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**TRUST INDENTURE**

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**by and between**

**OLIVE/GRAESER TRANSPORTATION DEVELOPMENT DISTRICT**

**and**

**UMB BANK, N.A.  
St. Louis, Missouri**

**as Trustee**

**relating to**

**Olive/Graeser Transportation Development District**

|                                                   |                                                             |
|---------------------------------------------------|-------------------------------------------------------------|
| <b>\$1,250,000</b>                                |                                                             |
| <b>(plus Issuance Costs and Accrued Interest)</b> | <b>Subordinate Transportation Development Revenue Notes</b> |
| <b>Transportation Development Revenue Notes</b>   | <b>Series B</b>                                             |
| <b>Series A</b>                                   |                                                             |

**Dated as of June 1, 2010**

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## TRUST INDENTURE

**THIS TRUST INDENTURE** (the *"Indenture"*), made and entered into as of June 1, 2010, by and between the **OLIVE/GRAESER TRANSPORTATION DEVELOPMENT DISTRICT**, a political subdivision of the State of Missouri (the *"District"*) and **UMB BANK, N.A.**, a national banking association duly organized and existing and authorized to accept and execute trusts of the character herein set out under the laws of the United States of America, and having a corporate trust office located in St. Louis, Missouri, as trustee (the *"Trustee"*);

### RECITALS:

**WHEREAS**, on December 8, 2009, the Circuit Court of the County of St. Louis, Missouri entered a Judgment and Order Organizing a Transportation Development District (the *"Order"*) which established the District as a political subdivision pursuant to and in accordance with the Missouri Transportation Development District Act, Sections 238.200 to 238.280 of the Revised Statutes of Missouri, as amended (the *"TDD Act"*); and

**WHEREAS**, pursuant to the Order, the District was established for the sole purpose of financing certain infrastructure improvements within the meaning of Section 238.202.1(5) of the TDD Act (the *"Infrastructure Improvements"*), as defined in the Order, initially through the imposition of a transportation development district sales tax (the *"TDD Sales Tax"*); and

**WHEREAS**, on December 16, 2009, pursuant to Section 238.235 of the TDD Act, the District adopted Resolution No. 09-004 authorizing the District to impose the TDD Sales Tax at a rate of one percent (1%), and subsequently the qualified voters of the District adopted the TDD Sales Tax at an election held in accordance with Section 238.216 of the TDD Act; and

**WHEREAS**, pursuant to Section 238.235 of the TDD Act, the TDD Sales Tax became effective on April 1, 2010, being the first day of the second calendar quarter after the Missouri Department of Revenue received notification of the same; and

**WHEREAS**, the District, the City of Creve Coeur, Missouri (the *"City"*), Pace-Creve Coeur Associates, L.L.C., as developer (*"PCCA"*) and the property owners within the District previously entered into a district development agreement dated August 31, 2009, as amended by the First Amendment to the District Development Agreement dated August 31, 2009, as amended by the Second Amendment to the District Development Agreement dated \_\_\_\_\_, 2010 (collectively, the *"Development Agreement"*), authorizing the redevelopment of certain real property located within the City; and

**WHEREAS**, pursuant to Section 4.8 of the Development Agreement, Pace-Creve Coeur Associates, L.L.C. assigned all of its rights and obligations in the Development Agreement to its affiliate, Pace Creve Coeur Corporation (the *"Developer"*); and

**WHEREAS**, pursuant to the terms of Ordinance Nos. 5051, 5052 and 5053, all adopted by the City on July 14, 2008, as amended by Ordinance No. 5082 adopted by the City on April 13, 2009, the City approved a certain Site Development Plan, as described in the Ordinances, pertaining to the redevelopment of certain property located within the City; and

**WHEREAS**, on January 4, 2010, the District adopted Resolution No. 10-001 authorizing the execution of a Missouri Highways and Transportation Commission Transportation Development District Cooperative Agreement (the *"Cooperative Agreement"*) between the District and the Missouri Highways

and Transportation Commission dated February 9, 2010, regarding development and future maintenance of the Infrastructure Improvements; and

**WHEREAS**, the District has determined that it is in the best interest of the District to issue its (a) Transportation Development Revenue Notes, Series A, in a principal amount not to exceed \$1,250,000 plus Issuance Costs as defined herein and Accrued Interest as defined herein (the "**Series A Notes**"), the proceeds of which will be used to finance the Infrastructure Improvements, pay accrued interest and pay costs related to the issuance of the Series A Notes; and (b) Subordinate Transportation Development Revenue Notes, Series B (the "**Series B Notes**") the proceeds of which may be used to finance certain excess costs of the Infrastructure Improvements and to reimburse the City and/or St. Louis County in connection with the Infrastructure Improvements, all as permitted by the Development Agreement (the Series A Notes and Series B Notes issued hereunder are collectively referred to herein as the "**Notes**"); and

**WHEREAS**, on June 10, 2010, the Board of Directors of the District adopted Resolution No. 10-006, authorizing the issuance of the Notes pursuant to this Indenture; and

**WHEREAS**, all things necessary to make the Notes, when authenticated by the Trustee and issued as in this Indenture provided, the valid, legal and binding obligations of the District, and to constitute this Indenture a valid, legal and binding pledge and assignment of the property, rights, interests and revenues herein made for the security of the payment of the principal of and interest on the Notes issued hereunder, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Notes, subject to the terms hereof, have in all respects been duly authorized;

**NOW THEREFORE, THIS INDENTURE WITNESSETH:**

#### **GRANTING CLAUSES**

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Notes by the Owners thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the payment of the principal of and interest on the Notes according to their tenor and effect and to secure the performance and observance by the District of all the covenants, agreements and conditions herein and in the Notes contained, does hereby transfer, pledge and assign, without recourse, to the Trustee and its successors and assigns in trust forever, and does hereby grant a security interest unto the Trustee and its successors in trust and its assigns, in and to all and singular the property described in paragraphs (a) and (b) below (said property being herein referred to as the "**Trust Estate**"), to-wit:

(a) All Pledged Revenues derived by the District under and pursuant to and subject to the provisions of the Development Agreement or otherwise (excluding the District's rights to payment of its fees and expenses and to be indemnified in certain events); and

(b) All moneys and securities from time to time held by the Trustee under the terms of this Indenture (except payments required to be made to meet the requirements of Section 148(f) of the Code) and all other property (real, personal or mixed) of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the District or by anyone in its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at all times and to hold and apply the same subject to the terms hereof.

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

**IN TRUST NEVERTHELESS**, upon the terms and conditions herein set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the Notes Outstanding, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of one Note over or from the others, except as herein otherwise expressly provided;

**PROVIDED, NEVERTHELESS**, and these presents are upon the express condition, that if the District or its successors or assigns pays or causes to be paid the principal of such Notes with interest, according to the provisions set forth in the Notes, or provides for the payment or redemption of such Notes by depositing or causing to be deposited with the Trustee the entire amount of funds or securities required for payment or redemption thereof when and as authorized by the provisions of **Article IX** hereof, and shall also pay or cause to be paid all other sums payable hereunder by the District, then these presents and the estate and rights hereby granted shall cease, terminate and become void; otherwise this Indenture shall be and remain in full force and effect;

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

#### **Article I. DEFINITIONS; RULES OF CONSTRUCTION**

**Section 101 Definitions of Words and Terms.** In addition to words and terms elsewhere defined herein, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

*“Acceptance Date”* means the date the District accepts a Certificate of Substantial Completion submitted by the Developer with respect to the Infrastructure Improvements or the District takes other appropriate action to determine that the Infrastructure Improvements are substantially complete, as provided in the Development Agreement.

*“Accrued Interest”* means the amount of accrued interest, if any, on each completed Certificate of Reimbursable Costs submitted to the District pursuant to Section 3.7 of the Development Agreement or payments made by the City or County, calculated from the date of such Certificate or such payment until the date Notes are issued to reimburse the costs set forth in such Certificate or such payment, and based on the applicable Rate borne by such Notes.

*“Annual Operating Fund Deposit”* means (a) for Fiscal Year 2010, the amount of \$15,000, (b) for each Fiscal Year thereafter, the amount of the Annual Operating Fund Deposit for the preceding Fiscal Year plus an amount equal to three percent (3.00%) of said Annual Operating Fund Deposit.

*“Approved Investor”* means (a) Pace-Creve Coeur Associates, L.L.C. or a Related Party, (b) the City, (c) the County, (d) an “accredited investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (e) a “qualified institutional buyer” under Rule 144A promulgated under the

Securities Act of 1933, or (f) any general business corporation or enterprise with total assets in excess of \$50,000,000.

*"Authorized Denominations"* means \$250,000 minimum or any integral multiple of \$5,000 in excess thereof; provided, however that with respect to any Note issued to or bought by the City or the County, Authorized Denominations shall mean \$1 or any integral multiple thereof.

*"Authorized District Representative"* means the Chair, Secretary or Assistant Secretary of the Board of Directors of the District or such person authorized by the District to act on behalf of the District as evidenced by written certificate furnished to the Developer and the Trustee containing the specimen signature of such person and signed on behalf of the District by its Chair, Secretary or Assistant Secretary. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized District Representative.

*"Business Day"* means any day other than a Saturday, Sunday or any other day on which banking institutions in the city in which the principal corporate trust office or payment office of the Trustee is located are required or authorized by law to close.

*"Certificate of Reimbursable Costs"* means a document, substantially in a form acceptable to the District, delivered by the Developer, evidencing TDD Eligible Costs incurred by the Developer in furtherance of construction of the Infrastructure Improvements.

*"City"* means the City of Creve Coeur, Missouri, a home rule and political subdivision of the State of Missouri.

*"Code"* means the Internal Revenue Code of 1986, as amended, and the applicable regulations, temporary regulations and proposed regulations thereunder.

*"Cooperative Agreement"* means the Missouri Highways and Transportation Commission Transportation Development District Cooperative Agreement dated February 9, 2010 between the District and the Missouri Highways and Transportation Commission.

*"County"* means St. Louis County, Missouri, a constitutional charter county and political subdivision of the State of Missouri.

*"Court"* means the Circuit Court of the County of St. Louis, Missouri.

*"Debt Service Fund"* means the fund by that name created in **Section 401**.

*"Default"* shall have the meaning ascribed to such term in the Development Agreement.

*"Developer"* means Pace Creve Coeur Corporation, a Missouri corporation or its permitted successors or assigns in interest.

*"Development Agreement"* means the District Development Agreement dated as of August 31, 2009, between the City, the Developer, the District and the property owners within the District, as amended by the First Amendment to District Development Agreement dated as of August 31, 2009, as amended by that Second Amendment to District Development Agreement dated \_\_\_\_\_, 2010, and as the same may be further amended from time to time.

*“District”* means the Olive/Graeser Transportation Development District, a political subdivision of the State of Missouri.

*“Event of Default”* means any event or occurrence as defined in **Section 701**.

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

*“Government Securities”* means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America and backed by the full faith and credit thereof.

*“Hutkin Property”* means the real property legally described on **Exhibit C** hereto.

*“Indenture”* means this Trust Indenture between the District and the Trustee dated as of June 1, 2010.

*“Infrastructure Improvements”* means those categories and items of public improvements listed and described in the Development Agreement, which qualify as improvements that may be paid for, directly or by means of reimbursement, with the TDD Revenues, pursuant to the TDD Act. Improvements and right of way regarding the realignment of Dautel Road shall not qualify as “Infrastructure Improvements” except as otherwise provided in Section 3.5 of the Development Agreement regarding contributions by the City and the County and the \$68,000 amount allowed per the Development Agreement.

*“Interest Rate”* means: (a) as to Series A Notes, a rate equal to the greater of: (1) the Prime Rate as of the Business Day immediately prior to the date of their initial issuance plus two percent (2%), but in no event to exceed ten percent (10%) per annum, or (2) eight percent (8%); provided, however, that such initial rate shall adjust as follows: if the District does not issue Refunding Bonds within 360 days following the Acceptance Date, then commencing on the 361<sup>st</sup> calendar day following the Acceptance Date, the Interest Rate on the Series A Notes shall increase by 2.00% from such day until the earlier to occur of the Refunding Date or the Maturity Date of such Series A Notes; and (b) as to the Series B Notes, a fixed rate per annum equal to or greater of (1) the Prime Rate as of the Business Day immediately prior to the date of their initial issuance plus two percent (2%), but in no event to exceed ten percent (10%) per annum, or (2) eight percent (8%); provided that if any Notes are issued as Tax-Exempt Notes, then the Interest Rate for such Notes as calculated above shall be reduced by 200 basis points.

*“Investment Securities”* means any of the following securities purchased in accordance with **Section 502**, if and to the extent the same are at the time legal for investment of the funds being invested:

- (a) Government Securities;
- (b) notes or other obligations of the State, or any political subdivision of the State, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;
- (c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and have a market value,

exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the benefit of the District;

(d) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;

(e) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, including, without limitation, the Trustee or any of its affiliates, provided that such certificates of deposit or time deposits shall be either (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described above in clauses (a) or (b) above, which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits;

(f) money market mutual funds that are invested in Government Securities or agreements to repurchase such Government Securities; and

(g) any other securities or investments that are lawful for the investment of moneys held in such funds or accounts under the laws of the State.

*“Issuance Costs”* means those fees and expenses incurred or to be incurred by the District, which are associated with the issuance of the TDD Obligations.

*“Junior Series A Notes”* shall have the meaning set forth in **Section 201(a)(3)** hereof.

*“Maturity”* when used with respect to any Note means the date on which the principal of such Note becomes due and payable as therein and herein provided, whether at the Maturity Date thereof or call for redemption or otherwise.

*“Maturity Date”* means the earlier of: (a) the date of repayment of a Note, or (b) the stated maturity date of such Note, which in any event shall not occur later than forty (40) years from the date of issuance of such Note.

*“MHTC Acceptance Date”* means the date on which the Missouri Highways and Transportation Commission accepts that portion of the Infrastructure Improvements that are the subject of the Cooperative Agreement.

*“Net Proceeds”* means all moneys deposited (including investment earnings thereon) in the Revenue Fund that have been appropriated for the payment of the Notes.

*“Note Resolution”* means the Resolution No. 10-006 adopted by the Board of Directors of the District on June 10, 2010, authorizing the issuance of the Notes pursuant to this Indenture for the purposes described in the recitals hereof.

*“Notes”* means collectively, the Series A Notes and any Series B Notes.

*“Operating Fund”* means the fund by that name created in **Section 401**.

*“Opinion of Counsel”* means a written opinion of an attorney or firm of attorneys (including Special Tax Counsel) addressed to the Trustee, for the benefit of the Trustee and Owners, who may be (except as otherwise expressly provided in this Indenture) counsel to the City, the Developer, the District, the Owners of the Notes or the Trustee, and who is acceptable to the Trustee.

*“Outstanding”* means, when used with reference to a series of Notes, as of a particular date, all Notes theretofore authenticated and delivered under this Indenture except:

- (a) Notes theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (b) Notes which are deemed to have been paid in accordance with **Section 902**;
- (c) Notes alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in **Section 206**; and
- (d) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Indenture.

*“Owner”* means the Person in whose name any Note is registered on the Register.

*“Paying Agent”* means the Trustee and any other bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated by this Indenture as paying agent for the Notes at which the principal of and interest on such Notes shall be payable.

*“Payment Date”* means any date on which the principal of or interest on any Note is payable.

*“Person”* means any natural person, firm, partnership, association, corporation, limited liability company or public body.

*“Pledged Revenues”* means all Net Proceeds and all moneys held in the Project Fund, the Revenue Fund and the Debt Service Fund under this Indenture, together with any investment earnings thereon.

*“Prime Rate”* means the prime rate of interest published in the money rates column of *The Wall Street Journal*, currently defined therein as the base rate on corporate loans posted by at least 75% of the nation’s 30 largest banks. If *The Wall Street Journal* ceases publication of the Prime Rate, then “Prime Rate” shall mean the “prime rate” or “base rate” announced by Bank of America, N.A., or any successor thereto.

*“Project Fund”* means the fund by that name created in **Section 401**.

*“Record Date”* for the interest payable on any Payment Date means the 15th calendar day, whether or not a Business Day, of the month next preceding such Payment Date occurs.

*“Redemption Account”* means the account by that name in the Debt Service Fund created in **Section 401**.

*“Refunding Bonds”* means TDD Bonds issued by the District to refund all or a portion of the Series A Notes.

*“Refunding Date”* means the date of issuance and delivery of Refunding Bonds by the District.

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

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

“*Related Party*” means any party related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended.

“*Revenue Fund*” means the fund by that name created in **Section 401**.

“*Senior Series A Note*” shall have the meaning set forth in **Section 201(a)(3)** hereof.

“*Series A Notes*” means the District’s Transportation Development Revenue Notes, Series 2010 A, in the aggregate principal amount of not to exceed \$1,250,000 plus Issuance Costs and Accrued Interest.

“*Series B Notes*” means the District’s Subordinate Transportation Development Revenue Notes, Series B, which may be issued in the Series B Principal Amount to the Developer, the City or the County, pursuant to the Development Agreement.

“*Series B Principal Amount*” means, in the aggregate, the principal amount of Series B Notes authorized and approved by the District from time to time and as certified by the District in writing to the Trustee.

“*Special Tax Counsel*” means Armstrong Teasdale LLP, St. Louis, Missouri, or an attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia, and which is selected by the District and is acceptable to the City and to the Trustee.

“*Special Trust Fund*” means (i) the “Special Trust Fund for the Olive/Graeser Transportation Development District” established by the District, (ii) the “special trust account” of the District authorized under Section 238.227.4 of the TDD Act, or (iii) the “special trust fund” of the District authorized under Section 238.235.1 of the TDD Act, whichever is the fund or account into which TDD Revenues are then being deposited.

“*State*” means the State of Missouri.

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

“*Tax Compliance Certificate*” means any Tax Compliance Certificate executed and delivered by the District in connection with the issuance of Notes, as the same may be amended from time to time.

“*Tax-Exempt Notes*” means those Series A Notes and Series B Notes, the interest on which is excluded from gross income for federal income tax purposes.

“*TDD Act*” means the Missouri Transportation Development District Act, Section 238.200 to 238.280 of the Revised Statutes of Missouri, as amended.

*TDD Administrative Costs*” means the costs of maintaining the District’s existence and making appropriate filings, administering its operations, and ultimate dissolution of the District.

*“TDD Bonds”* means any transportation development revenue bonds, including Refunding Bonds, authorized and issued by or on behalf of the District to refund the Notes and to finance the costs of the Infrastructure Improvements.

*“TDD Eligible Costs”* means any cost or costs that are payable pursuant to the Development Agreement and that may be reimbursed by or paid for by the TDD, either directly or by means of repayment of the TDD Obligations, from the TDD Sales Tax, pursuant to the TDD Act or other applicable law.

*“TDD Obligations”* means the Notes and TDD Bonds or other obligations issued singly or in a series, to refund the Notes.

*“TDD Revenues”* means all revenues received by the District from the TDD Sales Tax (less an amount of up to one percent (1%) for collection costs (if applicable) and not including any amounts paid under protest until such protest is resolved or abandoned), as well as any contributions to the District including revenues pursuant to Sections 2.8 and 3.8 of the Development Agreement.

*“TDD Revenues Account”* means the account by that name in the Revenue Fund created in **Section 401**.

*“TDD Sales Tax”* means the transportation development district sales tax authorized by Section 238.235 of the TDD Act and currently imposed by the District at a rate of one percent (1%) on all retail sales made in the District which are subject to taxation pursuant to the provisions of Sections 144.010 to 144.525, RSMo, subject to certain exceptions listed in the TDD Act.

*“Trust Estate”* means the Trust Estate described in the granting clauses of this Indenture.

*“Trustee”* means UMB Bank, N.A., St. Louis, Missouri, and its successor or successors and any other association or corporation which at any time may be substituted in its place pursuant to and at the time serving as trustee under this Indenture.

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

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and vice versa.

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

(c) The table of contents hereto and the headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

(d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.

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

## **Article II. THE NOTES**

### **Section 201     Authorization, Issuance and Terms of Notes.**

(a) *Authorized Amount of Notes.* No Note may be issued under this Indenture except in accordance with the provisions of this Article and the Development Agreement, including requirements of advance notice to and opportunity to object by the City pursuant to Section 3.1 of the Development Agreement.

(1) The District shall issue the Series A Notes secured by and subject to this Indenture in an aggregate principal amount not to exceed \$1,250,000, plus Issuance Costs and Accrued Interest.

(2) The District shall issue the Series B Notes secured by and subject to this Indenture in the Series B Principal Amount. The Series B Notes shall be subordinate to the Series A Notes such that no payment of the principal of or interest on the Series B Notes shall be made while Series A Notes are outstanding.

(3) To the extent that the City is the Registered Owner of any Series A Note, then such Series A Note shall be deemed a “*Junior Series A Note*” that is junior and subordinate to all other Series A Notes (“*Senior Series A Notes*”) and to all TDD Bonds, such that no payment of the principal of or interest on a Junior Series A Note shall be made until such time as no TDD Bonds and no Senior Series A Notes are Outstanding.

(b) *Form of Notes.* The Notes shall be substantially in the form set forth in **Exhibit A** attached hereto with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(c) *Denominations.* The Notes shall be issuable as fully registered Notes in Authorized Denominations other than the final Note of a series.

(d) *Numbering.* Unless the District shall otherwise direct, each series of Notes shall be numbered from R-1 upward.

(e) *Dating.* The Notes shall be dated as of the date of their issuance. Following the date of initial issuance of a Note, endorsements to such Note shall be dated as provided in **Section 203**.

(f) *Interest.* The Notes shall bear simple interest at the Interest Rate.

(g) *Method and Place of Payment.* The principal of and interest on the Notes shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Payment of the principal of (upon

presentation and surrender of such Notes) or interest on any Notes shall be made (1) by check or draft of the Trustee mailed to the Person in whose name such Note is registered on the Note Register as of the commencement of business of the Trustee on the Record Date for such Payment Date, or (2) in the case of any Payment to (i) the Owner of 100% of the Note or Notes or (ii) any Owner of \$500,000 or more in aggregate principal amount of the Note or Notes, by electronic transfer to such Owner upon written notice delivered to the Trustee not less than fifteen (15) days prior to the Record Date from and signed by such Owner containing electronic transfer instructions including the name of the bank (which shall be in the continental United States), ABA routing number and account number to which such Owner wishes to have such transfer directed.

(h) *Evidence of Principal Payments.* The payment of principal of the Notes on each Payment Date shall be noted on the Notes on **Schedule 1** thereto. The Notes and the original **Schedule 1** thereto shall be held by the Trustee in trust, unless otherwise directed in writing by the Owner thereof. If the Note is held by the Trustee, the Trustee shall, on each Payment date, send a revised copy of **Schedule 1** via facsimile to the Owner and the District. Absent manifest error, the amounts shown on **Schedule 1** held by the Trustee shall be conclusive evidence of the principal amount paid on the Note.

## **Section 202 Nature of Obligations.**

(a) The Notes and the interest thereon shall be special, limited obligations of the District payable solely from Note proceeds, the Pledged Revenues and other moneys pledged thereto and held by the Trustee as provided herein, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the Notes, as provided in this Indenture.

(b) The Trust Estate has not been previously pledged to the payment of any other obligations of the District, except that the Pledged Revenues may be pledged to the repayment of TDD Bonds, when and if issued. At such time as TDD Bonds are issued, the Pledged Revenues will be pledged to the payment of the Notes on a fully subordinated basis such that no Pledged Revenues shall be available for payment on Notes until such time as all TDD Bonds have been fully paid.

(c) The Notes and the interest thereon do not constitute a debt of the District, the City, the County, the State or any political subdivision thereof, and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

(d) Except as otherwise provided in **Section 705** hereof, no recourse shall be had for the payment of the principal of or interest on any of the Notes or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained, against any past, present or future director of the District or any trustee, officer, official, employee or agent of the District, as such, either directly or through the District or any successor to the District, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such director, trustee, officer, official, employee or agent of the District as such is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of any of the Notes.

(e) THE OBLIGATIONS OF THE DISTRICT WITH RESPECT TO THE NOTES SHALL TERMINATE ON THE APPLICABLE MATURITY DATE, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST THEREON HAS BEEN PAID IN FULL.

### **Section 203      Execution, Authentication and Delivery of Notes.**

(a) The Notes shall be executed on behalf of the District by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Secretary or Assistant Secretary to the District, and may have the corporate seal of the District affixed thereto or imprinted thereon. If any officer whose signature appears on any Note ceases to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Note may be signed by such persons as at the actual time of the execution of such Note are the proper officers to sign such Note although at the date of such Note such persons may not have been such officers.

(b) The Notes shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in **Exhibit A** hereto, which shall be manually executed by the Trustee. No Note shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication has been duly executed by the Trustee. Such executed Certificate of Authentication upon any Note shall be conclusive evidence that such Note has been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Note shall be deemed to have been duly executed if signed by any authorized signatory of the Trustee, but it shall not be necessary that the same authorized signatory sign the Certificate of Authentication on all of the Notes that may be issued hereunder at any one time.

(c) Upon submission to the Trustee by the District of each Certificate of Reimbursable Costs in the manner (and subject to the limitations) set forth herein and in the Development Agreement, the Trustee shall, at the written request of the District, endorse **Schedule 1** on the Outstanding Notes to evidence an increase in the aggregate principal amount equal to such Reimbursable Costs and send a revised copy of **Schedule 1** via facsimile to the Owner and the District. The date of registration of each endorsement of such Notes shall be the date of approval by the District of each Certificate of Reimbursable Costs.

### **Section 204      Registration, Transfer and Exchange of Notes.**

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

(b) The Notes (and beneficial interests therein) are transferable only to an Approved Investor and only upon the execution by the proposed purchaser or transferee (other than the City or the County) of a letter in substantially the form attached as **Exhibit B** hereto. Subject to the limitations of the preceding sentence, any Notes may be transferred only upon the Register upon surrender of the Note to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the District shall execute and the Trustee shall authenticate and deliver in exchange for such Note a new fully registered Note, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture.

(c) Any Note, upon surrender thereof at the principal corporate trust office of the Trustee or such other office as the Trustee shall designate, together with an assignment duly executed by the Owner or his attorney or legal representative in such form as shall be satisfactory to the Trustee, may, at the option of the Owner thereof, be exchanged for a Note of the same maturity, of any denomination or denominations authorized by this Indenture, bearing interest at the same rate, and registered in the name of the Owner.

(d) In all cases in which a Note is exchanged or transferred hereunder, the District shall execute and the Trustee shall authenticate and deliver at the earliest practicable time a Note in accordance with the provisions of this Indenture. All Notes surrendered in any such exchange or transfer shall forthwith be cancelled by the Trustee.

(e) The District or the Trustee may make a charge against each Owner requesting a transfer or exchange of a Note for every such transfer or exchange of a Note sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange, the cost of printing, if any, each new Note issued upon any transfer or exchange and the reasonable expenses of the District and the Trustee in connection therewith, and such charge shall be paid before any such new Note shall be delivered. The District or the Trustee may levy a charge against an Owner sufficient to reimburse it for any governmental charge required to be paid in the event the Owner fails to provide a correct taxpayer identification number to the Trustee. Such charge may be deducted from amounts otherwise due to such Owner hereunder or under the Note.

(f) At reasonable times and under reasonable regulations established by the Trustee, the Register may be inspected and copied by the District, the City or any Owner (or a designated representative thereof) of 10% or more of the Outstanding Notes, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee.

(g) The Person in whose name any Note is registered on the Register shall be deemed and regarded as the absolute Owner of such Note for all purposes, and payment of or on account of the principal of and interest on any such Note shall be made only to or upon the order of the Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the accrued interest thereon, to the extent of the sum or sums so paid.

#### **Section 205 Description of Notes.**

(a) Each series of Notes shall become due on the Maturity Date, subject to redemption and payment prior to the Maturity Date as provided in **Article III** hereof. The Notes shall bear interest at the Interest Rate payable semiannually on March 1 and September 1 in each year, beginning on September 1, 2010.

(b) The Trustee is hereby designated as the Paying Agent for the payment of the principal of and interest on the Notes.

(c) The Notes shall be executed substantially in the form and manner set forth in **Exhibit A** hereto and delivered to the Trustee for authentication. Prior to or simultaneously with the authentication and delivery of any Notes by the Trustee, there shall be filed with the Trustee the following:

(1) A copy of the Note Resolution, certified by the Secretary or Assistant Secretary of the District, approving the issuance of the Notes and authorizing the execution of this Indenture.

(2) An original executed counterpart of this Indenture.

(3) A copy of the Cooperative Agreement and all amendments.

(4) A copy of the Development Agreement and all amendments.

(5) Evidence that the applicable conditions precedent to issuance of Notes pursuant to Section 3.7 of the Development Agreement have been met.

(6) An Opinion of Special Tax Counsel to the effect that the Notes constitute valid and legally binding obligations of the District and if applicable, that the interest on the Notes is excludable from gross income of the owners thereof for federal income tax purposes.

(7) An Opinion of Special Tax Counsel to the effect that the Notes are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(8) Such other certificates, statements, receipts, opinions and documents required by any of the foregoing documents or as the Trustee shall reasonably require for the delivery of the Notes.

(d) When the documents identified in paragraph (c) of this Section have been filed with the Trustee, and when the Notes have been executed and authenticated as required by this Indenture, the Trustee shall hold the Notes in trust or deliver the Notes to or upon the written order of the purchasers thereof pursuant to **Section 201(a)(1)**, but only upon payment to the Trustee of a purchase price equal to 100% of the face amount of the Notes, which payment shall be deemed to have occurred under the circumstances described in **Section 404** hereof or upon proof of payment of funds by the City or the County pursuant to **Section 3.5(c)** of the Development Agreement.

**Section 206 Mutilated, Lost, Stolen or Destroyed Notes.** If any Note becomes mutilated or is lost, stolen or destroyed, the District shall execute and the Trustee shall authenticate and deliver a new Note of like date and tenor as the Note mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Note, such mutilated Note shall first be surrendered to the Trustee. In the case of any lost, stolen or destroyed Note, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity to the District and the Trustee satisfactory to the Trustee. If any such Note has matured, is about to mature or has been called for redemption, instead of delivering a substitute Note, the Trustee may pay the same instead. Upon the issuance of any substitute Note, the District and the Trustee may require the payment of an amount by the Owner sufficient to reimburse the District and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

**Section 207 Cancellation and Destruction of Notes Upon Payment.** All Notes which have been paid or redeemed or which the Trustee has purchased or which have otherwise been surrendered to the Trustee under this Indenture, either at or before maturity, shall be immediately cancelled upon the payment, redemption or purchase of such Notes and the surrender thereof to the Trustee and periodically destroyed by the Trustee in accordance with applicable record retention requirements. The Trustee shall execute a certificate in duplicate describing the Notes so cancelled, and shall file an executed counterpart of such certificate with the District.

### **Article III. REDEMPTION OF NOTES**

**Section 301 Redemption of Notes Generally.** The Notes shall be subject to redemption prior to maturity in accordance with the terms and provisions set forth in this Article.

**Section 302 Redemption of Notes.**

(a) *Optional Redemption.* All Notes are subject to optional redemption by the District in whole at any time or in part on any Payment Date at a redemption price equal to 100% of the principal amount being redeemed, together with interest accrued to the date fixed for redemption.

(b) *Special Mandatory Redemption.*

(i) The Notes are subject to special mandatory redemption by the District on any Payment Date at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund on the 35th day prior to such Payment Date or, if such date is not a Business Day, the immediately preceding Business Day.

(ii) The Notes are also subject to special mandatory redemption by the District, in whole but not in part, on any date if moneys in the Revenue Fund and the Debt Service Fund are sufficient to redeem all of the Notes then Outstanding at a redemption price of 100% of the principal amount thereof, together with accrued interest thereon to the redemption date.

### **Section 303     Selection of Notes to be Redeemed.**

(a) The Notes shall be redeemed only in Authorized Denominations subject to the requirements of the Development Agreement. When less than all of the Outstanding Notes are to be redeemed and paid prior to maturity, such Note or portions of Notes to be redeemed shall be selected in Authorized Denominations by the Trustee in such equitable manner as it may determine.

(b) In the case of a partial redemption of a Note when a Note of a denomination greater than the minimum Authorized Denomination is then Outstanding, then for all purposes in connection with such redemption each Authorized Denomination unit of face value shall be treated as though it was a separate Note of the denomination of the minimum Authorized Denomination. If one or more, but not all, of the minimum Authorized Denomination units of principal amount represented by any Note is selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination unit or units, the Owner of such Note or his attorney or legal representative shall forthwith present and surrender such Note to the Trustee (i) for payment of the redemption price (including the interest to the date fixed for redemption) of the minimum Authorized Denomination unit or units of principal amount called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Note of the aggregate principal amount of the unredeemed portion of the principal amount of such Note. If the Owner of any such Note of a denomination greater than the minimum Authorized Denomination fails to present such Note to the Trustee for payment and exchange as aforesaid, said Note shall, nevertheless, become due and payable on the redemption date to the extent of the minimum Authorized Denomination unit or units of principal amount called for redemption (and to that extent only) and shall cease to accrue interest on the principal amount so called for redemption.

### **Section 304     Notice of Redemption.**

(a) In the case of a Note being called for redemption under **Section 302(a)** and **Section 302(b)(ii)**, the Trustee shall call the Notes for redemption and payment as herein provided and shall give notice of redemption as provided below upon receipt by the Trustee at least forty-five (45) days prior to the redemption date of a written request of the District. In the case of a Note called for redemption under **Section 302(a)**, official notice of any redemption of any such Note shall be given by the Trustee on behalf of the District by mailing a copy of an official redemption notice by first class mail,

postage prepaid, at least 15 days but not more than 30 days prior to date fixed for redemption to the Owner of the Note to be redeemed at the address shown on the Register; provided, however, that failure to give such notice by mailing as aforesaid to any Owner or any defect therein as to any particular Note shall not affect the validity of any proceedings for the redemption of any other Note.

- (b) All official notices of redemption shall be dated and shall state:
  - (1) the redemption date,
  - (2) the redemption price,
  - (3) the identification number, series designation, maturity date, and, in the case of a partial redemption of Notes, the respective principal amounts of the Notes to be redeemed,
  - (4) that on the redemption date the redemption price will become due and payable upon such Note or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
  - (5) the place where such Notes are to be surrendered for payment of the redemption price, which place of payment shall be the payment office of the Trustee.

In addition to the foregoing notice, the Trustee shall also comply with any mandatory requirements or guidelines published by the Securities and Exchange Commission relating to providing notices of redemption. The failure of the Trustee to comply with any such requirements or guidelines shall not affect or invalidate the redemption of said Notes.

(c) The Trustee shall mail by first-class mail to the District and the Developer a copy of each redemption notice.

(d) In the case of Notes called for redemption pursuant to **Section 302(b)(i)**, such Notes shall be deemed to be called without the necessity of any action by the District.

**Section 305 Effect of Call for Redemption.** On or prior to the date fixed for redemption, the District shall deposit or cause to be deposited moneys or Government Securities with the Trustee as provided in **Section 402** hereof to pay the Notes called for redemption and accrued interest thereon to the redemption date. Upon the happening of the above conditions, and notice having been given as provided in **Section 304** hereof, the Notes or the portions of the principal amount of the Notes thus called for redemption shall cease to bear interest on the specified redemption date, provided moneys sufficient for the payment of the redemption price are on deposit at the place of payment at the time, and shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

#### **Article IV. FUNDS AND REVENUES**

##### **Section 401 Creation of Funds.**

(a) The following funds of the District are hereby created and established with the Trustee:

- (1) Revenue Fund (the "*Revenue Fund*"), which shall contain a TDD Account and Hutkin Account;

(2) Debt Service Fund, which shall contain a Redemption Account (the “*Debt Service Fund*”);

(3) Project Fund, which shall contain a Series A Account and a Series B Account (the “*Project Fund*”); and

(4) Operating Fund (the “*Operating Fund*”).

Each fund shall be maintained by the Trustee as a separate and distinct trust fund and the moneys therein shall be held, managed, invested, disbursed and administered as provided in this Indenture. All moneys deposited in each fund or account shall be used solely for the purposes set forth in this Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and account and all deposits to and disbursements therefrom.

#### **Section 402 Revenue Fund.**

(a) The creation of the Special Trust Fund in the treasury of the District is hereby ratified. So long as no TDD Bonds are outstanding, on or before the fifteenth (15<sup>th</sup>) calendar day of each month (or the next Business Day thereafter if the fifteenth (15<sup>th</sup>) is not a Business Day) while the Notes are Outstanding, the District shall transfer or cause the transfer of all Net Proceeds from the Special Trust Fund to the Trustee for deposit into the Revenue Fund. If the District has no Net Proceeds to transfer to the Trustee pursuant to this section, the District shall so notify the Trustee in writing.

(b) So long as no TDD Bonds are outstanding, all TDD Revenues shall be deposited into the TDD Account of the Revenue Fund; provided that, if and to the extent the Trustee receives TDD Revenues that are identified to it as having been collected from businesses on the Hutkin Property (as defined in the Development Agreement and legally described on **Exhibit C** attached hereto and incorporated herein by reference), such moneys shall be deposited into the Hutkin Account of the Revenue Fund. No moneys from the Hutkin Account shall be used to repay Series B Notes that are issued to either the City or to the County under Section 3.5(c) of the Development Agreement for contributions toward the Dautel realignment.

(c) So long as no TDD Bonds are outstanding, moneys on deposit in the Revenue Fund shall be disbursed by the Trustee on each Payment Date for the purposes and in the amounts as set forth below (subject to the restrictions of Section 402(b) above):

*First*, to the United States of America, an amount sufficient to pay any arbitrage rebate owed pursuant to Section 148 of the Code, as directed in writing by the District pursuant to the Tax Compliance Certificate and to pay the costs of any required rebate calculation pursuant to the Code;

*Second*, to the Trustee or any Paying Agent, an amount sufficient for payment of fees and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the District of an invoice for such amounts;

*Third*, to the Operating Fund, one-half of the Annual Operating Fund Deposit;

*Fourth*, transfer to the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, past-due interest, if any, owing on the Senior Series A Notes;

*Fifth*, transfer to the Debt Service Fund, an amount sufficient to pay, pro rata, the interest becoming due and payable on the Senior Series A Notes on such Payment Date;

*Sixth*, transfer to the Redemption Account of the Debt Service Fund all moneys then remaining in the Revenue Fund, which shall be applied pro rata to the payment of principal on the Senior Series A Notes that is subject to redemption on the next succeeding Payment Date pursuant to **Section 302(b)** hereof;

*Seventh*, if no Senior Series A Notes are Outstanding, transfer to the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, past-due interest, if any, owing on the Junior Series A Notes;

*Eighth*, if no Senior Series A Notes are Outstanding, transfer to the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, the interest becoming due and payable on the Junior Series A Notes on such Payment Date;

*Ninth*, if no Senior Series A Notes are Outstanding, transfer to the Redemption Account of the Debt Service Fund all moneys then remaining in the Revenue Fund, which shall be applied pro rata to the payment of principal on the Junior Series A Notes that is subject to redemption on the next succeeding Payment Date pursuant to **Section 302(b)** hereof;

*Tenth*, if no Series A Notes are Outstanding, transfer to the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, past-due interest, if any, owing on the Series B Notes;

*Eleventh*, if no Series A Notes are Outstanding, transfer to the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, the interest becoming due and payable on the Series B Notes on such Payment Date; and

*Twelfth*, if no Series A Notes are Outstanding, transfer to the Redemption Account of the Debt Service Fund all moneys then remaining in the Revenue Fund, which shall be applied pro rata to the payment of principal on the Series B Notes that is subject to redemption on the next succeeding Payment Date pursuant to **Section 302(b)** hereof.

(d) Upon payment in full of the principal of and interest on the Series A Notes (or once provisions have been made for the payment thereof as specified in this Indenture), all amounts remaining on deposit in the Hutkin Account of the Revenue Fund shall be paid to the District for deposit into the Special Trust Fund.

(e) Upon payment in full of the principal of and interest on the Notes (or once provisions have been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agent, and any other amounts required to be paid under this Indenture, all amounts remaining on deposit in the Revenue Fund shall be paid to the District for deposit into the Special Trust Fund.

### **Section 403     Debt Service Fund.**

(a) All amounts paid and credited to the Debt Service Fund shall be expended solely for (1) the payment of the principal of and interest on the Notes as the same matures and becomes due or upon the redemption thereof, or (2) to purchase the Notes for cancellation prior to maturity.

(b) The District hereby authorizes and directs the Trustee to withdraw (to the extent available) sufficient moneys from the Debt Service Fund to pay the principal of and interest on the Notes as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Notes.

(c) The Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Outstanding Notes and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by **Article III** hereof, so long as said moneys are in excess of the amount required for payment of the Notes theretofore matured or called for redemption.

(d) If the moneys in the Debt Service Fund are insufficient to pay all accrued interest on the Senior Series A Notes on any Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the Persons entitled thereto with respect to the Senior Series A Notes without any discrimination or privilege, and any unpaid portion shall accrue to the next Payment Date, with interest thereon at the rate or rates specified in the Senior Series A Notes to the extent permitted by law. If the moneys in the Debt Service Fund are insufficient to pay the principal of the Senior Series A Notes on the maturity date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(e) When no Senior Series A Notes are Outstanding, if the moneys in the Debt Service Fund are insufficient to pay all accrued interest on the Junior Series A Notes on any Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the Persons entitled thereto with respect to the Junior Series A Notes without any discrimination or privilege, and any unpaid portion shall accrue to the next Payment Date, with interest thereon at the rate or rates specified in the Junior Series A Notes to the extent permitted by law. If the moneys in the Debt Service Fund are insufficient to pay the principal of the Junior Series A Notes on the maturity date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(f) When no Series A Notes are Outstanding, if the moneys in the Debt Service Fund are insufficient to pay all accrued interest on the Series B Notes on any Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the Persons entitled thereto with respect to the Series B Notes without any discrimination or privilege, and any unpaid portion shall accrue to the next Payment Date, with interest thereon at the rate or rates specified in the Series B Notes to the extent permitted by law. If the moneys in the Debt Service Fund are insufficient to pay the principal of the Series B Notes on the maturity date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(g) After payment in full of the principal of and interest on the Notes (or once provisions have been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agent and any other amounts required to be paid under this Indenture, all amounts remaining in the Debt Service Fund shall be paid to the District for deposit into the Special Trust Fund.

**Section 404 Project Fund.** Upon the approval by the District of a Certificate of Reimbursable Costs or a certification by the District to the Trustee regarding funds provided by the City or the County pursuant to Section 3.5(c) of the Development Agreement, and the issuance or endorsement of a Note pursuant to **Section 203(c)** hereof, funds shall be deemed to have been advanced by the Developer, the City or the County, as appropriate, to purchase such Note and the District shall be deemed to have deposited such funds in the applicable Account in the Project Fund and shall be deemed to have reimbursed the Developer, the City or the County, as appropriate, in full for such costs from the amounts deemed to be on deposit in the Project Fund.

**Section 405 Operating Fund.** Money in the Operating Fund shall be disbursed by the Trustee without inquiry or investigation from time to time upon receipt of a written request of the Authorized District Representative to pay TDD Administrative Costs and prior to the MHTC Acceptance Date, non-capital costs of maintaining the Infrastructure Improvements. Any TDD Administrative Costs or costs of maintaining the Infrastructure Improvements in excess of the Annual Operating Fund Deposit shall be carried forward for payment from the next deposit of the Annual Operating Fund Deposit.

**Section 406 Non-Presentation of Notes.** If any Note is not presented for payment when the principal thereof becomes due, either at maturity or at the date fixed for redemption thereof, and provided the Trustee is holding sufficient funds for the payment thereof, all liability of the District to the Owner thereof for the payment of such Note shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Owner of such Note who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on such Owner's part under this Indenture or on, or with respect to, said Note. If, within sixty days of the date when principal of any Note becomes due, either at maturity or at the date fixed for redemption thereof, such Note has not been presented to the Trustee for payment and provided the Trustee is holding sufficient funds for the payment thereof, the Trustee shall give written notice to the Owner of such Note, as evidenced by the Register, that the Trustee is holding for such Owner's benefit sufficient funds for the payment of such Note.

Any moneys so deposited with and held by the Trustee not so applied to the payment of the Notes within four years after the date on which the same have become due shall be paid by the Trustee to the District without liability for interest thereon, free from the trusts created by this Indenture. Thereafter, Owners shall be entitled to look only to the District for payment, and then only to the extent of the amount so repaid by the Trustee. The District shall not be liable for any interest on the sums paid to it pursuant to this Section and shall not be regarded as a trustee of such money.

## **Article V.**

### **SECURITY FOR DEPOSITS AND INVESTMENT OF MONEYS**

**Section 501 Moneys to be Held in Trust.** All moneys deposited with or paid to the Trustee for the account of any fund under any provision of this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and, until used or applied as herein provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as otherwise provided herein.

## **Section 502 Investment of Moneys.**

(a) The District's Board of Directors may, in its sole discretion, invest any or all of the moneys in the Special Trust Fund in Investment Securities or in Government Securities. All interest earned upon the balance in the Special Trust Fund shall be deposited to the credit of the Special Trust Fund.

(b) Moneys in all funds and accounts under any provision of this Indenture and in the custody of the Trustee shall be continuously invested and reinvested by the Trustee in Investment Securities at the written direction of the District given by an Authorized District Representative. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees, which may be deducted from income earned on investments. The Trustee may make investments through its investment division or short-term investment department.

(c) Moneys on deposit in all funds and accounts may be invested only in Investment Securities which mature or are subject to redemption at the option of the owner thereof prior to the date such funds are expected to be needed. All investments shall constitute a part of the fund and account from which the moneys used to acquire such investments have come. The interest accruing thereon and any profit realized from such Investment Securities shall be credited to such fund or account and any loss resulting from such Investment Securities shall be charged to such fund or account. The Trustee shall sell and reduce to cash a sufficient amount of investments in a fund or account whenever the cash balance therein is insufficient to pay the amounts required to be paid therefrom. The Trustee may transfer investments from any fund or account to any other fund in lieu of cash when required or permitted by the provisions of this Indenture. In determining the balance in any fund or account, investments shall be valued at the lower of their original cost or their fair market value on the most recent Payment Date. The Trustee shall not be liable for any loss resulting from any investment made in accordance herewith.

## **Article VI.**

### **PARTICULAR COVENANTS AND PROVISIONS**

**Section 601 Authority to Issue Notes and Execute Indenture.** The District covenants that (a) it is duly authorized under the laws of the State to execute and deliver this Indenture, to issue the Notes and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; (b) all action on its part for the execution and delivery of this Indenture and the issuance of the Notes has been duly and effectively taken; and (c) the Notes in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the District according to the import thereof.

**Section 602 Covenant to Request Appropriations.** The District covenants and agrees that the officer of the District at any time charged with the responsibility of formulating budget proposals shall include, and such officer is hereby directed to include, in the budget proposal submitted to the board of directors of the District for each fiscal year until the Notes mature a request for an appropriation of all TDD Revenues on deposit in the Special Trust Fund for deposit and application in accordance with this Indenture and the Note Resolution. Notwithstanding anything herein to the contrary, no TDD Revenues shall be used for the payment of Notes while any TDD Bonds are outstanding.

**Section 603 Performance of Fiduciary and Corporate Duties.** The District covenants to file all corporate and tax reports required by law, and to take such further action, including appointment or replacement of successor members to the board of directors, as may be reasonable and necessary to continue its legal existence or carry out its fiduciary and corporate duties so as to not adversely affect the rights of Owners.

**Section 604 Performance of Covenants.** The District covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Notes and in all proceedings pertaining thereto.

**Section 605 Instruments of Further Assurance.** The District covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better assuring, transferring, pledging and assigning to the Trustee, and granting a security interest unto the Trustee in and to the Trust Estate and the other property and revenues herein described. All documents or instruments required by the Trustee shall be delivered to and held by the Trustee. The District hereby authorizes the filings of Uniform Commercial Code financing statements in accordance with the Missouri Uniform Commercial Code.

**Section 606 General Limitation on District Obligations.** ANY OTHER TERM OR PROVISION OF THIS INDENTURE OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION WITH THE TRANSACTION WHICH IS THE SUBJECT HEREOF TO THE CONTRARY NOTWITHSTANDING, THE DISTRICT SHALL NOT BE REQUIRED TO TAKE OR OMIT TO TAKE, OR REQUIRE ANY OTHER PERSON OR ENTITY TO TAKE OR OMIT TO TAKE, ANY ACTION WHICH WOULD CAUSE IT OR ANY PERSON OR ENTITY TO BE, OR RESULT IN IT OR ANY PERSON OR ENTITY BEING, IN VIOLATION OF ANY LAW OF THE STATE OR THE DEVELOPMENT AGREEMENT.

**Section 607 Recording and Filing.** The District shall file or cause to be filed all financing statements related to this Indenture and all supplements hereto and such other documents as may be necessary to be kept and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the owners of the Notes and the rights of the Trustee hereunder and the Trustee shall file continuation statements therefor. The District shall be responsible for the reasonable fees and costs, including fees and costs of counsel and other experts, incurred by the Trustee in the preparation and filing of all continuation statements hereunder. Notwithstanding anything to the contrary contained herein, the Trustee shall not be responsible for any initial amendment, or other filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection of any such security interest, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings under this **Section 607** or any amendments or other changes to Article 9 of the Uniform Commercial Code of the State. The Trustee shall be fully protected in relying on information with respect to any initial filing delivered to it by or on behalf of the District and descriptions in filing any continuation statements required by or pursuant to this **Section 607**. In carrying out its duties under this Section, the Trustee shall be entitled to rely on an Opinion of Counsel specifying what actions are required to comply with this Section.

**Section 608 Possession and Inspection of Books and Documents.** The District and the Trustee covenant and agree that all books and documents in their possession relating to the Notes and to the distribution of proceeds thereof shall at all reasonable times and upon reasonable notice be open to inspection by such accountants or other agencies or persons as the other party may from time to time designate.

**Section 609 Tax Covenants.**

(a) The District shall not use or permit the use of any proceeds of the Tax-Exempt Notes or any other funds of the District, and the Trustee (to the extent within its control) shall not use any proceeds of the Notes or any other funds of the District held by the Trustee, directly or indirectly, to acquire any securities or obligations, and the District and the Trustee shall not use any amounts received by either of

them in any manner, and shall not take or permit to be taken any other action or actions, which would cause any Tax-Exempt Note to be an “arbitrage bond” within the meaning of Section 148(a) of the Code, or “federally guaranteed” within the meaning of Section 149(b) of the Code. If at any time the District is of the opinion that for purposes of this subsection (a) it is necessary to restrict or limit the yield on or change in any way the investment of any moneys held by the Trustee under this Indenture, the Trustee shall take such action as may be necessary in accordance with such instructions. The District and the Trustee shall be deemed in compliance with this Section to the extent they follow an opinion of Special Tax Counsel with respect to the investment of funds hereunder.

(b) The District shall not (to the extent within its power or direction) use or permit the use of any proceeds of the Tax-Exempt Notes or any other funds of the District, directly or indirectly, in any manner, and shall not take or permit to be taken any other action or actions, which would result in any of the Tax-Exempt Notes being treated as other than an obligation described in Section 103(a) of the Code.

(c) The District will not (to the extent within its power or direction) use any portion of the proceeds of the Tax-Exempt Notes, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Tax-Exempt Note to be a “private activity bond” within the meaning of Section 141(a) of the Code.

(d) The Trustee agrees to comply with any written letter or opinion of Special Tax Counsel which sets forth the requirements to comply with any statute, regulation or ruling that may apply to the Trustee hereunder and relating to reporting requirements or other requirements necessary to preserve the exclusion from federal gross income of the interest on the Tax-Exempt Notes.

(e) The foregoing covenants of this Section shall remain in full force and effect notwithstanding the defeasance of the Tax-Exempt Notes pursuant to **Article IX** of this Indenture or any other provision of this Indenture, until the final scheduled payment of all Tax-Exempt Notes Outstanding.

Notwithstanding any provision of this Indenture to the contrary, the Trustee shall not be liable or responsible for monitoring the compliance by the District with any of the requirements of Section 148 of the Code or any applicable regulation, ruling or other judicial or administrative interpretation thereof; it being acknowledged and agreed that the sole obligation of the Trustee with respect to the investment of monies held under any fund or account created hereunder shall be to invest such monies pursuant to the instructions received by the Trustee in accordance with **Section 502**.

**Section 610 Collection of TDD Sales Tax.** The District shall, at the written request of the Owners of a majority in aggregate principal amount of the Outstanding Notes and upon receipt by the District from said Owners of an amount deemed necessary, in the sole judgment of the District, to enable the District to take such action as may be required to cause payment of TDD Sales Tax due and owing to the District under the TDD Act.

**Section 611 Enforcement of Development Agreement.**

(a) The District shall enforce the provisions of the Development Agreement in such manner as the District deems prudent and advisable in its good faith discretion. The District may enforce all appropriate available remedies thereunder, including particularly any actual, agreed or liquidated damages for failure to perform under the Development Agreement, and shall transfer to the Trustee for deposit to the Revenue Fund all sums received on account of such damages.

(b) The District shall notify the Trustee in writing as to any material failure of performance under the Development Agreement, and at the time of such notification the District shall also advise the

Trustee what action the District proposes to take in enforcing available remedies. If, in the sole judgment of the Trustee, such action is less likely to be effective than some other or additional action, the Trustee shall so advise the District promptly in writing. If, within thirty (30) days following advice by the Trustee that some additional or other action would be more effective, the District has not taken such other or additional action, and the Trustee has not, after consultation with the District, withdrawn such advice, upon receipt of indemnification satisfactory to it, the Trustee is hereby authorized to take such action, whether the action was suggested by the Trustee or otherwise, as the Trustee may deem most expedient and in the interest of the Owners of the Notes. In furtherance of the rights granted to the Trustee by this Section, the District hereby assigns to the Trustee all of the rights it may have in the enforcement of the Development Agreement, further authorizing the Trustee in its own name or in the name of the District to bring such actions, employ such counsel, execute such documents and do such other things as may in the judgment of the Trustee be necessary or appropriate under the circumstance at the expense of the Trust Estate.

(c) The District shall not modify, amend or waive any provision of the Development Agreement without the prior written consent of the Trustee, whose consent shall not be unreasonably withheld or delayed. The Trustee may withhold its consent if the proposed modification, amendment or waiver may adversely affect the security for the Notes or the interests of the Owners thereof or may adversely affect the exclusion of interest on the Notes from gross income of the Owners thereof for federal income tax purposes or as may impose additional duties on the Trustee that were not contemplated upon the original execution of this Indenture.

## **Article VII.**

### **DEFAULT AND REMEDIES**

**Section 701 Events of Default.** If any one or more of the following events occur, it is hereby defined as and declared to be and to constitute an “Event of Default”:

(a) Default in the performance or observance of any of the covenants, agreements or conditions on the part of the District in this Indenture or in the Series A Notes contained (or, if no Series A Notes are Outstanding, in the Series B Notes contained); and the continuance thereof for a period of 30 days after written notice thereof has been given (i) to the District by the Trustee, or (ii) to the Trustee (which notice of default the Trustee shall be required to accept) and the District by the Owners of not less than 25% in the Series A Notes then Outstanding; or if no Series A Notes are Outstanding, the Owners of a majority principal amount of the Series B Notes Outstanding; provided, however, if any default is such that it cannot be corrected within such thirty-day period, it shall not constitute an Event of Default if corrective action is instituted by the District within such period and diligently pursued until the default is corrected.

(b) The filing by the District of a voluntary petition in bankruptcy, or failure by the District to promptly lift any execution, garnishment or attachment of such consequence as would impair the ability of the District to carry on its operation, or adjudication of the District as bankrupt, or assignment by the District for the benefit of creditors, or the entry by the District into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceedings instituted under the provisions of federal bankruptcy law, or under any similar acts which may hereafter be enacted.

The Trustee shall give written notice of any Event of Default to the District as promptly as practicable after the occurrence of an Event of Default of which the Trustee has notice as provided in **Section 801(h)** hereof.

## **Section 702      Acceleration.**

(a) If an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of the Owners of majority in aggregate principal amount of the Series A Notes then Outstanding, by notice in writing delivered to the District, declare the principal of all Series A Notes then Outstanding and the interest accrued thereon immediately due and payable. If no Series A Notes are Outstanding and an Event of Default has occurred and is continuing, the Trustee may, and shall upon the written request of the Owners of a majority in aggregate principal amount of the Series B Notes then Outstanding, by notice in writing delivered to the District, declare the principal of all Series B Notes then Outstanding and the interest accrued thereon immediately due and payable.

(b) In case of any rescission pursuant to **Section 712** hereof, the Trustee, the District and the Owners shall be restored to their former positions and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

**Section 703      Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession.** If an Event of Default has occurred and is continuing, the District, upon demand of the Trustee, shall forthwith surrender the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the District pertaining thereto, and out of the same and any moneys received from any receiver of any part thereof pay and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including, but not limited to, (i) reasonable compensation to the Trustee, its agents and counsel, and (ii) any reasonable charges of the Trustee hereunder, and the Trustee shall apply the remainder of the moneys so received in accordance with **Section 708** hereof.

Whenever all that is due upon the Notes has been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the District, its successors or assigns, the same right of possession, however, to exist upon any subsequent Event of Default.

While in possession of the Trust Estate, the Trustee shall render annually to the District a summarized statement of receipts and expenditures in connection therewith.

**Section 704      Appointment of Receivers in Event of Default.** If an Event of Default has occurred and is continuing, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

**Section 705      Exercise of Remedies by the Trustee.** If an Event of Default has occurred and is continuing, the Trustee may pursue any available remedy at law or equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of and interest on the Notes then Outstanding, and to enforce and compel the performance of the duties and obligations of the District as herein set forth.

If an Event of Default has occurred and is continuing, and if requested to do so by the Owners of not less than 25% in aggregate principal amount of the Series A Notes then Outstanding (or, if no Series A Notes are Outstanding, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Series B Notes then Outstanding) and indemnified as provided in **Section 801(I)**

hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, deems most expedient in the interests of the Owners; provided, however, that the Trustee shall not be required to take any action which in its good faith conclusion could result in personal liability to it for which it has not been indemnified as provided in **Section 801** hereof.

All rights of action under this Indenture or under any of the Notes may be enforced by the Trustee without the possession of any of the Notes or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owner, and any recovery or judgment shall, subject to **Section 708** hereof, be for the equal benefit of all the Owners of the Outstanding Notes, and if no Series A Notes are then Outstanding, the equal benefit of all of the Owners of the Outstanding Series B Notes.

**Section 706    Limitation on Exercise of Remedies by Owners.** No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless:

(i) a default has occurred of which the Trustee has notice as provided in **Section 801(h)** hereof, and

(ii) such default has become an Event of Default, and

(iii) the Owners of not less than 25% in aggregate principal amount of the Series A Notes then Outstanding (or, if no Series A Notes are Outstanding, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Series B Notes then Outstanding) shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and shall have provided to the Trustee indemnity as provided in **Section 801(l)** hereof, and

(iv) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name;

and such notification, request and indemnity are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owners shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of the Series A Notes then Outstanding (or, if no Series A Notes are Outstanding, for the equal benefit of the Owners of all Series B Notes then Outstanding). Nothing in this Indenture, however, shall affect or impair the right of any Owner to payment of the principal of and interest on any Note at and after its maturity or the obligation of the District to pay the principal of and interest on each of the Notes to the respective Owners thereof at the time, place, from the source and in the manner herein and in such Notes expressed.

**Section 707    Right of Owners to Direct Proceedings.** Any other provision herein to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Series A Notes

then Outstanding (or, if no Series A Notes are Outstanding, for the equal benefit of the Owners of all Series B Notes then Outstanding) shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and provided, further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith determines that the proceeding so directed would involve it in personal liability for which the Trustee has not been indemnified as provided in **Article VIII** hereof.

**Section 708 Application of Moneys in Event of Default.** Upon an Event of Default, all moneys held or received by the Trustee pursuant to this Indenture or pursuant to any right given or action taken under this Article shall, after payment of the reasonable costs, advances and expenses of the Trustee and the proceedings resulting in the collection of such moneys, including without limitation attorney's fees and expenses, be deposited in the Debt Service Fund. All moneys in the Debt Service Fund and the Revenue Fund shall be applied as follows:

(a) If the principal of all the Notes has not become or has not been declared due and payable, all such moneys shall be applied:

(1) *First* -- To the payment to the Persons entitled thereto of all installments of interest then due and payable on the Series A Notes, in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Series A Notes to the extent permitted by law, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege.

(2) *Second* -- To the payment to the Persons entitled thereto of the unpaid principal of the Series A Notes that has become due and payable (other than the Notes called for redemption for the payment of which moneys or securities are held pursuant to this Indenture), in the order of their due dates (paying all Senior Series A Notes ahead of Junior Series A Notes), and, if the amount available is not sufficient to pay in full such principal due on any particular date, together with such interest, then to the payment ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(3) *Third* -- If no Series A Notes are Outstanding, to the payment to the Owners entitled thereto of all installments of interest then due and payable on the Series B Notes, in the order in which such installments of interest became due and payable, with interest thereon at the rate or rates specified in the respective Series B Notes to the extent permitted by law, and, if the amount available is not sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege.

(4) *Fourth* -- If no Series A Notes are Outstanding, to the payment to the Owners entitled thereto of the unpaid principal of any of the Series B Notes that have become due and payable (other than Series B Notes called for redemption for the payment of which moneys or securities are held pursuant to this Indenture), in the order of their due dates, and, if the amount available is not sufficient to pay in full such principal due on any particular date, together with such interest, then to the payment ratably, according to the amounts of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(b) If the principal of the Notes has become due or has been declared due and payable, all such moneys shall be applied:

(1) *First* -- To the payment of the principal and interest then due and unpaid on all of the Senior Series A Notes, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Senior Series A Note over any other Senior Series A Note, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or privilege, and

(2) *First* -- Once no Senior Series A Notes are Outstanding, to the payment of the principal and interest then due and unpaid on all of the Junior Series A Notes, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Junior Series A Note over any other Junior Series A Note, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or privilege, and

(3) *Second* -- Once no Series A Notes are Outstanding, to the payment of the principal and interest then due and unpaid on all of the Series B Notes, without preference or priority of principal over interest or of interest over principal or of any installment of interest over any other installment of interest or of any Series B Note over any other Series B Note, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or privilege.

(c) If the principal of the Notes has been declared due and payable, and if such declaration thereafter is rescinded and annulled under the provisions of **Section 712** hereof, then, subject to the provisions of **subsection (b)** above of this Section in the event that the principal of the Notes shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of **subsection (a)** of this Section.

(d) Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied at such times and from time to time as the Trustee shall determine, having due regard to the amount of such moneys available and which may become available for such application in the future.

**Section 709 Remedies Cumulative.** No remedy conferred by this Indenture upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owners hereunder or now or hereafter existing at law or in equity or by statute.

**Section 710 Delay or Omission Not Waiver.** No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient.

**Section 711 Effect of Discontinuance of Proceedings.** If the Trustee has proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry of court order or otherwise, and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely, then the District, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

**Section 712     Waivers of Events of Default.** The Trustee shall waive any Event of Default and its consequences and rescind any declaration of maturity of principal upon the written request of the Owners of a majority in aggregate principal amount of the Series A Notes then Outstanding (or if no Series A Notes are then Outstanding, the Owners of a majority in aggregate principal amount of Series B Notes then Outstanding); provided, however, that prior to such waiver or rescission, all fees and expenses of the Trustee in connection with such default (including attorney's fees and expenses) shall have been paid as provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default have been discontinued or abandoned or determined adversely, then and in every such case the District, the Trustee and the Owners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default or Event of Default, or impair any right consequent thereon.

## **Article VIII. THE TRUSTEE**

**Section 801     Acceptance of Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. If any Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person under reasonably similar circumstances would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers. The Trustee may act or refrain from acting and conclusively rely upon the opinion or advice of counsel, who may, without limitation, be counsel to the District or an employee of the Trustee, concerning all matters of trust hereof and the duties hereunder, and, subject to the restrictions of **Section 802** hereof, may in all cases pay such reasonable compensation to all such agents, attorneys or receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith and shall be fully protected in reliance upon such opinion or advice of counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Notes (except with respect to the Certificate of Authentication of the Trustee endorsed on the Notes), or for the recording or re-recording, filing or refiling of this Indenture or any security agreements in connection therewith or for insuring any of the improvements constructed as part of the Infrastructure Improvements or collecting any insurance moneys, or for the validity of the execution by the District of this Indenture or of any instruments of further assurance, or for the sufficiency of the security for the Notes. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Article V** hereof. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Notes. The Trustee shall not be accountable for the use or application by the District of the Notes or the proceeds thereof or of any money paid to or upon the order of the District under any provision of this Indenture.

(d) The Trustee shall not be accountable for the use of any Note authenticated and delivered hereunder. The Trustee, in its individual or any other capacity, may become the owner or pledgee of the Notes with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture believed by it to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to and in accordance with this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is the Owner of any Note, shall be conclusive and binding upon all future Owners of the same Note and upon a Note issued in exchange therefor or upon transfer or in place thereof.

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

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

(h) The Trustee shall not be required to take notice of any default or Event of Default unless the Trustee is specifically notified in writing of such default or Event of Default by the District, by the Owners of at least 10% in aggregate principal amount of all Series A Notes then Outstanding (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding).

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

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of its trusts and powers hereunder.

(k) The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Notes, the withdrawal of any funds, or any action whatsoever within the purview of this Indenture, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee as are deemed desirable for the purpose of establishing the right of the District to the authentication of any Notes, the withdrawal of any funds or the taking of any other action by the Trustee.

(l) Anything herein to the contrary notwithstanding, before taking any action under this Indenture, other than any action under **Article II** hereof concerning the payment of principal and interest on the Notes, declaring an Event of Default or accelerating the maturity of the Notes, the Trustee may, in

its discretion, require that satisfactory indemnity be furnished to it by the Owners or other parties for the reimbursement of all reasonable fees, costs, liabilities, losses, claims and expenses to which it may be put and to protect it against all liability including environmental, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(m) All moneys received by the Trustee or any Paying Agent shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Indenture or by law. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except as provided herein or as may be otherwise agreed upon.

(n) The Trustee may elect not to proceed in accordance with the directions of the Owners of the Notes without incurring any liability to the Owners if in the opinion of the Trustee such direction may result in liability to the Trustee, in its individual capacity, for which the Trustee has not received indemnity from the Owners, and the Trustee may rely upon an opinion of counsel addressed to the Trustee in determining whether any action directed by Owners may result in such liability.

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

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

(q) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its directors, officers or employees unless it is established that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in principal amount of the Series A Notes then Outstanding (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding) relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) subject to **subsection** (l) above, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial or environmental liability in the performance of any of its duties hereunder, or in the exercise of any

of its rights or powers if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Subject to the foregoing, in the event of any action or proceeding brought by the District against the Trustee, under or pursuant to or in the enforcement of the terms and provisions of this Indenture, if it prevails in such action or proceeding the District shall be entitled to recover (and the Trustee shall be obligated to pay) all costs and expenses incurred by the District in connection therewith, including reasonable attorney's fees (as determined by court action) and court costs.

**Section 802 Fees, Charges and Expenses of the Trustee.** The Trustee shall be entitled to payment of and/or reimbursement for reasonable fees (which compensation shall not be limited by any provision of law in regarding to the compensation of a trustee of an express trust) for its ordinary services rendered hereunder and all agent and counsel fees and other ordinary costs and expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, in the event that it becomes necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary costs and out-of-pocket expenses in connection therewith, including legal fees reasonably occasioned thereby. If the Trustee is made a party to any litigation pertaining to this Indenture, the Trustee shall be entitled to reasonable extra compensation therefor and to reimbursement for reasonable and necessary extraordinary costs and out-of-pocket expenses in connection therewith including reasonable legal fees occasioned thereby. In each case the Trustee shall notify the District in writing before the Trustee performs any extraordinary services or incurs any extraordinary costs or expenses, so as to allow the District sufficient time to provide funds for their payment; provided that if any extraordinary services or extraordinary expenses are occasioned by the neglect or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor.

If the Trustee intervenes in or institutes interpleader proceedings in any litigation pertaining to this Indenture, the Trustee is entitled to indemnity as provided in **Section 801(l)** and **Section 801(q)(iv)** hereof.

The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and as Registrar for the Notes. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to payment on account of principal of or interest on any Note, upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, costs and expenses incurred.

**Section 803 Notice of Default.** If a default or Event of Default occurs of which notice is given to the Trustee as provided in **Section 801(h)** hereof, then the Trustee shall give written notice thereof to the District and within 30 days (five Business Days if the maturity of the Notes has been accelerated pursuant to **Section 702** hereof) by first class mail to the Owners of the Notes then Outstanding as shown by the Register.

**Section 804 Intervention by the Trustee.** In any judicial proceeding to which the District is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Series A Notes (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding), the Trustee may intervene on behalf of Owners and shall do so if requested in writing by the Owners of at least 25% in the aggregate principal amount of the Series A Notes then Outstanding (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding), provided that the Trustee shall first have been provided indemnity provided under **Section 801(I)** hereof as it may require against the reasonable costs, expenses and liabilities which it may incur in or by reason of such proceeding. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

**Section 805 Successor Trustee Upon Merger, Consolidation or Sale.** Any corporation or association with or into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which the Trustee may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, provided such corporation or association is otherwise eligible under **Section 808** hereof, shall be and become successor Trustee hereunder and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereunder as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

**Section 806 Resignation or Removal of Trustee.** The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the District and the Owners. If at any time the Trustee ceases to be eligible in accordance with the provisions of this Indenture, it shall resign immediately in the manner provided in this Section. The Trustee may be removed for cause or without cause at any time by an instrument or concurrent instruments in writing delivered to the Trustee and signed by the Owners of a majority in aggregate principal amount of Series A Notes then Outstanding (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding). If no Event of Default has occurred and is continuing or no condition exists which with the giving of notice or the passage of time or both will become an Event of Default as provided in **Section 701(a)** hereof, the Trustee may be removed for cause (including the failure of the Trustee and the District to agree on the reasonableness of the fees and expenses of the Trustee under this Indenture) at any time by an instrument or concurrent instruments in writing delivered to the Trustee by the District. The District or the Owners of a majority in aggregate principal amount of the Series A Notes then Outstanding (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding) may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee. No resignation or removal of the Trustee shall become effective until a successor Trustee has been appointed under **Section 807** hereof and accepted its appointment under **Section 809** hereof.

**Section 807 Appointment of Successor Trustee.** If the Trustee hereunder resigns or is removed, or otherwise becomes incapable of acting hereunder, or if it is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed by the Owners of a majority in aggregate principal amount of the Series A Notes then Outstanding (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding), by an instrument or concurrent instruments in writing; provided, nevertheless, that in case of such vacancy the District, by an instrument executed and signed by the Authorized District Representative, may appoint a temporary Trustee to fill such vacancy until a successor Trustee is appointed by the Owners in the manner above provided; and any such temporary Trustee so appointed by the District shall immediately and without further acts be superseded by the successor Trustee so

appointed by such Owners. If a successor Trustee or a temporary Trustee has not been so appointed and accepted such appointment within 30 days of a notice of resignation or removal of the current Trustee, the Trustee may petition a court of competent jurisdiction for the appointment of a successor Trustee to act until such time, if any, as a successor has so accepted its appointment. No resignation or removal of the Trustee and no appointment of a successor Trustee shall become effective until the successor Trustee has accepted its appointment under **Section 809** hereof.

**Section 808 Qualifications of Trustee and Successor Trustees.** The Trustee and every successor Trustee appointed hereunder shall be a trust institution or commercial bank with its principal corporate trust office located in the State, shall be in good standing and qualified to accept such trusts, shall be subject to examination by a federal or state bank regulatory authority, and shall have or be wholly owned by an entity having a reported capital and surplus of not less than \$75,000,000. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

**Section 809 Vesting of Trusts in Successor Trustee.** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, the District and the Developer an instrument in writing accepting such appointment hereunder, and thereupon such successor shall become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor and the obligations of the predecessor Trustee hereunder shall cease and terminate; but such predecessor shall, nevertheless, on the written request of the District, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the District be required by any predecessor or successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the District.

**Section 810 Trust Estate May be Vested in Co-Trustee.**

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

(b) If the Trustee appoints an additional individual or institution as co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

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

(d) If any co-trustee or separate trustee dies, becomes incapable of acting, resigns or is removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

**Section 811 Annual Statement.** The Trustee shall render an annual statement for each calendar year ending December 31 to the District, the City and the Developer and, if so requested and the expense thereof is paid, to any Owner requesting the same. The annual statement shall show in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds and accounts created by this Indenture as of the beginning and close of such accounting period.

**Section 812 Paying Agents; Registrar; Appointment and Acceptance of Duties; Removal.**

(a) The Trustee is hereby designated and agrees to act as Paying Agent and as Registrar for and in respect of the Notes.

(b) The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the District and the Trustee. The Paying Agent may be removed by the District at any time by an instrument signed by the District and filed with the Paying Agent and the Trustee. In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

If the District fails to appoint a Paying Agent hereunder, or the Paying Agent resigns or is removed, or is dissolved, or if the property or affairs of the Paying Agent are taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the District has not appointed its successor as Paying Agent, the Trustee shall ipso facto be deemed to be the Paying Agent for all purposes of this Indenture until the appointment by the District of the Paying Agent or successor Paying Agent, as the case may be. The Trustee shall give each Owner notice by first-class mail of the appointment of a Paying Agent or successor Paying Agent.

**Article IX.**

**SATISFACTION AND DISCHARGE OF THE INDENTURE**

**Section 901 Satisfaction and Discharge of the Indenture.**

(a) When the principal of and interest on the Notes has been paid in accordance with its terms or provision has been made for such payment, as provided in **Section 902** hereof, and provision also is made for paying all other sums payable hereunder, including the fees and expenses of the Trustee and the Paying Agent to the date of payment of the Notes, then the right, title and interest of the Trustee under this Indenture shall thereupon cease, determine and be void, and thereupon the Trustee shall cancel, discharge and release this Indenture and shall upon receipt of a written request therefor and an opinion of counsel to the effect that all conditions precedent to the satisfaction and discharge of this Indenture have been met, execute, acknowledge and deliver to the District such instruments of satisfaction and discharge

or release as shall be required to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the District any property at the time subject to this Indenture which may then be in the Trustee's possession, except amounts in the Debt Service Fund required to be paid to the District under **Section 403** hereof and except funds or securities in which such moneys are invested and held by the Trustee for the payment of the principal of and interest on the Notes.

(b) The District is hereby authorized to accept a certificate of the Trustee stating that the whole amount of the principal and interest so due and payable upon all of the Notes then Outstanding has been paid or provision for such payment has been made in accordance with **Section 902** hereof as evidence of satisfaction of this Indenture, and upon receipt thereof the District shall cancel and erase the inscription of this Indenture from its records.

#### **Section 902 Notes Deemed to Be Paid.**

(a) The Notes shall be deemed to be paid within the meaning of this Article when (1) payment of the principal on such Notes, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (i) has been made or caused to be made in accordance with the terms hereof, or (ii) provision therefor has been made by depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment, (A) moneys sufficient to make such payment or (B) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment, and (2) the Trustee shall have received an opinion of Special Tax Counsel (which opinion may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that such deposit will not cause the interest on such Notes to be included in gross income for purposes of federal income taxation and that all conditions precedent to the satisfaction of this Indenture have been met. At such time as a Note is deemed to be paid hereunder as aforesaid, such Note shall no longer be secured by or be entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Securities.

(b) Notwithstanding the foregoing, in the case of a series of Notes which by their terms may be redeemed prior to the stated maturities thereof, no deposit under **clause (ii)** of **subsection (a)** above shall be deemed a payment of such Notes as aforesaid until, as to such series of Notes which are to be redeemed prior to their respective stated maturities, proper notice of such redemption has been given in accordance with **Article III** hereof or irrevocable instructions have been given to the Trustee to give such notice.

(c) Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of any Notes of a series and interest thereon shall be applied to and be used solely for the payment of the particular Notes and interest thereon with respect to which such moneys and Government Securities have been so set aside in trust.

(d) If the interest earnings on money or Government Securities are necessary to provide for the payment of the Notes of a series under this Section, the Trustee shall receive a verification report of a firm of independent certified public accountants that the moneys and Government Securities deposited with the Trustee are sufficient to pay when due the principal or redemption price, if any, and interest on such Notes on or prior to the applicable redemption or maturity date.

**Article X.**  
**SUPPLEMENTAL INDENTURES**

**Section 1001 Supplemental Indentures Not Requiring Consent of Owners.** The District and the Trustee may from time to time, without the consent of or notice to any of the Owners, enter into such Supplemental Indentures as are consistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Indenture or to release property from the Trust Estate which was included by reason of an error or other mistake;
- (b) To grant to or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners or the Trustee or either of them;
- (c) To subject to this Indenture additional revenues, properties or collateral;
- (d) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification of this Indenture under the Trust Indenture Act of 1939, as then amended, or any similar federal statute hereafter in effect, or to permit the qualification of the Notes for sale under the securities laws of any state of the United States;
- (e) To provide for the refunding of the Notes in accordance with the terms hereof;
- (f) To evidence the appointment of a separate trustee or the succession of a new trustee hereunder; or
- (g) To make any other change which, in the sole judgment of the Trustee, does not materially adversely affect the interests of the Owners. In exercising such judgment the Trustee may rely on an opinion of counsel.

**Section 1002 Supplemental Indentures Requiring Consent of Owners.** In addition to Supplemental Indentures permitted by **Section 1001** hereof and subject to the terms and provisions contained in this Section, and not otherwise, with the consent of the Owners of not less than a majority in aggregate principal amount of the Series A Notes then Outstanding (or if no Series A Notes are Outstanding, the Owners of at least 10% in aggregate principal amount of all Series B Notes then Outstanding), the District and the Trustee may from time to time enter into such other Supplemental Indentures as shall be deemed necessary and desirable by the District for the purpose of modifying, amending, adding to or rescinding, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section contained shall permit or be construed as permitting:

- (a) an extension of the maturity of the principal of, any change in the special mandatory redemption of or the scheduled date of payment of interest on any Notes;
- (b) a reduction in the principal amount, redemption premium or any interest payable on any Notes (other than as provided in **Article III** and **Article IV** hereof);
- (c) a reduction in the aggregate principal amount of the Notes the Owners of which are required for consent to any such Supplemental Indenture; or

(d) the modification of the rights, duties or immunities of the Trustee, without the written consent of the Trustee.

If at any time the District requests the Trustee to enter into any such Supplemental Indenture for any purpose of this Section, the Trustee shall cause notice of the proposed execution of such Supplemental Indenture to be mailed by first-class mail to each Owner. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Owners. If, within 60 days (or such longer period as shall be prescribed by the District following the mailing of such notice), the Owners of not less than a majority in aggregate principal amount of the Notes Outstanding at the time of the execution of any such Supplemental Indenture have consented to and approved the execution thereof as herein provided, no Owner of any Note shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the District from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

**Section 1003 Developer's Consent to Supplemental Indentures.** Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article which affects any rights or obligations of the Developer shall not become effective unless and until the Developer has consented in writing to the execution and delivery of such Supplemental Indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be mailed to the Developer at least 45 days prior to the proposed date of execution and delivery of any such Supplemental Indenture.

**Section 1004 Opinion of Special Tax Counsel.** Notwithstanding anything to the contrary in **Section 1001** or **Section 1002** hereof, before the District and the Trustee enter into any Supplemental Indenture pursuant to **Section 1001** or **Section 1002** hereof there shall have been delivered to the Trustee an opinion of Special Tax Counsel stating that such Supplemental Indenture is authorized or permitted by this Indenture and the TDD Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the District in accordance with its terms and will not adversely affect the exclusion from federal gross income of interest on any Notes then Outstanding.

## **Article XI.**

### **MISCELLANEOUS PROVISIONS**

**Section 1101 Consents and Other Instruments by Owners.** Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Notes, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

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

(b) The fact of ownership of the Notes and the amount or amounts, numbers and other identification of such Notes, and the date of holding the same shall be proved by the Register. In all cases where Notes are owned by Persons other than the District or the Developer, or any affiliate or any Person controlling, controlled by or under common control of the District or the Developer, in determining whether the Owners of the requisite principal amount of the Notes Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, the Notes owned by, or held by or for the account of, the District or the Developer, shall be disregarded and deemed not to be Outstanding under this Indenture except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only the Notes which the Trustee knows to be so owned shall be so disregarded.

**Section 1102 Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by this Indenture to be given to or filed with the District, the Trustee or the Developer if the same is duly mailed by registered or certified mail, postage pre-paid, return receipt requested, or sent by telegram, telecopy or telex or other similar communication, or when given by telephone, confirmed in writing on the same day, addressed as follows, provided that notices to the Trustee shall be effective only upon receipt:

(a) To the District: Olive/Graeser Transportation Development District  
c/o Pace Properties Incorporated  
1401 S. Brentwood Blvd., Suite 900  
St. Louis, Missouri 63144  
Attention: Chairman

With a copy  
to: Jenkins & Kling, P.C.  
10 South Brentwood Blvd.  
Suite 200  
Clayton, Missouri 63105  
Attention: Stephen L. Kling, Jr., Esq.

(b) To the Trustee: UMB Bank, N.A.,  
2 South Broadway, Suite 600  
St. Louis, Missouri 63102  
Attention: Corporate Trust Department

(c) To the Developer: Pace Creve Coeur Corporation  
c/o Pace Properties Incorporated  
1401 S. Brentwood Blvd., Suite 900  
St. Louis, Missouri 63144  
Attention: Steve Heitz

(d) To the Owners: By first class mail addressed to each of the Owners of all Notes  
at the time Outstanding, as shown by the Register.

(e) To the City: The City of Creve Coeur, Missouri  
300 N. New Ballas Road  
Creve Coeur, Missouri 63141  
Attention: City Administrator

With a copy  
to: Attn: Creve Coeur City Attorney  
130 S. Bemiston, Suite 200  
Clayton, Missouri 63105

In the event of any notice to a party other than the District, a copy of said notice shall be provided to the District. The above parties may from time to time designate, by notice given hereunder to the other parties, such other address to which subsequent notices, certificates or other communications shall be sent.

**Section 1103 Limitation of Rights Under the Indenture.** With the exception of rights herein expressly conferred and as otherwise provided in this Section, nothing expressed or mentioned in or to be implied by this Indenture or the Notes is intended or shall be construed to give any Person other than the parties hereto, and the Owners of the Notes, any right, remedy or claim under or in respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are, except as otherwise provided in this Section, intended to be and are for the sole and exclusive benefit of the parties hereto and the Owners of the Notes as herein provided.

**Section 1104 Suspension of Mail Service.** If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient notice.

**Section 1105 Business Days.** If any date for the payment of principal of or interest on the Notes or the taking of any other action hereunder is not a Business Day, then such payment shall be due, or such action shall be taken, on the first Business Day thereafter.

**Section 1106 Immunity of Officers, Employees and Members of the District.** No recourse shall be had for the payment of the principal of or interest on any of the Notes or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained against any past, present or future official, officer, director, member, employee or agent of the District, the governing body of the District, or of any successor public corporation, as such, either directly or through the District or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officials, officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of such Notes.

**Section 1107 No Disposition.** The District covenants and agrees that, except as provided herein or in the Cooperative Agreement or the Development Agreement, it will not convey, assign, pledge, encumber or otherwise dispose of any part of the moneys subject to this Indenture.

**Section 1108 Severability.** If any provision of this Indenture is held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative or

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

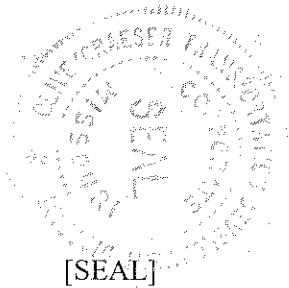
**Section 1109 Execution in Counterparts.** This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 1110 Governing Law.** This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

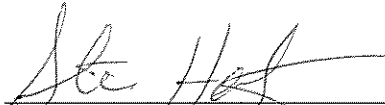
*[The remainder of this page is intentionally left blank.]*

8163289

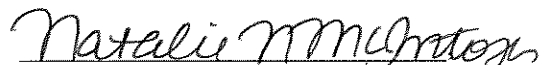
**IN WITNESS WHEREOF**, Olive/Graeser Transportation Development District, has caused these presents to be signed in its name and behalf and its corporate seal to be hereunto affixed and attested by its duly authorized officers, all as of the day and year first above written.



**OLIVE/GRAESER TRANSPORTATION  
DEVELOPMENT DISTRICT**

By:   
Steve Heitz, Chairman

ATTEST:

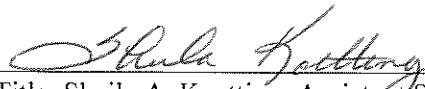
  
Natalie N. McIntosh, Assistant Secretary

IN WITNESS WHEREOF, UMB Bank, N.A., to evidence its acceptance of the trusts hereby created, has caused these presents to be signed in its name and behalf and its corporate seal to be hereunto affixed and attested by its duly authorized officers, all as of the day and year first above written.

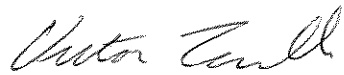


[SEAL]

ATTEST:

  
Title: Sheila A. Koetting, Assistant Secretary

UMB BANK, N.A., as Trustee

By:   
Victor Zarrilli, Sr. Vice President

**EXHIBIT A**  
**FORM OF NOTES**

THE RIGHT TO TRANSFER, ASSIGN OR NEGOTIATE THIS NOTE SHALL BE LIMITED TO TRANSFER, ASSIGNMENT OR NEGOTIATION TO ANY APPROVED INVESTOR, AS SUCH TERMS ARE COMMONLY DEFINED FROM TIME TO TIME BY APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND REGULATIONS AND ONLY UPON WRITTEN CONSENT OF THE ISSUER.

**UNITED STATES OF AMERICA**  
**STATE OF MISSOURI**

Registered  
No. R-\_\_

Registered [Up to 1,250,000]  
(Plus Issuance Costs and Accrued Interest)  
(As shown on Schedule 1 hereto)

**OLIVE/GRAESER TRANSPORTATION DEVELOPMENT DISTRICT**  
**(CITY OF CREVE COEUR, ST. LOUIS COUNTY, MISSOURI)**  
**[SUBORDINATE] TRANSPORTATION DEVELOPMENT REVENUE NOTE**  
**SERIES 20\_\_ [A/B]**

Interest Rate  
[For Series A Notes: Interest  
Rate defined herein]

Maturity Date

Dated Date

\_\_\_\_\_%

As set forth below

\_\_\_\_\_, 20\_\_

REGISTERED OWNER:

PRINCIPAL AMOUNT: AS SHOWN ON SCHEDULE 1 HERETO, [NOT TO EXCEED  
ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS]

**OLIVE/GRAESER TRANSPORTATION DEVELOPMENT DISTRICT** (the "***District***") for value received promises to pay to the Registered Owner shown above, its successors and assigns (the "***Registered Owner***") the Outstanding Principal Amount shown from time to time on Schedule 1 attached hereto but [For Series A Notes: not to exceed \$1,250,000 plus Issuance Costs and Accrued Interest][\$\_\_\_\_], plus Issuance Costs and Accrued Interest, and bearing simple interest at the Interest Rate per annum [For Series A Notes: defined below] [For Series B Notes: set forth above] on the outstanding balance hereof, calculated on the basis of a 360-day year composed of twelve 30-day months until the earlier of (i) the date of repayment of this Note or (ii) \_\_\_\_\_ 1, 2050 (the earliest of which is referred to herein as the "***Maturity Date***") and, with any unpaid interest, payable semi-annually. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the hereinafter referred to Indenture.

[For Series A Notes: "***Interest Rate***" means, initially, a rate of interest per annum equal to \_\_\_\_\_ percent (\_\_\_\_%), which shall be a rate equal to the greater of: (1) the Prime Rate as of the Business Day immediately prior to the date of their initial issuance of Series A Notes plus two percent (2%), but in no event to exceed ten percent (10%) per annum, or (2) eight percent (8%); provided,

however, that such initial rate shall adjust as follows: if the District does not issue Refunding Bonds within 360 days following the Acceptance Date, then commencing on the 361<sup>st</sup> calendar day following such Acceptance Date, the Interest Rate on the Series A Notes shall increase by 2.00% from such day until the earlier to occur of the Refunding Date or the Maturity Date of such Series A Notes; provided that if any Series A Notes are issued as Tax-Exempt Notes, then the Interest Rate for such Notes as calculated above shall be reduced by 200 basis points.]

This Note evidences sums advanced by [Pace Creve Coeur Corporation (the “*Developer*”)] [the City of Creve Coeur, Missouri (the “*City*”)] [St. Louis County, Missouri (the “*County*”)] on behalf of the District pursuant to the District Development Agreement dated as of August 31, 2009, between the City, the District, Developer and property owners within the District, as amended by the First Amendment to District Development Agreement dated as of August 31, 2009, as amended by the Second Amendment to the District Development Agreement dated \_\_\_\_\_, 2010 (as amended and as the same may be amended from time to time, the “*Development Agreement*”).

“*Net Proceeds*” means all moneys deposited (including investment earnings thereon) in the Revenue Fund that have been appropriated for the payment of the Notes.

“*Pledged Revenues*” means all Net Proceeds and all moneys held in the Project Fund, the Revenue Fund and the Debt Service Fund under the Indenture, together with any investment earnings thereon.

“*TDD Revenues*” means all revenues received by the District from the TDD Sales Tax (less an amount of up to one percent (1%) for collection costs (if applicable) and not including any amounts paid under protest until such protest is resolved or abandoned), as well as any contributions to the District including revenues pursuant to Section 2.8 of the Development Agreement.

“*TDD Sales Tax*” means the transportation development district sales tax authorized by Section 238.235 of the TDD Act and currently imposed by the District at a rate of one percent (1%) on all retail sales made in the District which are subject to taxation pursuant to the provisions of Sections 144.010 to 144.525, RSMo, subject to certain exceptions listed in the TDD Act.

Reference is made to the Trust Indenture between the District and Trustee dated as of [June] 1, 2010 (the “*Indenture*”) with respect to the nature and extent of the security for this Note, the rights, duties and obligations of the District with respect hereto, and the rights of the holder hereof.

This Note is a special, limited obligation of the District and is not a general obligation of the District, the City, St. Louis County, the State of Missouri or any political subdivision thereof, or of any officer or employee thereof. All payments of principal and interest by the District shall be solely from Pledged Revenues and from no other revenue or property.

This Note is one of an authorized series of fully registered notes of the District designated “Olive/Graeser Transportation Development District (City of Creve Coeur, St. Louis County, Missouri), Transportation Development Revenue Notes, Series A.” The Series A Notes are issued for the purpose of paying a portion of the Reimbursable Costs in connection with the Infrastructure Improvements, as provided in the Development Agreement and under the authority of and in full compliance with the Missouri Transportation Development District Act, Sections 238.200 through 238.280 of the Revised Statutes of Missouri, as amended (the “*TDD Act*”). Under the Indenture the District has also authorized the issuance of Subordinate Transportation Development Revenue Notes, Series B (the “*Series B Notes*”), which may be issued in the Series B Principal Amount. The “Series B Principal Amount” is the aggregate principal amount of the Series B Notes authorized and approved by the District from time to

time and as certified by the District in writing to the Trustee. The Series A Notes and the Series B Notes are collectively referred to as the “Notes”.

Pledged Revenues may be pledged to the repayment of TDD Bonds (as defined in the Indenture), when and if issued by the District. At such time as TDD Bonds are issued, Pledged Revenues will be pledged to the payment of the Notes on a fully subordinated basis such that no Pledged Revenues shall be available for payment on Notes until such time as all TDD Bonds have been fully paid.

[The following paragraph is applicable to Series A Notes only: The City of Creve Coeur (the “City”) shall have the option to purchase all or a portion of the Series A Notes pursuant to the terms of Section 3.8 of the Development Agreement (and in any event, prior to TDD Bond issuance the City shall have the option to purchase all Series A Notes at any time for the amount of principal and accrued interest due thereon at the time the City tenders payment for same to the Owner thereof). Further, to the extent that the City is the Registered Owner of this Series A Note, then this Note shall be deemed a “**Junior Series A Note**” that is junior and subordinate to all other Series A Notes (“**Senior Series A Notes**”) and to all TDD Bonds, such that no payment of the principal of or interest on a Junior Series A Note shall be made until such time as no TDD Bonds and no Senior Series A Notes are Outstanding.]

Interest shall accrue on unpaid principal of this Note at the rate set forth above. TDD Bonds, when issued by the District, are senior in all respects to Series A Notes. Senior Series A Notes shall be senior in all respects to Junior Series A Notes; provided that all Series A Notes are senior in all respects to all Series B Notes that may be issued under the Indenture. The Series B Notes shall be on a parity with each other in all respects with respect to Pledged Revenues.

All Notes are subject to optional redemption by the District in whole at any time or in part on any Payment Date at a redemption price equal to 100% of the principal amount being redeemed, together with interest accrued to the date fixed for redemption.

The Notes are subject to special mandatory redemption, in whole or in part, by the District on any Payment Date, at the redemption price of 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to the amount which is on deposit in the Redemption Account of the Debt Service Fund on the 35<sup>th</sup> day prior to such Payment Date, or, if such date is not a Business Day, the immediately preceding Business Day. The Notes are also subject to special mandatory redemption by the District, in whole but not in part, if moneys in the Revenue Fund and Debt Service Fund are sufficient to redeem all of the Notes then Outstanding, at a price of 100% of the principal amount thereof, together with accrued interest thereon to the redemption date. The Notes may be redeemed in any dollar amount.

The principal and interest on this Note shall be payable on each March 1 and September 1, commencing on September 1, 2010, or if any such day is not a Business Day, the first Business Day thereafter (each, a “**Payment Date**”) to the Maturity Date. On the Maturity Date, the District shall pay to the Registered Owner out of the available Net Proceeds all sums due to the Registered Owner; provided, however, that whether or not paid in full, this Note shall expire on the Maturity Date and the District shall have no further responsibility, liability or obligation hereunder.

This Note is transferable only to an Approved Investor, as such term is used in the Indenture, and only upon the execution by the proposed transferee (other than the City or the County) of a letter in the form attached as **Exhibit B** to the Indenture, or in such other form as may be reasonably acceptable to the District. This Note may be transferred and exchanged only upon the Note Register as provided in the Indenture.

All TDD Revenues shall be deposited into the TDD Account of the Revenue Fund; provided that, if and to the extent the Trustee receives TDD Revenues collected from businesses on the Hutkin Property (as defined in the Development Agreement and legally described on **Exhibit C** attached to the Indenture and incorporated therein by reference), such moneys shall be deposited into the Hutkin Account of the Revenue Fund. No moneys from the Hutkin Account shall be used to repay Series B Notes that are issued to either the City or to St. Louis County under Section 3.5(c) of the Development Agreement for contribution toward the Dautel realignment.

Moneys on deposit in the Special Trust Fund constituting Net Proceeds shall be disbursed by the Trustee on each Payment Date for the purposes and in the amounts as set forth below (subject to the restrictions of **Section 402(b)** of the Indenture):

*First*, to the United States of America, an amount sufficient to pay any arbitrage rebate owed pursuant to Section 148 of the Code, as directed in writing by the District pursuant to the Tax Compliance Certificate;

*Second*, to the Trustee or any Paying Agent, an amount sufficient for payment of fees and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the District of an invoice for such amounts;

*Third*, to the Operating Fund, one-half of the Annual Operating Fund Deposit;

*Fourth*, transfer to the Debt Service Account of the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, past-due interest, if any, owing on the Senior Series A Notes;

*Fifth*, transfer to the Debt Service Fund, an amount sufficient to pay, pro rata, the interest becoming due and payable on the Senior Series A Notes on such Payment Date;

*Sixth*, transfer to the Redemption Account of the Debt Service Fund all moneys then remaining in the Revenue Fund, which shall be applied pro rata to the payment of principal on the Senior Series A Notes that is subject to redemption on the next succeeding Payment Date pursuant to **Section 302(b)** of the Indenture;

*Seventh*, if no Senior Series A Notes are Outstanding, transfer to the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, past-due interest, if any, owing on the Junior Series A Notes;

*Eighth*, if no Senior Series A Notes are Outstanding, transfer to the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, the interest becoming due and payable on the Junior Series A Notes on such Payment Date;

*Ninth*, if no Senior Series A Notes are Outstanding, transfer to the Redemption Account of the Debt Service Fund all moneys then remaining in the Revenue Fund, which shall be applied pro rata to the payment of principal on the Junior Series A Notes that is subject to redemption on the next succeeding Payment Date pursuant to **Section 302(b)** hereof;

*Tenth*, if no Series A Notes are Outstanding, transfer to the Debt Service Account of the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, past-due interest, if any, owing on the Series B Notes;

*Eleventh*, if no Series A Notes are Outstanding, transfer to the Debt Service Account of the Debt Service Fund, when necessary, an amount sufficient to pay, pro rata, the interest becoming due and payable on the Series B Notes on such Payment Date; and

*Twelfth*, if no Series A Notes are Outstanding, transfer to the Redemption Account of the Debt Service Fund all moneys then remaining in the Revenue Fund, which shall be applied pro rata to the payment of principal on the Series B Notes that is subject to redemption on the next succeeding Payment Date pursuant to **Section 302(b)** of the Indenture.

Upon payment in full of the principal of and interest on the Series A Notes (or once provisions have been made for the payment thereof as specified in this Indenture), all amounts remaining on deposit in the Hutkin Account of the Revenue Fund shall be paid to the District for deposit into the Special Trust Fund. Upon payment in full of the principal of and interest on the Notes (or provisions have been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agent, and any other amounts required to be paid under the Indenture, all amounts remaining on deposit in the Revenue Fund shall be paid to the District for deposit into the Special Trust Fund.

Except as provided in the Indenture, the District shall have no further obligations under the Resolution or any Note after the earlier of the Maturity Date or date that is forty (40) years following the date of issuance of such Note.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, happened and been performed in due time, form and manner as required by law, and that before the issuance of this Note, provision has been duly made for the collection and segregation of Net Proceeds and for the application of the same as hereinbefore provided.

OLIVE/GRAESER TRANSPORTATION  
DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Chair of the Board of Directors

[SEAL]

ATTEST:

\_\_\_\_\_  
Secretary/Assistant Secretary of the District

**CERTIFICATE OF AUTHENTICATION**

Registration Date: \_\_\_\_\_

This Series [\_\_\_\_\_] Note is one of the Series  
[\_\_\_\_\_] Notes described in the within-  
defined Indenture

**UMB BANK, N.A.**, as Trustee

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

## ASSIGNMENT

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

\_\_\_\_\_  
(Print or Type Name, Address and Social Security Number  
or other Taxpayer Identification Number of Transferee)  
the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ agent to transfer the within Note on the books kept by the Trustee for the  
registration thereof, with full power of substitution in the premises.

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

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the  
name of the Registered Owner as it appears on the face of the within  
Note in every particular.

Signature Guaranteed By:

\_\_\_\_\_  
(Name of Eligible Guarantor Institution)

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

NOTICE: Signature(s) must be guaranteed by an eligible guarantor  
institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

**Schedule 1**

**OLIVE/GRAESER TRANSPORTATION DEVELOPMENT DISTRICT  
(CITY OF CREVE COEUR, ST. LOUIS COUNTY, MISSOURI)  
[SUBORDINATE] TRANSPORTATION DEVELOPMENT REVENUE NOTE  
SERIES 20\_\_ [A/B/]**

\*\*\*\*\*  
**Certificate of Authentication**  
\*\*\*\*\*

| <b>Date<sup>1</sup></b> | <b>Additions to<br/>Principal Amount<sup>2</sup></b> | <b>Principal<br/>Amount Paid</b> | <b>Outstanding<br/>Principal Amount</b> | <b>Authorized<br/>Signatory of Trustee</b> |
|-------------------------|------------------------------------------------------|----------------------------------|-----------------------------------------|--------------------------------------------|
|                         |                                                      |                                  |                                         |                                            |
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|                         |                                                      |                                  |                                         |                                            |

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1 Date of District approval of related Certificate of Reimbursable Project Costs.

2 Limited to advances authenticated by a fully-executed Certificate of Reimbursable Project Costs in accordance with the Development Agreement.

## **EXHIBIT B**

### **FORM OF LETTER OF REPRESENTATIONS**

**[DATE]**

Olive/Graeser Transportation Development District  
c/o Pace Properties Incorporated  
1401 S. Brentwood Blvd., Suite 900  
St Louis, Missouri 63144

**Re: Not to exceed \$\_\_\_\_\_ (Plus Costs of Issuance and Accrued Interest)  
Olive/Graeser [Subordinate] Transportation Development District Transportation  
Development Revenue Notes, Series 20\_\_[A/B]**

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the purchase by the undersigned of the above-referenced Notes. The Notes are secured in the manner set forth in the Trust Indenture dated as of June 1, 2010 (the "*Indenture*"), between the District and UMB Bank, N.A., as trustee (the "*Trustee*"). Terms capitalized herein and not otherwise defined herein have the meanings given to them in the Indenture. The undersigned hereby represents to you, as follows:

1. The undersigned has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of limited revenue obligations and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase by the undersigned of the Notes. The undersigned is able to bear the economic risk represented by the purchase by the undersigned of the Notes. The undersigned understands that the Notes are payable solely from Net Revenues on deposit in the Special Trust Fund, as provided in the Indenture.

2. The undersigned has made its own inquiry and analysis with respect to or affecting the likelihood of the payment of the Notes. The undersigned acknowledges that the District has offered to give access, without restriction or limitation, to information to which a reasonable investor would attach significance in making investment decisions, and the undersigned has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Notes, this financing transaction and the District.

3. The undersigned acknowledges that the District has not made any representation or warranty concerning the accuracy or completeness of any information furnished in connection with the purchase by the undersigned of the Notes. Accordingly, the undersigned has not relied upon the District as to the accuracy or completeness of such information. As a sophisticated investor, the undersigned has made its own decision to purchase the Notes based solely upon its own inquiry and analysis.

4. The undersigned understands that the Notes do not constitute an indebtedness of the District or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction.

5. The undersigned is familiar with and has counsel who are familiar with the federal and state legislation, rules, regulations and case law pertaining to the transfer and distribution of securities, including, but not limited to, disclosure obligations of the seller incident to any such transfer or

distribution. The undersigned understands that this issue is exempt from the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission. The undersigned hereby covenants and agrees that the undersigned will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Notes or any interest therein in violation of applicable federal or state law or in violation of restrictions on sale, assignment, negotiation or transfer of the Notes as set forth in **paragraph 7** below.

6. The undersigned is purchasing the Notes for its own account for investment (and not on behalf of another) and has no present intention of reselling the Notes or dividing its interest therein; but the undersigned reserves the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the Notes at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the Notes as set forth in **paragraph 7** below.

7. The undersigned acknowledges that the right to sell, assign, negotiate or otherwise transfer the Notes shall be limited to the sale, assignment, negotiation or transfer to an “accredited investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933.

8. The undersigned agrees to indemnify and hold you harmless from any and all claims, judgments, attorneys’ fees and expenses of whatsoever nature, whether relating to litigation or otherwise, resulting from any attempted or affected sale, offer for sale, pledge, transfer, conveyance, hypothecation, mortgage or disposition of the Notes in violation of this letter.

9. The undersigned has satisfied itself that the Notes may be legally purchased by the undersigned.

10. The undersigned represents to each of you that the undersigned is an “accredited investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933.

*[Remainder of Page Intentionally Left Blank]*

Sincerely,

[PURCHASER'S NAME]

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

Name: \_\_\_\_\_

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

## **EXHIBIT C**

### **LEGAL DESCRIPTION OF HUTKIN PROPERTY**

Parcel 1: Adjusted Lot 1 of the Westchase Shops Subdivision, a subdivision in St. Louis County, Missouri, according to the plat thereof recorded in Plat Book 353, Page 950 in the Office of the Recorder of Deeds of St. Louis County, Missouri.

Parcel 2: Adjusted Lot 2 of the Westchase Shops Subdivision, a subdivision in St. Louis County, Missouri, according to the plat thereof recorded in Plat Book 353, Page 950 in the Office of the Recorder of Deeds of St. Louis County, Missouri.