York, New York 10004. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the Rating Agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Series 2017 Bonds.

A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. The Corporation and the Village have furnished to the rating agencies certain information and materials relating to the, including certain information and materials that have not been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and investigations, studies and assumptions by the respective rating agency. There is no assurance that any rating will continue for any given period of time, or that any rating will not be revised downward or withdrawn entirely by any such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of any such rating may have an adverse effect on the market price of the Series 2017 Bonds.

## **MUNICIPAL ADVISOR**

The Corporation has engaged Austin Meade Financial Ltd. as municipal advisor (the "*Municipal Advisor*") that is registered with the Commission in connection with the issuance and sale of the Series 2017 Bonds. The Municipal Advisor will not participate in the underwriting of the Series 2017 Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the Village, and other sources, having access to relevant and accurate information for this Official Statement. Certain financial and other information concerning the Village included herein has been compiled by the Municipal Advisor. To the best of the Municipal Advisor's knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy, completeness or fairness of such information. Such information does not purport to be a review, audit or forecast of future performance or events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not obligated by the Undertaking.

## **UNDERWRITING**

George K. Baum & Company (the "*Underwriter*"), has agreed to purchase the Series 2017 Bonds from the Corporation for reoffering, subject to certain conditions, at an aggregate purchase price of \$\_\_\_\_\_.

reflecting the principal amount of \$\_\_\_\_\_, and an underwriting discount of \$\_\_\_\_\_. Under the bond purchase agreement between the Corporation and the Underwriter (the "*Bond Purchase Agreement*"); the Underwriter is obligated to purchase all of the Series 2017 Bonds if any are purchased. The obligation of the Underwriter to make such a purchase is subject to certain conditions set forth in the Bond Purchase Agreement. The Underwriter may change the prices and other terms with respect to the offer and sale of the Series 2017 Bonds from time to time after the Series 2017 Bonds are released for sale, and the Series 2017 Bonds may be offered and sold at prices other than the initial offering price set forth on the cover page of this Official Statement, including sales to dealers.

#### **AUTHORIZATION OF OFFICIAL STATEMENT**

At the time of original delivery and payment for the Series 2017 Bonds, the Corporation, acting through its Chairman, shall deliver a certificate to the effect that this Official Statement and the other data concerning the Corporation contained herein have been examined and that, to the best of her knowledge and belief, the Official Statement both as of the date of sale and as of the date of delivery of the Series 2017 Bonds, does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statement there, in the light of the circumstances under which they were made, not misleading.

**BRIDGEVIEW FINANCE CORPORATION**

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APPENDIX A

PROPOSED FORM OF OPINION OF BOND COUNSEL



**PROPOSED FORM OF OPINION OF BOND**  
**COUNSEL [LETTERHEAD OF LOUIS F. CAINKAR,**  
**LTD.]**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined a record of proceedings (the “Proceedings”) relating to the issuance of \$\_\_\_\_\_ aggregate principal amount of Sales Tax Securitized Bonds, Series 2017A (the “Series 2017A Bonds”) and \$\_\_\_\_\_ aggregate principal amount of Taxable Sales Tax Securitized Bonds, Series 2017B (the “Series 2017B Bonds”)(collectively, the Series 2017A Bonds and Series 2017B Bonds are the “Series 2017 Bonds”), by the Bridgeview Finance Corporation (the “Corporation”), a not-for-profit corporation organized under the Illinois General Not-For-Profit Act of 1986 (805 ILCS 105, as amended) and an instrumentality of the Village of Bridgeview, Cook County, Illinois (the “Village”). We have also examined such certificates, documents, records and matters of law as we have deemed necessary for the purpose of rendering the opinions hereinafter set forth.

The Series 2017 Bonds are issued under and pursuant to a Master Trust Indenture, by and between the Corporation and U.S. Bank National Association, Chicago, Illinois, as trustee (the “Trustee”), dated as of December \_\_, 2017 (the “Master Indenture”), as supplemented by a First Supplemental Trust Indenture dated December \_\_, 2017 (the “First Supplemental Trust Indenture”) (collectively, the Master Indenture and the First Supplemental Trust Indenture are the “Indenture”). Unless otherwise defined herein, capitalized terms used herein have the respective meanings given to them in the Indenture.

The Series 2017 Bonds are part of an issue of bonds of the Corporation, which the Corporation has established and created under the terms of the Master Indenture and is authorized to issue from time to time for the purposes authorized by the Master Indenture, as then in effect, and without limitation as to amount, except as provided in the Indenture or as may be limited by law. The Series 2017 Bonds are being issued for the purposes set forth in the Indenture.

The Corporation is not authorized to issue additional bonds, whether on a parity or subordinated basis, except for the purposes of refunding, in whole, all of either the Series 2017A Bonds or the Series 2017B Bonds, or both.

The Series 2017A Bonds are dated the date hereof due and payable serially in the amounts and bearing interest at the rates per annum as follows:

| <b>DATE OF<br/>MATURITY</b> | <b>PRINCIPAL AMOUNT</b> | <b>INTEREST RATE</b> |
|-----------------------------|-------------------------|----------------------|
| 12/01/2020                  |                         | %                    |
| 12/01/2021                  |                         | %                    |
| 12/01/2022                  |                         | %                    |
| 12/01/2023                  |                         | %                    |
| 12/01/2024                  |                         | %                    |
| 12/01/2025                  |                         | %                    |

|            |   |
|------------|---|
| 12/01/2033 | % |
| 12/01/2034 | % |
| 12/01/2035 | % |
| 12/01/2036 | % |
| 12/01/2037 | % |

The Series 2017A Bonds maturing on or after December 1, \_\_\_\_\_ are subject to redemption prior to maturity at the option of the Village, as whole or in part, on any date on or after December 1, \_\_\_\_\_ at the redemption price of par plus accrued interest to the redemption date.

[Insert mandatory redemption provisions]

The Series 2017B Bonds are dated the date hereof due and payable serially in the amounts and bearing interest at the rates per annum as follows:

| <b>DATE OF MATURITY</b> | <b>PRINCIPAL AMOUNT</b> | <b>INTEREST RATE</b> |
|-------------------------|-------------------------|----------------------|
|                         |                         | %                    |
| 12/01/2021              |                         | %                    |
| 12/01/2022              |                         | %                    |
| 12/01/2023              |                         | %                    |
| 12/01/2024              |                         | %                    |
| 12/01/2025              |                         | %                    |
| 12/01/2026              |                         | %                    |
| 12/01/2027              |                         | %                    |
| 12/01/2028              |                         | %                    |
| 12/01/2029              |                         | %                    |
| 12/01/2030              |                         | %                    |
| 12/01/2031              |                         | %                    |
| 12/01/2032              |                         | %                    |

The Series 2017B Bonds maturing on or after December 1, \_\_\_\_\_ are subject to redemption prior to maturity at the option of the Village, as whole or in part, on any date on or after December 1, \_\_\_\_\_ at the redemption price of par plus accrued interest to the redemption date.

[Insert mandatory redemption provisions]

The Series 2017 Bonds are issued in the form of fully registered bonds in denominations of \$5,000 or integral multiples thereof. The Series 2017A Bonds and Series 2017B Bonds are each numbered consecutively from one upward in order of issuance.

The Series 2017 Bonds are being issued to: (i) provide funds for the Corporation to purchase all of the Village's right, title, and interest in and to the Sales Tax Revenues (as defined below) from the Village pursuant to the Sale Agreement (as defined below); and (ii) to pay the costs associated with the issuance of the Series 2017 Bonds. The Village, the Corporation, and the Trustee have entered into an Assignment, Purchase and Sale Agreement dated \_\_, 2017 (the "Sale Agreement"), pursuant to which the Village assigned its rights in and to certain payments payable upon the order of the State Comptroller of the State of Illinois (the "State") to or upon the order of the Village or the Corporation as transferee resulting from certain taxes: (i) imposed by the Village pursuant to its home rule powers as currently authorized by the Bridgeview Municipal Code (the "Home Rule Sales Tax Revenues"); and (ii) imposed by the State pursuant to State law (the "Local Share Sales Tax Revenues") (collectively the Home Rule Sales Tax Revenues and the Local Share Sales Tax Revenues are the "Sales Tax Revenues"). The Corporation, in consideration for such assignment, has agreed to issue its Series 2017 Bonds and apply the net proceeds for the purposes permitted by the Master Indenture. We assume the parties will perform their respective covenants in the Indenture and the Sale Agreement in all material respects.

The Internal Revenue Code of 1986, as amended (the "Code"), sets forth certain requirements which must be met subsequent to the issuance and delivery of the Series 2017A Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2017A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2017A Bonds. The Corporation has covenanted in the Master Indenture, the Village has covenanted in the Sale Agreement, and the Corporation and the Village have each covenanted in the Tax Certificate and Agreement dated the date hereof (the "Tax Certificate") to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2017A Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, the Corporation and the Village have made certain representations and certifications in their Tax Certificate. We have not independently verified the accuracy of those certifications and representations.

We have examined an executed Series 2017A Bond and an executed Series 2017B Bond, and, in our opinion, the form of said bonds and their execution are regular and proper. We are of the opinion that:

1. The Corporation has been duly formed and is validly existing as a not for profit corporation under the Illinois General Not-For-Profit Act of 1986 (805 ILCS 105, as amended), with the right and lawful authority and power to enter into the Indenture and to issue the Series 2017 Bonds thereunder.
2. The Indenture have been duly authorized, executed and delivered by the Corporation and are legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their terms.

3. The Series 2017 Bonds have been duly and validly authorized and issued in accordance with the Constitution and laws of the State, and in accordance with the Indenture. The Series 2017 Bonds are legal, valid and binding special obligations of the Corporation payable as provided in the Indenture, are enforceable in accordance with their terms and the terms of the Indenture, and are entitled to the equal benefits of the Master Indenture.

4. The Corporation has the right and lawful authority and power to enter into the Sale Agreement, and the Sale Agreement has been duly authorized, executed and delivered by the Corporation and is a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms.

5. Under existing law and assuming compliance with the tax covenants described above, and the accuracy of the aforementioned representations and certifications of the Corporation and the Village, interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in computing the alternative minimum tax imposed under the Code with respect to individuals and corporations. Interest on the Series 2017A Bonds is, however, included in the adjusted current earnings of certain corporations for purposes of computing the alternate minimum tax imposed on such corporations.

6. Interest on the Series 2017B Bonds is includable in gross income for federal income tax purposes.

The opinions contained in paragraphs 2, 3 and 4 above are qualified to the extent that the enforceability of the Indenture, the Series 2017 Bonds, and the Sale Agreement may be limited by bankruptcy, insolvency, moratorium, reorganization, receivership, arrangements, fraudulent conveyances, or other laws affecting creditors' rights generally, or as to the availability of any particular remedy; or by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Except as stated in paragraphs 5 and 6 above, we express no opinion as to any other federal, State, local or foreign tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2017 Bonds. Furthermore, we express no opinion as to any federal, State, local or foreign tax consequences with respect to the Series 2017 Bonds, or the interest thereon, if any action is taken with respect to Series 2017 Bonds or the proceeds thereof upon the advice or approval of other counsel.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Series 2017 Bonds.

In connection with the delivery of this opinion, we are not passing upon the authorization, execution and delivery of any document or agreement by any party other than the Corporation. We have assumed the due authorization, execution and delivery of the Indenture and the Sale Agreement by each of the other parties thereto.

In rendering this opinion, we have relied upon certifications of the Corporation and the Village with respect to certain material facts solely within their knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

LOUIS F. CAINKAR, LTD.

**APPENDIX B**  
**CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER**  
**INDENTURE**

**APPENDIX B**  
**CERTAIN DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER**  
**INDENTURE**

**DEFINITION OF CERTAIN TERMS**

*“Additional Bonds”* means Bonds issued subsequent to the issuance of the Initial Bonds.

*“Arbitrage Rebate Fund”* means the fund so designated, created and established pursuant to the section of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Authorized Officer”* means: (i) in the case of the Corporation, the Chairman and the Secretary/Treasurer, and when used with reference to any act or document also means any other person authorized by a resolution or the bylaws of the Corporation to perform such act or execute such document; (ii) in the case of the Village, the Mayor and when used with reference to any act or document also means any other person authorized by a resolution to perform such act or execute such document; and (iii) in the case of the Trustee, a Vice President, or an Assistant Vice President or any other corporate trust officer of the Trustee, and when used with reference to any act or document also means any other person authorized to perform any act or sign any document by or pursuant to a resolution of the Board of Directors of the Trustee or the bylaws of the Trustee.

*“Authorizing Statute”* means Public Act 100-0023, approved and effective July 6, 2017, adding Division 13, Assignment of Receipts, to Article 8, Finance, of the Illinois Municipal Code.

*“Bond”* or *“Secured Obligation”* means any bond of the Corporation authorized and issued pursuant to Section 2.01 hereof and to a Supplemental Indenture.

*“Bondholder”*, *“Holder of Bonds”* or *“Holder”* or any similar term, when used with reference to a Bond or Bonds, means the registered owner thereof.

*“Book Entry Bond”* means a Bond issued to and registered in the name of a Depository for the participants in such Depository.

*“Business Day”* means any day other than (i) a Saturday or a Sunday or a legal holiday or (ii) a day on which banking institutions in Chicago, Illinois or New York, New York, are required or authorized by law, regulation or executive order to be closed.

*“Capitalized Interest”* means interest on Bonds payable from money on deposit in the Capitalized Interest Account.

*“Capitalized Interest Account”* means the account within the Proceeds Fund so designated, created and established pursuant to the section of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Code”* means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

*“Corporation”* means the Bridgeview Finance Corporation, an Illinois not-for-profit corporation, and its successors and assigns.

*“Corporation Expenses”* means all costs, fees and expenses of the Corporation of any kind arising out of or incurred in connection with carrying out and administering its corporate purposes, powers and duties, including, without limitation: salaries; insurance premiums; fees, charges, expenses, regularly scheduled payments, indemnities and other similar charges payable to or for: (i) the Trustee; (ii) auditing, legal, financial and investment advisory and other professional and consulting services; (iii) fiduciaries, paying agents, transfer agents and other agents; (iv) printing, advertisements and publication or other distribution of notices; and (v) any and all other fees, charges and expenses required or permitted to be incurred by the Corporation or required to be paid by the Corporation that are not payable from amounts on deposit in any fund or account established pursuant hereto.

*“Costs of Issuance”* means the items of expense incurred prior to, upon and during a reasonable period of time after issuance of the Bonds, in connection with the organization and initial operation of the Corporation, and authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, document printing and reproduction costs, filing and recording fees, costs of credit ratings, initial fees and charges of the Trustee or a Depository, legal fees and charges, professional consultants' fees, fees and charges for execution, transportation and

safekeeping of Bonds, premiums, fees and charges for insurance on Bonds, commitment fees or similar charges relating to a Reserve Fund Facility, and other costs, charges and fees in connection with the foregoing.

*“Costs of Issuance Account”* means the account within the Proceeds Fund so designated, created and established pursuant to the section of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Debt Service Fund”* means the fund so designated, created and established pursuant to the section of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Debt Service Reserve Deposit Requirement”* means for each required withdrawal from the Debt Service Reserve Fund pursuant to the second paragraph of the section of the Master Indenture described under the heading “Debt Service Fund,” the amount required to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement assuming 12 equal monthly deposits.

*“Debt Service Reserve Fund”* means the fund so designated, created and established pursuant to the section of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Debt Service Reserve Fund Requirement”* means, with respect to any Series of Bonds, the amount of money, if any, required to be deposited in the Debt Service Reserve Fund as provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

*“Defeasance Security”* means:

(i) a Government Obligation, excluding obligations described in clause (iii)(a) of this definition, but including the interest component of REFCORP bonds for which the separation of principal and interest is made by request of the Federal Reserve Bank of New York in book-entry form, that is not subject to redemption prior to maturity other than at the option of the holder thereof or that has been irrevocably called for redemption on a stated future date;

(ii) a Municipal Obligation: (a) that is not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such Municipal Obligation by the obligor thereof to give due notice of redemption and to call such Municipal Obligation for redemption on the date or dates specified in such instructions and such Municipal Obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof; (b) the timely payment of the principal or redemption price thereof and interest thereon is fully secured by a fund consisting only of cash or obligations described in clause (i) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such Municipal Obligation on the maturity date thereof or the redemption date specified in the irrevocable instructions referred to in clause (a) above; and (c) that at the time an investment therein is made is rated in the highest rating category by at least two Rating Services without regard to qualification of such rating by symbols such as “+” or “-” or numerical notation; and

(iii) a note, bond, debenture, mortgage or other evidence of indebtedness, that, at the time acquired, is: (a) not subject to redemption prior to maturity other than at the option of the holder thereof or as to which irrevocable instructions have been given to the trustee of such obligation by the obligor thereof to give due notice of redemption and to call such obligation for redemption on the date or dates specified in such instructions and such obligation is not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof; (b) issued or guaranteed by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association, the Federal Farm Credit System or any other instrumentality of the United States of America; and (c) is rated in the highest rating category by at least two Rating Services without regard to qualification of such rating by symbols such as “+” or “-” or numerical notation;

provided, however, that such term shall not mean any interest in a unit investment trust or mutual fund.

*“Depository”* means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other person, firm, association or corporation designated in the Supplemental Indenture authorizing a Series of Bonds to serve as securities depository for Bonds of such Series.



*“Determination of Taxability”* means, when used with respect to a Tax-Exempt Bond, a final determination by any court of competent jurisdiction or a final determination by the Internal Revenue Service to which the Corporation shall consent or from which no timely appeal shall have been taken, in each case to the effect that interest on such Bond is includable in the gross income of the Holder thereof for purposes of federal income taxation.

*“Direction Letter”* means one or more letters from the Village executed by an Authorized Officer sent to the Corporation with respect to the payment of bond proceeds or to the Trustee directing the payment of the money in the Village Proceeds Account.

*“Electronic Means”* means facsimile transmission, email transmission, secure electronic commission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with the services hereunder.

*“Eligible Investments”* means any investment permitted by the Public Funds Investment Act (30 ILCS 235/0.01, *et seq.*) and an investment agreement or guaranteed investment agreement but only if either: (a) the same is with an entity whose senior unenhanced long-term debt obligations are rated, at the time such agreement or contract is entered into, in the highest rating category by at least two Rating Services (one of which is S&P), without regard to qualification of such rating by symbols such as “+” or “-” and numerical notation; or (b) the obligations of an entity providing such agreement or contract are guaranteed by a financial institution or corporation, a registered broker/dealer or a domestic commercial bank whose senior unenhanced long-term debt obligations are rated, at the time such agreement or contract is entered into, in the highest rating category by at least two Rating Services, without regard to qualification of such rating by symbols such as “+” or “-” and numerical notation.

*“Fiscal Year”* means a period of 12 consecutive months beginning January 1 of a calendar year and ending on December 31 of such calendar year.

*“Fitch”* means Fitch Ratings and its successors and assigns; provided, however, that references to Fitch shall be effective so long as Fitch is a Rating Service.

*“Government Obligation”* means: (i) a direct obligation of, or an obligation the timely payment of the principal of and interest on which is guaranteed by, the United States of America, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, Federal Home Loan Banks or the Federal Farm Credit System; and (ii) an obligation of the United States of America which has been stripped by the United States Department of the Treasury itself or by any Federal Reserve Bank (not including “CATS,” “TIGRS” and “TRS” unless the Corporation obtains Rating Confirmation with respect thereto).

*“Home Rule Sales Tax Revenues”* means, for any period of time, all collections payable by the State of Illinois to or upon the order of the Village from those taxes imposed by the Village pursuant to its home rule powers as currently authorized by the Home Rule Municipal Retailers' Occupation Tax Act (65 ILCS 5/8-11-1), and the Home Rule Municipal Service Occupation Tax Act (65 ILCS 5/8-11-5), each as supplemented and amended, or any successor or substitute law, ordinance or other legislation subsequently enacted (which taxes are currently imposed by the Village pursuant to the Bridgeview Municipal Code), or successor or substitute taxes therefor as provided by law in the future.

*“Illinois Municipal Code”* means the Illinois Municipal Code (65 ILCS 5/1-1-1, *et seq.*) as the same maybe amended from time to time.

*“Indenture”* means the Master Trust Indenture as from time to time amended or supplemented by one or more Supplemental Indentures in accordance with the terms and provisions hereof.

*“Initial Bonds”* means the Sales Tax Securitized Bonds, Series 2017, authorized to be issued by a First Supplemental Trust Indenture, dated subsequent to the date of the Master Indenture, by and between the Corporation and the Trustee.

*“Interest Payment Date”* means each June 1 and December 1.

*“Local Share Sales Tax Revenues”* means, for any period of time, all distributions from the Local Government Tax Fund (35 ILCS 105/6z-18, *et seq.*) payable by the State of Illinois to or upon the order of the Village from those taxes imposed pursuant to the Service Occupation Tax Act (35 ILCS 115/1, *et seq.*) and the Retailers' Occupation Tax Act (35 ILCS 120/1, *et seq.*), each as supplemented and amended, or successor or substitute taxes therefor as provided by law in the future.

*“Master Indenture”* means the Master Trust Indenture between the Corporation and the Trustee providing for the issuance of the Bonds and the pledge of the Trust Estate.

*“Maximum Annual Debt Service”* means, as of any particular date of computation, an amount equal to the greatest amount required in the then current or any future Fiscal Year to pay the sum of the principal and interest on Outstanding Bonds payable during such year; provided however, that for purposes of this definition, Capitalized Interest payable during a Fiscal Year shall be excluded from such calculation.

*“Moody’s”* means Moody’s Investor Services and its successors and assigns; provided, however, that references to Moody’s shall be effective so long as Moody’s is a Rating Service.

*“Municipal Code”* means the Municipal Code of the Village of Bridgeview, as the same may be amended from time to time.

*“Municipal Obligation”* means a full faith and credit obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision.

*“Operating Cap”* means an amount of money not to exceed \$50,000 in any Fiscal Year requested by the Corporation in order to provide for payment of the Corporation Expenses.

*“Operating Fund”* means the fund so designated, created and established pursuant to the section of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Outstanding,”* when used in reference to Bonds, means, as of a particular date, all such Bonds authenticated and delivered hereunder and under any applicable Supplemental Indenture except:

- (i) any Bond canceled by the Trustee at or before such date;
- (ii) any Bond deemed to have been paid in accordance with the provisions of the Master Indenture described under the heading “Defeasance”; and
- (iii) any Bond paid pursuant to the Master Indenture or any Bond in lieu of or in substitution for which another Bond, as applicable, shall have been authenticated and delivered pursuant to the Master Indenture.

*“Paying Agent”* means, with respect to the Bonds of any Series, the Trustee and any other bank or trust company and its successor or successors, appointed pursuant to the provisions hereof or of a Supplemental Indenture or any other Indenture of the Corporation adopted prior to authentication and delivery of the Series of Bonds for which such Paying Agent or Paying Agents shall be so appointed.

*“Proceeds Fund”* means the fund so designated, created and established pursuant to the section of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Provider”* means the provider or issuer of a Reserve Fund Facility.

*“Provider Payments”* means the amount, certified by a Provider to the Trustee, payable to such Provider on account of amounts advanced by it under a Reserve Fund Facility, including interest on amounts advanced and fees and charges with respect thereto.

*“Rating Confirmation”* means the written confirmation of each Rating Service to the effect that the rating assigned, without regard to any insurance or other credit enhancement, to each of the Bonds rated by such Rating Service will remain unchanged and will not be withdrawn, suspended or reduced as a consequence of some act or occurrence.

*“Rating Service”* means as of any particular date of determination each of Fitch, Moody’s and S&P, or their respective successors, that then has a rating on Outstanding Bonds assigned at the request of the Corporation, or any nationally recognized statistical rating organization identified as such by the Securities and Exchange Commission that then has a rating on Outstanding Bonds assigned at the request of the Corporation.

*“Record Date”* means, when used in relation to the Bonds of a Series, the date specified as the record date for such Bonds in the Supplemental Indenture authorizing such Bonds.

*“Redemption Price”* when used with respect to a Bond means the principal amount of such Bond plus the applicable premium, if any, payable upon redemption prior to maturity thereof pursuant hereto or to the applicable Supplemental Indenture.

*“Refinanced Obligations”* means all or any portion of the notes, bonds or other obligations of the Village.

*“Refunding Bonds”* shall mean any Additional Bonds authorized by the provisions of the Master Indenture to refund any Outstanding Bonds.

*“Reserve Fund Facility”* means a surety bond, insurance policy or letter of credit delivered in accordance with the provisions of the Master Indenture described under the heading “Debt Reserve Fund” to meet all or any part of the Debt Service Reserve Fund Requirement, if any, if the same is on the date of delivery issued:

(i) in the case of a such surety bond or insurance policy, by an insurance company or association duly authorized to do business in the State and either (A) the claims paying ability of such insurance company or association is rated in the highest rating category accorded by a nationally recognized insurance rating agency selected by the Corporation or (B) obligations insured by such company or association are rated at the time such surety bond or insurance policy is delivered, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, in the highest rating category by at least two Rating Services; or

(ii) in the case of a letter of credit, by a bank, a trust company, a national banking association, a corporation subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provision of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provision of law, or a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, the unsecured or uncollateralized long-term debt obligations of which, or long-term obligations secured or supported by a letter of credit issued by such person, are rated by at least two Rating Services at the time such letter of credit is delivered, without regard to qualification of such rating by symbols such as "+" or "-" or numerical notation, at least as high as the rating on any unenhanced Outstanding Bond.

*“Residual Certificate”* means an instrument which evidences the right of the holder to be paid any Sales Tax Revenues that have been deposited in the Residual Fund, in substantially the form attached as Exhibit A to the Master Indenture.

*“Residual Fund”* means the fund so designated, created and established pursuant to the provisions of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Sale Agreement”* means the Assignment, Purchase and Sale Agreement by and among the Village, the Trustee, and the Corporation.

*“Sales Tax Revenues”* means when used in connection with a Fiscal Year, collectively, the Home Rule Sales Tax Revenues and the Local Share Sales Tax Revenues payable during such Fiscal Year to the Corporation pursuant to the Sale Agreement.

*“S&P”* means S&P Global Ratings and its successors and assigns; provided, however, that references to S&P shall be effective so long as S&P is a Rating Service.

*“Securitized Sales Tax Revenue Fund”* means the fund so designated, created and established pursuant to the provisions of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

*“Serial Bonds”* means the Bonds so designated in a Supplemental Indenture.

*“Series”* means all of the Bonds authenticated and delivered on original issuance and pursuant hereto and to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Master Indenture, regardless of variations in maturity, interest rate, or other provisions.

*“State”* means the State of Illinois.

*“State Entity”* means the State Comptroller, the State Treasurer, or the Illinois Department of Revenue.

*“Supplemental Indenture”* means any Indenture of the Corporation amending or supplementing the Master Indenture or any prior Supplemental Indenture executed and becoming effective in accordance with the terms and provisions of Article IX hereof.

*“Tax-Exempt Bond”* means any Bond as to which Transaction Counsel has rendered an opinion to the effect that interest on it is excluded from gross income for purposes of federal income taxation.

*“Term Bond”* means a Bond so designated in a Supplemental Indenture and payable from mandatory redemptions of principal.

*“Transaction Counsel”* means a nationally recognized bond or bankruptcy counsel as may be selected by the Corporation for a specific purpose hereunder.

*“Trust Estate”* has the meaning given to such term in the granting clause of the Master Indenture.

*“Trustee”* means the bank or trust company appointed as Trustee for the Bonds pursuant to the Master Indenture and having the duties, responsibilities and rights provided for in the Master Indenture, and its successor or successors and any other bank or trust company which may at any time be substituted in its place pursuant to the Master Indenture.

*“Village”* means the Village of Bridgeview, a home rule municipality under Section 6 of Article VII of the Illinois Constitution of 1970.

*“Village Proceeds Account”* means the account within the Proceeds Fund so designated, created and established pursuant to the provisions of the Master Indenture described under the heading “Establishment of Funds and Accounts.”

## **SUMMARY OF CERTAIN PROVISIONS OF THE MASTER INDENTURE**

The following is a summary of certain provisions of the Master Indenture. Such summary does not purport to be complete and reference is made to the Master Indenture for full and complete statements of such and all provisions.

### **Liability under the Series 2017 Bonds (Master Indenture Section 2.01)**

The Series 2017 Bonds are special obligations of the Corporation payable solely from the Trust Estate, as provided in the Indenture. The Series 2017 Bonds shall not constitute an indebtedness or an obligation of the Village, the State or any subdivision thereof within the purview of any constitutional or statutory limitation or provision or a charge against the general credit or taxing powers, if any, of any of them but shall be payable solely from the Sales Tax Revenues deposited with the Trustee.

### **Issuance of Bonds (Master Indenture Section 2.02)**

The issuance of the Series 2017 Bonds shall be authorized by a Supplemental Indenture, executed by the Corporation and delivered to the Trustee. The Corporation shall, in addition to other requirements of the Indenture, deliver to the Trustee: (a) a copy of the Master Indenture and the Supplemental Indenture authorizing such Bonds, certified by an Authorized Officer of the Corporation; (b) a copy of the Sale Agreement, certified by an Authorized Officer of the Corporation; (c) a copy of the direction of the Village to the Director of the Department of Revenue, the State Comptroller and the State Treasurer to pay all Sales Tax Revenues to the Trustee on behalf of the Corporation, which direction shall be irrevocable for so long as any Bonds remains Outstanding; (d) a certificate of an Authorized Officer of the Village approving the issuance of the Bonds, including a copy of the ordinance of the Village Council of the Village authorizing the issuance of such Bonds and approving the amount and terms of such Bonds and the purposes for which the proceeds of such Bonds will be used; (e) if a Reserve Fund Facility is to be provided in connection with the issuance of the Bonds of such Series, such Reserve Fund Facility and the opinion of counsel to the Provider as required by the Indenture; (f) a written order as to the delivery of such Bonds, signed by an Authorized Officer of the Corporation, describing the Bonds to be delivered, designating the purchaser or purchasers to whom such Bonds are to be delivered and stating the consideration for such Bonds; (g) a certificate of an Authorized Officer of the Corporation stating the amount, if any, required to be in the Debt Service Reserve Fund after issuance of the Bonds then to be issued, and that after deposit in the Debt Service Reserve Fund of the amount, if any, to be deposited therein in connection with the issuance of such Bonds, the amount on deposit in such fund will not be less than the amount then required to be therein; (h) a certificate of an Authorized Officer of the Corporation stating that the Corporation is not, and, as a result of the issuance of such Bonds, shall not be, in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Indenture or stating that after the issuance of

the Bonds the Corporation will no longer be in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Master Indenture.

#### **Refunding Bonds (Master Indenture Section 2.04)**

Subject to the provisions of the Master Indenture, Bonds may be issued by the Corporation only for the purpose of refunding all of the Outstanding Bonds of a Series, provided that the Corporation delivers a certificate of an Authorized Officer of the Corporation to the effect that the Corporation projects that the amount payable in any Fiscal Year for the principal of and interest on all Outstanding Bonds after giving effect to the issuance of the Refunding Bonds will not be greater than the amount payable during such Fiscal Year for the principal of and interest on all Outstanding Bonds immediately prior to the issuance of such Refunding Bonds.

#### **Residual Certificate (Master Indenture Section 2.06)**

Subject to the provisions of the Master Indenture, all amounts in the Residual Fund shall be paid to or on the order of the holder of the Residual Certificate free and clear of the lien of the Master Indenture. At delivery of the Initial Bonds, the Residual Certificate shall be delivered to, and registered on the books of the Corporation kept by the Trustee in the name of the Village.

#### **Authorization of Redemption (Master Indenture Section 4.01)**

Bonds subject to redemption prior to maturity pursuant to the Master Indenture or to a Supplemental Indenture shall be redeemable, in accordance with the Master Indenture, at such times, at such Redemption Prices and upon such terms as may otherwise be specified in the Master Indenture or in the Supplemental Indenture authorizing such Series.

#### **Redemption at the Election of the Corporation (Master Indenture Section 4.02)**

The Series, maturities and principal amounts thereof to be so redeemed shall be determined by the Corporation in its sole discretion, subject to any limitations with respect thereto contained in the Master Indenture or in the Supplemental Indenture authorizing such Series. The Corporation shall pay to the Trustee on or prior to the redemption date an amount which, in addition to other amounts available therefor held by the Trustee, is sufficient to redeem on the redemption date at the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, all of the Bonds to be so redeemed.

#### **Redemption Other Than at Corporation's Election (Master Indenture Section 4.03)**

Whenever by the terms of the Master Indenture the Trustee is required to redeem Bonds through the application of mandatory redemption, the Trustee shall select the Bonds of the Series and maturities to be redeemed in the manner provided in the Indenture, give the notice of redemption and pay out of money available therefor the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, to the appropriate Paying Agents in accordance with the terms of the Indenture.

#### **Selection of Bonds to be Redeemed (Master Indenture Section 4.04)**

Unless otherwise provided in the Supplemental Indenture authorizing the issuance of Bonds of a Series, in the event of redemption of less than all of the Outstanding Bonds of like Series, maturity and tenor, the Trustee shall assign to each Outstanding Bond of the Series, maturity and tenor to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Bonds of such Series are authorized to be issued and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Bonds of such Series are authorized to be issued for each number, shall equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw the Bonds by lot (i) individually or (ii) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Bonds of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued, by the numbers assigned thereto as provided in this paragraph) which end in the same digit or in the same two digits. In case, upon any drawing by groups, the total principal amount of Bonds drawn shall exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Bonds and select part of any Bond

for redemption. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; *provided, however*, that only so much of the principal amount of each such Bond of a denomination of more than the lowest denomination in which the Bonds of such Series are authorized to be issued shall be redeemed as shall equal the lowest denomination in which the Bonds of such Series are authorized to be issued for each number assigned to it and so selected.

#### **Notice of Redemption (Master Indenture Section 4.05)**

Whenever Bonds are to be redeemed, the Trustee shall give notice of the redemption of the Bonds in the name of the Corporation. Such notice shall be given by mailing a copy of such notice not less than 20 days (or, if the Bonds are held by the Depository, in accordance with the rules of the Depository) nor more than 60 days prior to the redemption date. Such notice shall be sent by first class mail, postage prepaid, to the registered owners of the Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than 10 Business Days prior to the date such notice is given. Upon giving such notice, the Trustee shall promptly certify to the Corporation that it has mailed or caused to be mailed such notice to the Holders of the Bonds to be redeemed in the manner provided in the Master Indenture. Such certificate shall be conclusive evidence that such notice was given in the manner required by the Master Indenture. The failure of any Holder of a Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of the Bonds.

The Trustee shall, if any of the Bonds to be redeemed are Book Entry Bonds, mail a copy of the notice of redemption to the Depository for such Book Entry Bonds not less than 20 days prior to the redemption at the most recent address therefor, or to any successor thereof (or, if the Bonds are held by the Depository, in accordance with the procedures of the Depository). Such copy shall be sent by first class mail, but mailing such copy shall not be a condition precedent to such redemption and failure to so mail or of a person to which such copy was mailed to receive such copy shall not affect the validity of the proceedings for the redemption of the Bonds.

#### **Pledge of Trust Estate (Master Indenture Section 5.01)**

The Corporation to secure the payment of the principal and Redemption Price of and interest on the Bonds and performance and observance of all of the covenants and conditions contained in the Master Indenture or any Supplemental Indenture, has conveyed, granted, assigned, transferred, pledged, set over and confirmed and granted a security interest in and does convey, grant, assign, transfer, pledge, set over and confirm and grant a security interest in, unto the Trustee its successor or successors and its or their assigns forever, with power of sale, the Trust Estate. The Bonds shall be special obligations of the Corporation payable solely from and secured by a pledge of the Trust Estate, which pledge shall constitute a first lien thereon.

The pledge is an agreement between the Corporation and Holders of Bonds to provide security for the Bonds, and is in addition to any statutory lien that may exist.

#### **Establishment of Funds and Accounts (Master Indenture Section 5.02)**

The following funds and separate accounts within funds are established by the Master Indenture and shall be held, in trust, and maintained by the Trustee:

Proceeds Fund:

Costs of Issuance Account;

Village Proceeds Account;

Securitized Sales Tax Revenue Fund;

Debt Service Fund:

Capitalized Interest Account;

Debt Service Reserve Fund;

Arbitrage Rebate Fund;

Operating Fund;

Residual Fund.

The Village Proceeds Account within the Proceeds Fund is established and created by the Master Indenture and shall be held by the Trustee for the benefit of the Village.

The Operating Fund is established and created by the Master Indenture and shall be held by the Trustee for the benefit of the Corporation.

The Residual Fund is established and created by the Master Indenture and shall be held by the Trustee for the benefit of the holder of the Residual Certificate.

For purposes of internal accounting, each such fund may contain one or more accounts or subaccounts, as the Corporation may deem proper. All money at any time deposited in any fund, account or subaccount created and pledged by the Master Indenture or by any Supplemental Indenture or required thereby to be created shall be held in trust for the benefit of the Holders of Bonds, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided in the Indenture.

#### **Application of Money in the Proceeds Fund (Master Indenture Section 5.04)**

As soon as practicable after the delivery of each Series of Bonds, there shall be deposited into each account within the Proceeds Fund, the Debt Service Fund and the Debt Service Reserve Fund the amount required to be deposited therein pursuant to the Supplemental Indenture authorizing such Series. The income or interest earned on investments held for the credit of the Proceeds Fund shall be withdrawn by the Trustee, as received, and deposited in the Interest Account of the Debt Service Fund unless otherwise expressly directed by an Authorized Officer of the Corporation.

Money in the Village Proceeds Account of the Proceeds Fund shall be paid to or upon the direction of the Village in accordance with a Direction Letter. Except as otherwise provided in the Master Indenture and in any applicable Supplemental Indenture money in the Costs of Issuance Account of the Proceeds Fund shall be used only to pay the Costs of Issuance of the Bonds. Such payments shall be made by the Trustee upon the written direction of an Authorized Officer of the Corporation.

The money remaining in the Proceeds Fund after paying or making provision in accordance with the direction of an Authorized Officer of the Corporation for the payments required to be made pursuant to the previous paragraph of this section, including any Costs of Issuance then unpaid, shall be applied as follows and in the following order of priority:

First: To the Arbitrage Rebate Fund, the amount determined by the Corporation to be required to be deposited therein;

Second: To the Debt Service Reserve Fund, such amount as shall be necessary to make the amount on deposit in such fund equal to the Debt Service Reserve Fund Requirement, if any; and

Third: Any balance remaining, to the registered owner of the Residual Certificate.

#### **Deposit of Sales Tax Revenues in the Securitized Sales Tax Revenue Fund (Master Indenture Section 5.05)**

Effective on the date of issuance of the Initial Bonds, the Village shall direct the Director of the Department of Revenue, the State Comptroller and the State Treasurer to pay all Sales Tax Revenues to the Trustee on behalf of the Corporation. All Sales Tax Revenues received by the Trustee shall be deposited on a daily basis, if practicable, but in no event more than two Business Days after receipt thereof by the Trustee, into the Securitized Sales Tax Revenue Fund and such amounts shall be applied by the Trustee to fund the deposits set forth in the Indenture.

Any Sales Tax Revenues received by the Corporation shall be promptly (and no event later than two Business Days after receipt) transferred to the Trustee for deposit in the Securitized Sales Tax Revenue Fund.

#### **Debt Service Fund (Master Indenture Section 5.07)**

The Trustee shall pay out of the Debt Service Fund the principal of and interest on all Outstanding Bonds as the same is due and payable. Amounts paid to a Paying Agent for payments pursuant to this section shall be irrevocably pledged to and applied to such payments.

In the event that on the second Business Day or on any subsequent date preceding any date on which the principal of or interest on Outstanding Bonds is due the amount in the Debt Service Fund is less than the amount required for payment of the interest on and the principal of the Outstanding Bonds due on said date, the Trustee shall withdraw from the Debt Service Reserve Fund, and deposit to the Debt Service Fund, such amount as will increase the amount therein to an amount sufficient to make such payments.

Money in the Debt Service Fund on the last day of each Fiscal Year in excess of the amount required to pay principal of or interest on Outstanding Bonds on the next succeeding Principal Payment Date, including the income or interest earned on investment of money in the Debt Service Fund, shall be withdrawn and transferred first, to the Debt Service Reserve Fund in such amount, if any, as may be necessary to make the amount on deposit in such fund equal to the Debt Service Reserve Fund Requirement, and second, any excess remaining may at the direction of the Corporation either be retained therein or transferred to any other fund or account established pursuant to the Master Indenture; ***provided, however,*** that if no direction has been given by the Corporation, the excess on the last day of each Fiscal Year shall be transferred by the Trustee to the Residual Fund.

#### **Debt Service Reserve Fund (Master Indenture Section 5.08)**

The Trustee shall deposit to the credit of the Debt Service Reserve Fund such proceeds of the sale of Bonds, if any, as shall be prescribed in the Supplemental Indenture authorizing the issuance of such Series of Bonds. If at any time the amount in the Debt Service Reserve Fund is not at least equal to the Debt Service Reserve Fund Requirement, the Corporation shall have no obligation to maintain or restore the Debt Service Reserve Fund to the Debt Service Reserve Fund Requirement other than as expressly provided in the Indenture.

In lieu of or in substitution for money or another Reserve Fund Facility, the Corporation may deliver or cause to be delivered to the Trustee a Reserve Fund Facility for the benefit of the Holders of the Bonds for all or any part of the Debt Service Reserve Requirement, if any; ***provided, however,*** as a condition to delivery thereof (other than upon initial issuance of the Initial Bonds) the Trustee shall also receive (i) a Rating Confirmation, (ii) an opinion of counsel to the Provider acceptable to the Trustee to the effect that such Reserve Fund Facility has been duly authorized, executed and delivered by the Provider thereof and is valid, binding and enforceable in accordance with its terms, (iii) in the event such Provider is not a domestic entity, an opinion of foreign counsel in form and substance satisfactory to the Trustee and to each Provider and (iv) in the event such Reserve Fund Facility is a letter of credit, an opinion of counsel acceptable to the Trustee substantially to the effect that payments under such letter of credit will not constitute voidable preferences under Section 547 of the United States Bankruptcy Code in a case commenced by or against the Corporation.

Each such Reserve Fund Facility shall be payable (upon the giving of such notice as may be required thereby) on any date on which money is required to be withdrawn from the Debt Service Reserve Fund and such withdrawal cannot be made without obtaining payment under such Reserve Fund Facility.

For the purposes of this section and the provisions of the Master Indenture under the heading "Transfer of Investments", in computing the amount on deposit in the Debt Service Reserve Fund, a Reserve Fund Facility shall be valued at the amount available to be paid thereunder on the date of computation.

Money held for the credit of the Debt Service Reserve Fund shall be withdrawn by the Trustee and deposited to the credit of the Debt Service Fund at the times and in the amounts required to comply with the provisions of the second paragraph of "Debt Service Fund"; ***provided, however,*** that no payment under a Reserve Fund Facility shall be sought unless and until money is not available in the Debt Service Reserve Fund and the amount required to be withdrawn from the Debt Service Reserve Fund pursuant to this paragraph cannot be withdrawn therefrom without obtaining payment under such Reserve Fund Facility; ***provided, further,*** that, if more than one Reserve Fund Facility is held for the credit of the Debt Service Reserve Fund at the time money is to be withdrawn therefrom, the Trustee shall obtain payment under each such Reserve Fund Facility, *pro rata*, based upon the respective amounts then available to be paid thereunder.

With respect to any demand for payment under any Reserve Fund Facility, the Trustee shall make such demand for payment in accordance with the terms of such Reserve Fund Facility at the earliest time provided therein to assure the availability of money on the date for which such money is required.

The income or interest earned on investments held for the credit of the Debt Service Reserve Fund shall, at the written direction of the Corporation, be withdrawn by the Trustee and be deposited in the Arbitrage Rebate Fund, the Debt Service Fund, or the Residual Fund in accordance with such direction, ***provided, however,*** that such amounts shall not



be directly deposited to the Residual Fund unless in the opinion of Transaction Counsel such application will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for federal income tax purposes. If on December 31 of a Fiscal Year the value of the money, investments and Reserve Fund Facilities held for the credit of the Debt Service Reserve Fund exceeds the Debt Service Reserve Fund Requirement, if any, such excess shall be withdrawn by the Trustee upon direction of the Corporation and deposited in the Arbitrage Rebate Fund, the Debt Service Fund, or the Residual Fund, in accordance with such direction; ***provided, however,*** that if no direction has been given by the Corporation, the excess on the last day of each Fiscal Year shall be transferred by the Trustee to the Debt Service Fund; ***provided, further,*** that such amounts shall not be directly deposited to the Residual Fund unless in the opinion of Transaction Counsel such application will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for federal income tax purposes; and ***provided, further,*** that if such amount results from the substitution of a Reserve Fund Facility for money or investments in the Debt Service Reserve Fund, such amount shall not be so applied unless in the opinion of Transaction Counsel such application will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for federal income tax purposes.

Notwithstanding the provisions of the Indenture, if, upon a Bond having been deemed to have been paid in accordance with the provisions of the Master Indenture described under the heading “Defeasance”, the amount held for the credit of the Debt Service Reserve Fund will exceed the Debt Service Reserve Fund Requirement, if any, then the Trustee shall, in accordance with the written direction of an Authorized Officer of the Corporation, withdraw all or any portion of such excess from the Debt Service Reserve Fund and either (i) apply such amount to the payment of the principal or Redemption Price of and interest on such Bond in accordance with the irrevocable instructions of the Corporation or to fund any reserve for the payment of the principal of or interest on the bonds, notes or other obligations, if any, issued to provide for the payment of such Bond or (ii) pay such amount to, or upon the order of, the Corporation if, in the opinion of Transaction Counsel, such payment will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for federal income tax purposes; ***provided, however,*** that no such withdrawal shall be made if the amount remaining in the Debt Service Reserve Fund following such withdrawal would be less than the Debt Service Reserve Fund Requirement, if any.

#### **Arbitrage Rebate Fund (Master Indenture Section 5.09)**

The Trustee shall deposit to the Arbitrage Rebate Fund any money delivered to it by the Corporation for deposit therein and, notwithstanding any other provisions of the Master Indenture, shall transfer to the Arbitrage Rebate Fund, in accordance with the directions of an Authorized Officer of the Corporation, money on deposit in any other funds or accounts held by the Trustee under the Master Indenture at such times and in such amounts as shall be set forth in such directions.

Money on deposit in the Arbitrage Rebate Fund shall be applied by the Trustee in accordance with the direction of an Authorized Officer of the Corporation to make payments to the Department of the Treasury of the United States of America at such times and in such amounts as the Corporation shall determine to be required by the Code to be rebated to the Department of the Treasury of the United States of America. Money which an Authorized Officer of the Corporation determines to be in excess of the amount required to be so rebated shall be withdrawn and transferred to the Debt Service Reserve Fund in such amount, if any, as may be necessary to make the amount on deposit in such fund equal to the Debt Service Reserve Fund Requirement, if any, and any excess remaining may at the direction of the Corporation either be retained therein or transferred to any other fund or account established pursuant to the Master Indenture.

If and to the extent required by the Code, the Corporation shall periodically, at such times as may be required to comply with the Code, determine the amount required by the Code to be rebated to the Department of the Treasury of the United States of America with respect to Tax-Exempt Bonds and (i) transfer or direct the Trustee to transfer from any other of the funds and accounts held under the Master Indenture and deposit to the Arbitrage Rebate Fund, such amount as the Corporation shall have determined to be necessary in order to enable it to comply with its obligation to rebate money to the Department of the Treasury of the United States of America with respect to Tax-Exempt Bonds and (ii) pay out of the Arbitrage Rebate Fund to the Department of the Treasury of the United States of America the amount, if any, required by the Code to be rebated thereto.

#### **Residual Fund (Master Indenture Section 5.10)**

Amounts deposited in the Residual Fund shall be free and clear of the lien of the Indenture and shall promptly be paid to the holder of the Residual Certificate.

#### **Application of Moneys in Certain Funds for Retirement of Bonds (Master Indenture Section 5.11)**

Notwithstanding any other provisions of the Indenture, if at any time the amounts held in the Debt Service Fund and the Debt Service Reserve Fund are sufficient to pay the principal or Redemption Price of all Outstanding Bonds and the interest accrued and unpaid and to accrue on such Bonds to the next date of redemption when all such Bonds are redeemable, or to make provision pursuant to the provisions of the Master Indenture described in the second paragraph under the heading entitled “Defeasance” for the payment of the Outstanding Bonds at the maturity or redemption dates thereof, the Corporation may (i) direct the Trustee to redeem all such Outstanding Bonds, whereupon the Trustee shall proceed to redeem or provide for the redemption of such Outstanding Bonds in the manner provided for redemption of such Bonds by the Master Indenture and by each Supplemental Indenture as provided therein, or give the Trustee irrevocable instructions in accordance with the provisions of the Master Indenture described in the second paragraph under the heading entitled “Defeasance” and make provision for the payment of the Outstanding Bonds at the maturity or redemption dates thereof in accordance with the Indenture.

#### **Computation of Assets of Certain Funds (Master Indenture Section 5.12)**

The Trustee shall compute the value of the assets in each fund and account established by the Master Indenture on the last day of each calendar month (or if such day is not a Business Day, on the immediately preceding Business Day). In addition, the Trustee shall compute the value of the assets of the Debt Service Reserve Fund immediately prior to any withdrawal from the Debt Service Reserve Fund and on the date on which money may be required to be deposited in the Debt Service Reserve Fund pursuant to the Master Indenture. The Trustee shall promptly notify the Corporation of the results of such computation and the amount by which the amount in the Debt Service Reserve Fund exceeds or is less than the Debt Service Reserve Fund Requirement, if any.

#### **Investment of Funds and Accounts Held by the Trustee (Master Indenture Section 6.01)**

Subject to the limitations set forth in this paragraph, money held under the Master Indenture, if permitted by law, shall, as nearly as may be practicable, be invested by the Trustee in any Eligible Investments in accordance with the direction of an Authorized Officer of the Corporation given in writing. Money in the Debt Service Fund shall only be invested in Eligible Investments of the type described in clause (i), (ii), (iii) or (iv) of the definition of the term “Eligible Investments” set forth under “Definitions of Certain Terms” and such investments shall mature no later than the date on which such moneys are required to be used to pay principal of and interest on Bonds when due. Money in the Capitalized Interest Account shall only be invested in Eligible Investments of the type described in clause (i), (ii), (iii) and (iv) of the definition of the term “Eligible Investments” set forth under “Definitions of Certain Terms” and such investments shall mature no later than the date on which such moneys are required to be used to pay interest on Bonds when due. No investment of money in the Debt Service Reserve Fund shall mature more than 5 years after the date such investment is purchased or made unless the Corporation shall direct the Trustee to put or tender such investment not later than one Business Day prior to each November 15 and May 15 prior to the investment’s stated maturity date for (x) purchase at a price not less than 100% of the stated principal amount of such investment by the issuer or an entity whose senior unenhanced long-term debt obligations are rated by at least two Rating Services at least as high as the rating assigned by such Rating Services on the Corporation’s Outstanding unenhanced Bonds without regard to qualification of such rating by symbols such as “+” or “-” or numerical notation or (y) redemption by the issuer at a price not less than 100% of the stated principal amount thereof.

#### **Payment of Principal and Interest (Master Indenture Section 7.01)**

The Corporation shall pay or cause to be paid every Bond, including interest thereon, on the dates and at the places and in the manner provided in the Bonds according to the true intent and meaning thereof.

#### **Corporate Existence (Master Indenture Section 7.05)**

The Corporation shall maintain its existence as an Illinois not-for-profit corporation and shall not amend its articles of incorporation in any manner that would have the effect of expanding its corporate purposes or restricting the corporate action for which the affirmative vote of an independent director is required.

#### **Accounts and Audits (Master Indenture Section 7.06)**

The Corporation shall keep proper books of records and accounts (separate from all other records and accounts), which may be kept on behalf of the Corporation by the Trustee, in which complete and correct entries shall be made of its transactions relating to each Series of Bonds, which books and accounts, at reasonable hours and subject to the reasonable rules and regulations of the Corporation, shall be subject to the inspection of the Village, the Trustee, each Provider or of any Holder of a Bond or a representative of any of the foregoing duly authorized in writing. The Corporation shall cause such books and accounts to be audited annually after the end of its fiscal year by an independent certified public accounting firm selected by the Corporation. Annually within 30 days after receipt by the Corporation of the report of such audit, a signed copy of such report shall be furnished to the Trustee and to the Village.

#### **Creation of Liens (Master Indenture Section 7.07)**

Except as permitted by the Master Indenture, the Corporation shall not create or cause to be created any lien or charge prior or equal to that of the Bonds on the Trust Estate.

#### **Offices for Payment and Registration of Bonds (Master Indenture Section 7.09)**

The Corporation shall at all times maintain an office or agency in the State where Bonds may be presented for payment, which office or agency may be at or through the designated corporate trust office of the Trustee. The Corporation may, pursuant to a Supplemental Indenture, designate an additional Paying Agent or Paying Agents where Bonds of the Series authorized thereby or referred to therein may be presented for payment. The Corporation shall at all times maintain an office or agency in the State where Bonds may be presented for registration, transfer or exchange and the Trustee is appointed as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds.

#### **Amendments, Waivers (Master Indenture Section 7.10)**

Except as otherwise provided in the Master Indenture, the Sale Agreement may not be amended, changed, modified or terminated, or any provision thereof waived, without the consent of the Holders of Outstanding Bonds as provided in the Master Indenture, if such amendment, change, modification, termination or waiver (i) reduces the amount payable to the Corporation thereunder or delays the date on which amounts are payable, (ii) waives or surrenders any right of the Corporation or (iii) modifies, diminishes, limits or conditions the rights of the Corporation thereunder, or the remedies which upon the occurrence of a default may be exercised by the Corporation thereunder.

No such amendment, change, modification, termination or waiver shall take effect unless the prior written consent of (a) the Holders of at least a majority in principal amount of the Bonds then Outstanding, or (b) in case less than all of the several Series of Bonds then Outstanding are affected by the amendment, change, modification, termination or waiver, the Holders of not less than a majority in principal amount of the Bonds of the Series so affected and then Outstanding; **provided, however**, that if such amendment, change, modification, termination or waiver will, by its terms, not take effect so long as any Bonds of any specified Series and maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this section.

The Sale Agreement may be amended, changed or modified or any provision thereof waived in any other respect without the consent of the Holders of Outstanding Bonds if the same does not adversely affect the Holders of Bonds in any material respect, except that no amendment, change, modification or alteration thereof to cure any ambiguity or defect or inconsistent provision therein or to insert such provisions clarifying matters or questions arising thereunder as are necessary shall be made unless such amendment, change, modification or waiver is not contrary to or inconsistent with the provisions thereof as theretofore in effect and unless consented to by the Trustee.

No amendment, change, modification or termination of the Sale Agreement or waiver of a provision thereof shall be made other than pursuant to a written instrument signed by the parties thereto. No such amendment, change, modification or waiver shall become effective unless there has been delivered to the Trustee an opinion of Transaction Counsel to the effect that the same is not inconsistent with the Master Indenture and will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for purposes of federal income taxation. A copy of each such amendment, change, modification, termination or waiver shall be filed with the Trustee.

For the purposes of this section, the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the Corporation, may consent to an amendment, change, modification, termination or waiver permitted by this section with the same effect as a consent given by the Holder of such Bonds.

For the purposes of this section, a Series shall be deemed to be adversely affected by an amendment, change, modification or alteration if the same adversely affects or diminishes the rights of the Holders of the Bonds of such Series in any material respect. The Trustee shall be entitled conclusively to rely upon an opinion of counsel, which counsel shall be satisfactory to the Trustee and the Corporation, with respect to whether any amendment, change, modification or alteration adversely affects the interests of any Holders of Bonds then Outstanding in any material respect.

#### **Budget of Corporation Expenses (Master Indenture Section 7.11)**

Annually, the Corporation shall present a budget of Corporation Expenses made or to be made for such Fiscal Year. The budget of the Corporation Expenses may be amended by the Corporation from time to time. Each such budget of the Corporation Expenses or amendment thereto shall be filed by the Corporation with the Trustee and the Village and shall be accompanied by a certificate signed by an Authorized Officer of the Corporation stating that such budget has been prepared and is filed in accordance with the provisions of this section.

#### **Payment of Lawful Charges (Master Indenture Section 7.12)**

The Corporation shall pay all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon the Trust Estate, when the same shall become due. Except as otherwise expressly permitted by the Master Indenture, the Corporation shall not create or suffer to be created any lien or charge upon the Trust Estate, except the pledge and lien created or permitted by the Master Indenture.

#### **Enforcement of Rights (Master Indenture Section 7.13)**

The Corporation shall diligently commence and pursue any and all actions (i) to enforce its rights under the Sale Agreement and (ii) to enforce the Village's obligations under the Sale Agreement. If the Corporation fails to enforce its rights and the Village's obligations under the Sale Agreement, pursuant to the provisions of the Master Indenture described under the heading "Enforcement of Remedies; Limitations," the Trustee shall have the right to enforce such rights and obligations, including the Village's non-impairment covenant pursuant to the Sale Agreement.

#### **Transfer of Residual Certificate (Master Indenture Section 7.14)**

The Corporation will include a restriction on the transfer of the Residual Certificate to the effect that the Residual Certificate may not be transferred by the holder thereof to another person unless the Corporation and the Village have received an opinion of Transaction Counsel that such transfer will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income of the Holder thereof for purposes of federal income taxation.

#### **Tax Covenant (Master Indenture Section 7.16)**

The Corporation covenants that it shall not take any action, or fail to take any action, that would cause the Corporation to either lose its status as an "on behalf of" issuer of municipal obligations for federal income tax purposes or cause interest on the Tax-Exempt Bonds to become includable in gross income for federal income tax purposes.

#### **Agreement of the Village (Master Indenture Section 7.17)**

Pursuant to the Sale Agreement, the Corporation has included in the Master Indenture, for the benefit of the Bondholders, that the Village shall take no action that would in any way materially adversely (i) impair the Corporation's right to receive the Sales Tax Revenues, (ii) limit or alter the rights vested in the Corporation to fulfill the terms of its agreements with the Bondholders, or (iii) impair the rights and remedies of the Bondholders or the security for the Bonds until the Bonds, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the Bondholders, are fully paid and discharged.

The Corporation acknowledges that the Village's pledge and agreement is an important security provision of the Master Indenture and the Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly,

assert nor support any assertion or claim made by or on behalf of the Village, or by any other person, to the contrary.

**Agreement of the State (Master Indenture Section 7.18)**

In the Authorizing Statute, the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the rights and powers vested in any State Entity by the Authorizing Statute with respect to the disposition of the Sales Tax Revenues so as to impair the terms of the Sale Agreement or the Master Indenture until all requirements with respect to the deposit by such State Entity of Sales Tax Revenues have been fully paid and discharged. In addition, in the Authorizing Statute the State pledges to and agrees with the Village and the Corporation that the State will not limit or alter the basis on which the Sales Tax Revenues are derived, or the use of the Sales Tax Revenues, so as to impair the terms of the Sale Agreement or the Master Indenture.

The Corporation acknowledges that the State's pledge and agreement is an important security provision of the Master Indenture and the Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly, assert nor support any assertion or claim made by or on behalf of the State, or by any other person, to the contrary.

**Modification without Consent (Master Indenture Section 9.01)**

The Corporation may execute and deliver from time to time Supplemental Indentures: (a) to provide for the issuance of a Series of Bonds pursuant to the provisions of the Master Indenture and to prescribe the terms and conditions pursuant to which such Bonds may be issued, paid or redeemed; (b) to add additional covenants and agreements of the Corporation for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Corporation contained in the Master Indenture; (c) to prescribe further limitations and restrictions upon the issuance of Bonds and the incurring of indebtedness by the Corporation which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect; (d) to surrender any right, power or privilege reserved to or conferred upon the Corporation by the terms of the Master Indenture, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Corporation contained in the Master Indenture; (e) to confirm, as further assurance, any pledge hereunder, and the subjection to any lien, claim or pledge created or to be created by the provisions of the Master Indenture, of the Sales Tax Revenues, or any pledge of any other money, investments thereof or funds; (f) to modify any of the provisions of the Master Indenture or of any previously adopted Supplemental Indenture in any other respects, provided that such modifications shall not be effective until after all Bonds of any Series of Outstanding Bonds as of the effective date of such Supplemental Indenture shall cease to be Outstanding, and all Bonds issued under such Supplemental Indentures shall contain a specific reference to the modifications contained in each such subsequent Supplemental Indenture; (g) with the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision in the Master Indenture or to insert such provisions, clarifying matters or questions arising thereunder as are necessary or desirable, provided that any such modifications are not contrary to or inconsistent with the Master Indenture as theretofore in effect, or to modify any of the provisions of the Master Indenture or of any previous Supplemental Indenture in any other respect, provided that such modification shall not adversely affect the interests of the Bondholders in any material respect; or (h) to modify any of the provisions of the Master Indenture or of any previously adopted Supplemental Indenture in any other respects, provided that such modifications shall not be effective unless there has been delivered to the Trustee (1) a Rating Confirmation, and (2) an opinion of Transaction Counsel to the effect that the same is not inconsistent with the Master Indenture and will not adversely affect the exclusion of interest on any Tax-Exempt Bond from gross income for purposes of federal income taxation regardless of the adverse effects of such modification.

**Supplemental Indentures Effective with Consent of Bondholders (Master Indenture Section 9.02)**

The provisions of the Master Indenture may also be modified or amended at any time or from time to time by a Supplemental Indenture, subject to the consent of the Bondholders in accordance with and subject to the provisions of the Master Indenture, such Supplemental Indenture to become effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Corporation.

**General Provisions Relating to Supplemental Indentures (Master Indenture Section 9.03)**

The Master Indenture shall not be modified or amended in any respect except in accordance with and subject to the provisions of the Master Indenture. Nothing contained in the general provisions relating to the Supplemental

Indentures shall affect or limit the rights or obligations of the Corporation to make, do, execute or deliver any Supplemental Indenture, act or other instrument pursuant to the provisions of the Master Indenture or the right or obligation of the Corporation to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere in the Master Indenture provided or permitted to be delivered to the Trustee or any Paying Agent.

A copy of every Supplemental Indenture, when filed with the Trustee, shall be accompanied by an opinion of Transaction Counsel stating that such Supplemental Indenture has been duly and lawfully adopted in accordance with the provisions of the Master Indenture, is authorized or permitted by the Master Indenture and is valid and binding upon the Corporation and enforceable in accordance with its terms.

The Trustee is authorized by the Master Indenture to accept delivery of a certified copy of any Supplemental Indenture permitted or authorized pursuant to the provisions of the Master Indenture and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying on the opinion of Transaction Counsel that such Supplemental Indenture is authorized or permitted by the provisions thereof.

No Supplemental Indenture changing, amending or modifying any of the rights or obligations of the Trustee shall become effective without the written consent of the Trustee.

The Corporation, as soon as practicable after a Supplemental Indenture changing, amending or modifying any provisions of the Master Indenture has become effective, shall give written notice thereof to each Rating Service.

#### **Powers of Amendment (Master Indenture Section 10.01)**

Except as provided by the provisions of the Master Indenture described above under the heading “Modification and Amendment without Consent,” any modification or amendment of the Master Indenture and of the rights and obligations of the Corporation and of the Holders of the Bonds under the Master Indenture, in any particular, may be made by a Supplemental Indenture, with the written consent given as provided in the provisions of the Master Indenture described under the heading “Consent of Bondholders”, (i) of the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Holders of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; **provided, however,** that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series, maturity and tenor remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment. For the purposes of this section, a Series shall be deemed to be affected by a modification or amendment of the Master Indenture if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series in any material respect. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, the Bonds of any particular Series or maturity would be affected by any modification or amendment of the Master Indenture and any such determination shall be binding and conclusive on the Corporation and all Holders of Bonds. The Trustee may receive an opinion of counsel, including an opinion of Transaction Counsel, as conclusive evidence as to whether the Bonds of any particular Series or maturity would be so affected by any such modification or amendment.

#### **Consent of Bondholders (Master Indenture Section 10.02)**

The Corporation may at any time execute and deliver a Supplemental Indenture making a modification or amendment permitted by the provisions of the Master Indenture described under the heading “Powers of Amendment” to take effect when and as provided in this section. Upon the adoption of such Supplemental Indenture, a copy thereof, certified by an Authorized Officer; shall be filed with the Trustee for the inspection of the Holders of Bonds. A copy of such Supplemental Indenture (or summary thereof or reference thereto in form approved in writing by the Trustee) together with a request to Holders of Bonds for their consent thereto in form satisfactory to the Trustee, shall be mailed or distributed by Electronic Means by the Corporation to each affected Holder of Bonds. Such Supplemental Indenture shall not become effective until (i) there shall have been filed with the Trustee (a) the written consent of the Holders of the percentages of Outstanding Bonds specified in the provisions of the Master Indenture described under the

heading "Powers of Amendment" and (b) an opinion of Transaction Counsel stating that such Supplemental Indenture has been duly and lawfully executed, delivered and filed by the Corporation in accordance with the provisions of the Master Indenture, is authorized or permitted by the Master Indenture, and is valid and binding upon the Corporation and enforceable in accordance with its terms, and (ii) a notice shall have been mailed as hereinafter in this section provided. Any such consent shall be binding upon the Holder of the Bonds giving such consent and on any subsequent Holder of such Bonds (whether or not such subsequent Holder has notice thereof). At any time after the Holders of the required percentages of Bonds shall have filed their consent to the Supplemental Indenture, notice, stating in substance that the Supplemental Indenture has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this section, may be given to the Bondholders by mailing such notice to Bondholders. The Corporation shall file with the Trustee proof of giving such notice. Such Supplemental Indenture shall be deemed conclusively binding upon the Corporation and the Holders of all Bonds at the expiration of 60 days after the filing with the Trustee of the proof of the mailing of such notice, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in legal action or equitable proceeding commenced for such purpose within such 60-day period; provided, however, that the Corporation during such 60-day period and any such further period during which any such action or proceeding may be pending shall be entitled in its absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as it may deem expedient.

#### **Modifications by Unanimous Consent (Master Indenture Section 10.03)**

The terms and provisions of the Master Indenture and the rights and obligations of the Corporation and of the Holders of the Bonds may be modified or amended in any respect upon the execution, delivery and filing with the Trustee by the Corporation of a copy of a Supplemental Indenture certified by an Authorized Officer of the Corporation and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in the Master Indenture.

#### **Events of Default (Master Indenture Section 11.01)**

An event of default under the Master Indenture and under each Supplemental Indenture (an "event of default") shall include: (a) payment of the principal or Redemption Price of any Bond shall not be made by the Corporation when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or (b) payment of an installment of interest on any Bond shall not be made by the Corporation when the same shall become due and payable; or (c) the Corporation shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained therein or in the Bonds or in any Supplemental Indenture on the part of the Corporation to be performed and such default shall continue for 90 days after written notice specifying such default and requiring same to be remedied shall have been given to the Corporation by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than 25% in principal amount of the Outstanding Bonds, unless, if such default is capable of being cured but is not capable of being cured within 90 days, the Corporation has commenced to cure such default within said 90 days and diligently prosecutes the cure thereof; or (d) the Corporation shall (1) generally not be paying its debts as they become due, (2) commence a voluntary case or other proceeding seeking liquidation, reorganization, dissolution, rehabilitation or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian, or other similar official of it or any substantial part of its property, or consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, (3) make a general assignment for the benefit of its creditors, (4) declare a moratorium or, (5) take any corporate action to authorize any of the foregoing; or (e) a trustee in bankruptcy, custodian or receiver for the Corporation or any substantial part of its property shall have been appointed and the same has not been discharged within 90 days after such appointment. No Acceleration With Respect to the Bonds (Master Indenture Section 11.02)

There shall be no right of acceleration with respect to the Bonds.

#### **Enforcement of Remedies (Master Indenture Section 11.03)**

Upon the happening and continuance of any event of default specified in the Master Indenture, then and in every such case, the Trustee may proceed, and upon the written request of the Holders of not less than a majority in principal amount of the Outstanding Bonds, shall proceed (subject to the provisions of the Indenture), to protect and enforce its rights and the rights of the Bondholders thereunder or under any Supplemental Indenture or under the laws of the

State by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained thereunder or under any Supplemental Indenture or in aid or execution of any power therein granted, or for an accounting against the Corporation as if the Corporation were the trustee of an express trust, or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights, including the enforcement of its rights and remedies, as assignee, under any agreement assigned to it under the Master Indenture, including but not limited to the Sale Agreement, and of its rights and obligations under the Authorizing Statute.

In the enforcement of any remedy under the Master Indenture and under each Supplemental Indenture the Trustee shall be entitled to sue for, enforce payment of, and receive any and all amounts then, or during any default becoming, and at any time remaining, due from the Corporation for principal or interest or otherwise under any of the provisions of the Master Indenture or of any Supplemental Indenture or of the Bonds, with interest on overdue payments of the principal of or interest on the Bonds at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under the Master Indenture and under any Supplemental Indenture and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders of such Bonds, and to recover and enforce judgment or decree against the Corporation but solely as provided in the Master Indenture, in any Supplemental Indenture and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect in any manner provided by law, the money adjudged or decreed to be payable.

Anything in the Master Indenture to the contrary notwithstanding, neither the Trustee nor any Bondholder shall have any right in or to any proceeds derived from the issuance of Bonds held in the Village Proceeds Account or otherwise paid to the Village and no action or proceeding shall be maintained to enforce any claim to any such proceeds. Each Bondholder by purchase of its Bonds waives any right in or to any proceeds derived from the issuance of Bonds held in the Village Proceeds Account or otherwise paid to the Village or at the direction of the Village pursuant to a Direction Letter and the right to maintain any action or proceeding to enforce any claim to any such proceeds.

#### **Limitation of Rights of Individual Bondholders (Master Indenture Section 11.07)**

No Holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Indenture, or for any other remedy under the Indenture unless such Holder previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the Holders of not less than a majority in principal amount of the Outstanding Bonds, shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Indenture or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time.

#### **Defeasance (Master Indenture Section 12.01)**

If the Corporation shall pay or cause to be paid to the Holders of Bonds of a Series the principal or Redemption Price of and interest thereon, at the times and in the manner stipulated therein, in the Master Indenture, and in the applicable Supplemental Indenture, then the pledge of the Trust Estate and all other rights granted by the Indenture to such Bonds shall be discharged and satisfied.

Bonds for the payment or redemption of which money shall have been set aside and shall be held in trust by the Trustee (through deposit of money for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this section. All Outstanding Bonds of any Series or any maturity within a Series or a portion of a maturity within a Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the previous paragraph if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in the Master Indenture notice of redemption on said date of such Bonds, (ii) there shall have been deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient in the judgment of a nationally recognized verification agent to pay when



due the principal, or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, the Corporation shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Bonds at their last known addresses appearing on the registration books, a notice to the Holders of such Bonds that the deposit required by (ii) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Master Indenture and stating such maturity or redemption date upon which money is to be available for the payment of the principal, or Redemption Price, if applicable, of and interest on said Bonds and (iv) in the event of a defeasance of a Tax-Exempt Bond, the Corporation shall have delivered to the Trustee an opinion of Transaction Counsel to the effect that said Bond having been deemed to have been paid as provided in the Master Indenture would not (A) cause said Bond to be considered to have been “reissued” for purposes of Section 1001 of the Code and (B) adversely affect the exclusion of interest on such Tax-Exempt Bond from gross income for purposes of federal income taxation. The Corporation shall give written notice to the Trustee of its selection of the Series and maturity payment of which shall be made in accordance with this section. The Trustee shall select the Bonds of like Series and maturity payment of which shall be made in accordance with this section in the manner provided in the section of the Master Indenture described under the heading “Selection of Bonds to be Redeemed”. Neither the Defeasance Securities nor money deposited with the Trustee pursuant to this section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, or Redemption Price, if applicable, of and interest on said Bonds; ***provided, however,*** that any money received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, or Redemption Price, if applicable, of and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any income or interest earned by, or increment to, the investment of any such money so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required to pay the principal, or Redemption Price, if applicable, of and interest on such Bonds, as realized, be paid by the Trustee as follows: First, to the Arbitrage Rebate Fund, the amount required to be deposited therein in accordance with the direction of an Authorized Officer of the Corporation; second, to each Provider the Provider Payments which have not been repaid, pro rata, based upon the respective Provider Payments then unpaid to each Provider; and, then, the balance thereof to the Corporation. The money so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created by the Indenture.

#### **No Recourse under Indenture or on the Bonds (Master Indenture Section 14.04)**

All covenants, stipulations, promises, agreements and obligations of the Corporation contained in the Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and not of any member, officer or employee of the Corporation, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claims based thereon, on the Indenture or on the Supplemental Indenture against any member, officer or employee of the Corporation or any person executing the Bonds, all such liability, if any, being expressly waived and released by every Holder of Bonds by the acceptance of the Bonds.

## APPENDIX C

### SUMMARY OF REFUNDED BONDS

\$10,000,000

Village of Bridgeview, Cook County, Illinois

General Obligation Variable Rate Demand Project and Refunding Bonds, Series 2008A-2

\$10,000,000 Principal

\$400,000 Interest

\$7,500,000

Village of Bridgeview, Cook County, Illinois

General Obligation Taxable Variable Rate Demand Project and Refunding Bonds, Series 2008B-1

\$7,500,000 Principal

\$300,000 interest

\$7,500,000

Village of Bridgeview, Cook County, Illinois

General Obligation Taxable Variable Rate Demand Project and Refunding Bonds, Series 2008B-2

\$7,500,000 Principal

\$300,000 interest

Village of Bridgeview, Cook County, Illinois

General Obligation Bonds, Stadium and Redevelopment Projects, Taxable Series 2005

December 1, 2017

|           |             |
|-----------|-------------|
| Principal | \$3,030,000 |
|-----------|-------------|

|          |          |
|----------|----------|
| Interest | \$74,690 |
|----------|----------|

December 1 2018

|           |             |
|-----------|-------------|
| Principal | \$2,620,000 |
|-----------|-------------|

|          |           |
|----------|-----------|
| Interest | \$129,166 |
|----------|-----------|

Village of Bridgeview, Cook County, Illinois

General Obligation Bonds, Series 2003

December 1, 2017

|           |              |
|-----------|--------------|
| Principal | \$355,000.00 |
|-----------|--------------|

|          |             |
|----------|-------------|
| Interest | \$12,872.50 |
|----------|-------------|

December 1, 2018

|           |              |
|-----------|--------------|
| Principal | \$370,000.00 |
|-----------|--------------|

|          |   |
|----------|---|
| Interest | \$2,220.00 (Bonds to be redeemed on February 1, 2018) |
|----------|---|