



# City of Chicago



O2014-560

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	1/15/2014
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Issuance of Midway International Airport Revenue Bonds
<b>Committee(s) Assignment:</b>	Committee on Finance

FIN.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

January 15, 2014

TO THE HONORABLE, THE CITY COUNCIL  
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Chief Financial Officer and the Commissioner of Aviation, I transmit herewith an ordinance authorizing an issuance of Midway International Airport Revenue Bonds.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

## ORDINANCE

WHEREAS, the City of Chicago (the "*City*") is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "*Constitution*") having a population in excess of 25,000 and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution; and

WHEREAS, the City owns and operates an airport known as Chicago Midway International Airport (the "*Airport*"); and

WHEREAS, the City has heretofore issued various series of its Chicago Midway Airport Revenue Bonds (such Bonds as are currently outstanding are herein called the "*Outstanding First Lien Bonds*") pursuant to the terms and provisions of the Master Indenture of Trust Securing Chicago Midway Airport Revenue Bonds dated as of April 1, 1994 (the "*First Lien Master Indenture*") from the City to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), as Trustee (the "*First Lien Trustee*"), and, with respect to each such series, a supplemental indenture between the City and the First Lien Trustee authorizing such series; and

WHEREAS, the City has also heretofore issued various series of its Chicago Midway Airport Second Lien Revenue Bonds (such Bonds as are currently outstanding are herein called the "*Outstanding Second Lien Bonds*") pursuant to the terms and provisions of the Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations dated as of September 1, 1998 (the "*Second Lien Master Indenture*") from the City to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), as Trustee (the "*Second Lien Trustee*") and, with respect to each such series, a supplemental indenture between the City and the Second Lien Trustee authorizing such series; and

WHEREAS, the City has previously established a commercial paper program providing for the issuance from time to time of commercial paper notes for Airport purposes ("*Midway Commercial Paper Notes*") pursuant to the terms and provisions of the Trust Indenture dated as of October 1, 2003 from the City to Deutsche Bank National Trust Company, as trustee; and

WHEREAS, the Outstanding First Lien Bonds, the Outstanding Second Lien Bonds and any Midway Commercial Paper Notes currently (or subsequently) outstanding are referred to collectively herein as the "*Outstanding Airport Obligations*"; and

WHEREAS, it is necessary and desirable at this time to authorize the issuance by the City of its Chicago Midway Airport Revenue Bonds and/or its Chicago Midway Airport Second Lien Revenue Bonds (the "*Refunding Bonds*") in one or more series from time to time to refund Outstanding Airport Obligations and for the other purposes described herein; and

WHEREAS, the City has determined to authorize the issuance by the City of its Chicago Midway Airport Revenue Bonds and/or its Chicago Midway Airport Second Lien Revenue Bonds (the "*New Money Bonds*" and together with the Refunding Bonds, the "*Bonds*") in one or more series from time to time to pay the costs of certain projects for the Airport that constitute

Airport Projects as defined in the First Lien Master Indenture and the Second Lien Master Indenture (“*Airport Projects*”) as herein described; and

WHEREAS, the City has determined that it may be in the best interest of the City and the Airport to, from time to time, commence or accelerate amortization of principal of bonds bearing interest at Variable Rates (as defined in Section 5 hereof) now or hereafter outstanding under the Second Lien Master Indenture which bonds are redeemable without premium at the City’s option (such bonds as are currently or as may be issued hereafter are herein called the “*Variable Rate Second Lien Bonds*”) and to, from time to time, change Interest Modes on such Variable Rate Second Lien Bonds, now therefore,

Be It Ordained by the City Council of the City of Chicago:

**Section 1. Authorization.** This Ordinance is adopted pursuant to Section 6(a) of Article VII of the Constitution. This Ordinance authorizes the issuance of the Bonds in an aggregate amount not to exceed \$1,000,000,000, in one or more series at one or more times, in such principal amounts and with such terms and provisions as set forth therein and in the First Lien Master Indenture and/or the Second Lien Master Indenture, as appropriate, and in the related Supplemental Indentures therein approved and such other matters and actions as are described in this Ordinance.

**Section 2. Findings and Determinations.** The City hereby finds and determines as follows:

(a) that the issuance of the Refunding Bonds and the refunding of certain Outstanding Airport Obligations of such series and maturities and in such amounts as shall be determined by the Mayor or Authorized Officer without further action by this City Council will result in debt service savings or provide other benefits to the City and the Airport;

(b) that the Airport Projects to be financed by the City with the proceeds of the New Money Bonds are necessary and essential to the efficient operation of the Airport;

(c) that the City’s ability to issue Bonds from time to time without further action by this City Council at various times, in various principal amounts as First Lien Bonds and/or Second Lien Bonds and with various interest rates and interest rate mechanisms (each generally referred to herein and in the Supplemental Indenture attached as Exhibit C hereto as an “*Interest Mode*”), maturities, redemption provisions and other terms will enhance the City’s opportunities to obtain financing for the Airport upon the most favorable terms available;

(d) that the City’s ability to change Interest Modes on Variable Rate Second Lien Bonds from time to time without further action by this City Council at various times and in various principal amounts will enhance the City’s opportunities to obtain financing for the Airport upon the most favorable terms available and is in the best financial interest of the City and the Airport;

(e) that amortization of the principal of Variable Rate Second Lien Bonds without further action by this City Council at various times and in various principal amounts will provide benefits to the Airport and is in the best financial interest of the City and the Airport;

(f) that the transfer, modification and/or termination of any swap agreement previously executed and currently in effect with respect to the Outstanding Airport Obligations to be refunded by the Refunding Bonds (or with respect to any other Outstanding Airport Obligations) and the payment of such amounts in respect of such transfer, modification and/or termination of such swap agreement without further action of this City Council will provide benefits to the Airport and is in the best financial interest of the City and the Airport; and

(g) that from time to time it is desirable to refund (i) outstanding airport revenue bonds and notes of the City and other payment obligations related thereto (the "*Outstanding Obligations*") and (ii) future issues of Airport revenue bonds and notes of the City as may be outstanding from time to time, and other payment obligations related thereto (the "*Future Outstanding Obligations*"); and

(h) that the delegations of authority that are contained in this Ordinance, including, without limitation, the authority to make the specific determinations described in clauses (a) through (h) above, are necessary and desirable because this City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. Thus, authority is granted to the Mayor or the Chief Financial Officer, or if there is not a Chief Financial Officer, the City Comptroller (such officer being referred to herein as the "*Authorized Officer*") to (i) determine to sell one or more series of Bonds at one or more times, as and to the extent such officer determines that such sale or sales is desirable and in the best financial interest of the City and the Airport, (ii) determine to change Interest Modes on all or part of any series of Variable Rate Second Lien Bonds from time to time in accordance with the applicable Supplemental Indenture as and to the extent such officer determines is desirable and in the best financial interest of the City and the Airport, (iii) determine the timing and amount of the principal amortization of Variable Rate Second Lien Bonds, as and to the extent such officer determines from time to time that such principal amortization is desirable and in the best financial interest of the City and the Airport, (iv) determine which Outstanding Airport Obligations will be refunded by the Refunding Bonds, and (v) determine to transfer, modify and/or terminate such swap agreements and to pay such amounts in respect of such transfer, modification and/or termination, all as and to the extent that such officer determines is desirable and in the best financial interest of the City and the Airport.

**Section 3. Forms of Documents.** There have been presented to this City Council forms of the following documents:

(a) form of First Lien Supplemental Indenture (Exhibit A);

(b) form of Second Lien Supplemental Indenture (relating to fixed rate second lien bonds) (Exhibit B); and

(c) form of Second Lien Supplemental Indenture (relating to Variable Rate Second Lien Bonds) (Exhibit C).

**Section 4. Definitions.** Terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned in the First Lien Master Indenture or the Second Lien Master Indenture, as appropriate. In addition, unless the context shall otherwise require, the following words and terms shall have the following respective meanings:

*“Authorized Officer”* is defined in Section 2(h).

*“Bank”* means any bank, trust company, national banking association or other financial institution that loans money to customers by means of a line of credit or that issues a Letter of Credit pursuant to a Reimbursement Agreement to secure any series of Bonds.

*“Bank Notes”* means obligations evidencing the obligations of the City to a Bank under a Reimbursement Agreement.

*“First Lien Master Indenture”* means the Master Indenture of Trust Securing Chicago Midway Airport Revenue Bonds, dated as of April 1, 1994, from the City to the First Lien Trustee, as amended and supplemented.

*“First Lien Supplemental Indenture”* means the Supplemental Indenture Securing Chicago Midway Airport Revenue Bonds from the City to the First Lien Trustee relating to the First Lien Bonds issued under this Ordinance, in the form attached hereto as Exhibit A, together with such modifications and completions as may be approved by the officers of the City executing the First Lien Supplemental Indenture.

*“First Lien Trustee”* means The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), as Trustee under the First Lien Master Indenture, and its successors.

*“Letter of Credit”* means a Letter of Credit or other liquidity or credit facility delivered by a Bank to secure the payment of the principal or purchase price of and interest on any series of Bonds.

*“Reimbursement Agreement”* means any agreement between the City and a Bank pursuant to which a Letter of Credit is issued with respect to any series of Bonds.

*“Remarketing Agent”* means any placement or remarketing agent at the time serving as such in connection with any series of the Bonds.

*“Remarketing Agreement”* means any agreement between the City and a Remarketing Agent pursuant to which the Remarketing Agent under certain circumstances will remarket any series of the Bonds.

“*Second Lien Master Indenture*” means the Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations, dated as of September 1, 1998, from the City to the Second Lien Trustee, as amended and supplemented.

“*Second Lien Supplemental Indenture*” means the Supplemental Indenture Securing Chicago Midway Airport Second Lien Revenue Bonds from the City to the Second Lien Trustee relating to the Second Lien Bonds issued under this Ordinance, in the form attached hereto as Exhibit B (if issued as fixed rate bonds) or Exhibit C (if issued as Variable Rate Second Lien Bonds), together with such modifications and completions as may be approved by the officers of the City executing the Second Lien Supplemental Indenture. As used herein “fixed rate bonds” means bonds bearing a fixed interest rate or rates to maturity.

“*Second Lien Trustee*” means The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), as Trustee under the Second Lien Master Indenture, and its successors.

**Section 5. Authorization of Bonds.** (a) The Bonds are hereby authorized to be issued for the purposes described in Section 6 of this Ordinance. The Bonds may be issued as first lien bonds pursuant to the First Lien Master Indenture and one or more supplemental indentures substantially in the form of the First Lien Supplemental Indenture or as second lien bonds pursuant to the Second Lien Master Indenture and one or more supplemental indentures substantially in the applicable form of the Second Lien Supplemental Indenture or as a combination thereof. The Bonds may be issued bearing interest at a fixed interest rate or rates, as more fully set forth in the related Supplemental Indenture. Variable Rate Second Lien Bonds: (i) may be issued bearing interest at a variable interest rate or rates, as more fully set forth in the related Supplemental Indenture, including but not limited to variable interest rates that are reset daily or weekly by the Remarketing Agent and variable interest rates commonly referred to as “flexible”, “adjustable” and “commercial paper” (including under circumstances in which specified bonds of a series bear interest at rates that differ from the rates borne by other bonds of the series and have different accrual, mandatory tender and purchase provisions and default and remedy provisions) (herein collectively referred to as “*Variable Rates*”); (ii) may be issued under structures commonly referred to as “medium term notes” or “put option bonds”, including with provisions for the mandatory tender and purchase of such Variable Rate Second Lien Bonds prior to otherwise applicable maturity or mandatory redemption dates, the extension of any stated mandatory purchase requirements and an increase in the interest rate payable on such Variable Rate Second Lien Bonds following any such extension; and (iii) may be secured as to principal, purchase price, redemption price and interest by one or more Letters of Credit. Any Bonds that initially bear interest at a Variable Rate may thereafter bear such other interest rate or rates as may be established in accordance with the provisions of the related Supplemental Indenture as the Mayor or the Authorized Officer shall direct. Any limitation on the amount of Bonds authorized to be issued hereunder shall be exclusive of any original issue discount or premium; *provided* that any original issue discount or premium shall not exceed 10 percent of the par amount of the Bonds and *provided further* that such limitation as to original issue discount or premium shall not apply to any Bond issued as a capital appreciation Bond. Any Bonds that bear interest at a fixed rate may be issued as current interest Bonds, as capital appreciation Bonds or

as capital appreciation Bonds that convert to current interest Bonds at a future date after their issuance.

(b) The Bonds shall mature not later than January 1, 2054, and shall bear interest as provided in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and the related Supplemental Indenture at a rate or rates not in excess of the lesser of 15 percent per annum or, so long as such Bonds are secured by a Letter of Credit, the maximum interest rate with respect to such Bonds used for purposes of calculating the stated amount of such Letter of Credit. Each series of Bonds may be subject to mandatory redemption (pursuant to the application of Sinking Fund Payments) optional redemption and extraordinary (mandatory and/or optional) redemption and optional or mandatory purchase provisions prior to maturity, upon the terms and conditions set forth in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and the related Supplemental Indenture.

(c) The Bonds shall be entitled "Chicago Midway Airport Revenue Bonds" and may be issued in one or more separate series, appropriately designated to indicate the year, their lien status, the purpose of issuance and order of their issuance. Each Bond shall be issued in fully registered form and in the denominations set forth in the related Supplemental Indenture; and shall be dated and numbered and further designated and identified as provided in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and the related Supplemental Indenture.

(d) Principal of and premium, if any, on the Bonds shall be payable at the corporate trust office of the First Lien Trustee or Second Lien Trustee, as appropriate, or any Paying Agent as provided in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and related Supplemental Indenture. Payment of interest on the Bonds shall be made to the registered owner thereof and shall be paid by check or draft of the First Lien Trustee or Second Lien Trustee, as appropriate, mailed to the registered owner at his or her address as it appears on the registration books of the City kept by the First Lien Trustee or Second Lien Trustee, as appropriate, or at such other address as is furnished to the First Lien Trustee or Second Lien Trustee, as appropriate, in writing by such registered owner, or by wire transfer as further provided in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and related Supplemental Indenture.

(e) Subject to the limitations set forth in this Section, authority is hereby delegated to either the Mayor or the Authorized Officer to determine the aggregate principal amount of the Bonds to be issued (subject to the limitation specified in Section 1 of this Ordinance), the date thereof, the maturities thereof, any provisions for optional or mandatory purchase, any provisions for mandatory sinking fund redemption or optional redemption or extraordinary redemption thereof (which optional redemption or extraordinary redemption shall be at Redemption Prices not exceeding 105 percent of the principal amount of the Bonds to be so redeemed, plus accrued interest; *provided, however* that to the extent that the Bonds are issued as bonds the interest on which is includable in gross income for federal income tax purposes, such Redemption Price may exceed 105 percent and may be expressed as a "make whole" amount or similar calculation or formula as shall be determined by the Mayor or the Authorized Officer), the schedule of Sinking Fund Payments, if any, to be applied to the mandatory redemption thereof (which mandatory redemption shall be at a redemption price equal to the principal amount of each Bond



to be redeemed, without premium, plus accrued interest), the rate or rates of interest payable thereon or method for determining such rate or rates and the first interest payment date thereof and, in the case of Refunding Bonds, the series, maturities and principal amounts of the Outstanding Airport Obligations to be refunded.

**Section 6. Purposes of Bonds.** (a) The Bonds may be issued for any or all of the following purposes, as determined by the Authorized Officer at the time of the sale of the Bonds:

(i) the payment and retirement at or prior to maturity of all or any portion of the Outstanding Airport Obligations;

(ii) the payment, or the reimbursement for the payment, of costs of one or more Airport Projects;

(iii) the payment of any amounts in respect of the transfer, modification and/or termination of any swap agreement with respect to any Outstanding Airport Obligations to be refunded by the Refunding Bonds (or with respect to any other Outstanding Airport Obligations);

(iv) with respect to the Bonds or any other series of bonds previously issued pursuant to the First Lien Master Indenture and/or the Second Lien Master Indenture, the funding of capitalized interest and funding of deposits into a program fee account, a debt service reserve account and such other accounts and subaccounts (including capitalized interest accounts if appropriate) as may be provided for in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and the Supplemental Indenture relating to such series; and

(v) the payment of Costs of Issuance of the Bonds.

The proceeds of each series of Bonds shall be applied for the purposes set forth above in the manner and in the amounts specified in a Certificate of an Authorized Officer (as defined in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate) delivered in connection with the issuance of such series pursuant to the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and/or the related Supplemental Indenture.

**Section 7. Pledge of Revenues for Bonds.** The Bonds, together with interest thereon, shall be limited obligations of the City secured by and payable from Revenues of the Airport as provided in the First Lien Master Indenture or the Second Lien Master Indenture, as appropriate, and related Supplemental Indenture, and shall be valid claims of the registered owners thereof only against the funds and assets and other money held by the applicable Trustee with respect thereto. The Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness or a loan of credit of the City, or a charge against its general credit or taxing powers, within the meaning of any constitutional or statutory limitation of the State of Illinois.

**Section 8. Approval of First Lien Supplemental Indentures.** The form of First Lien Supplemental Indenture attached hereto is hereby approved in all respects. The Mayor or the Authorized Officer is hereby authorized, with respect to each applicable series of First Lien

Bonds, to execute and deliver a Supplemental Indenture in substantially the form of the First Lien Supplemental Indenture attached hereto as Exhibit A for and on behalf of the City, and the City Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the City or a facsimile thereof. Each such Supplemental Indenture may contain such changes or revisions consistent with the purposes and intent of this Ordinance as shall be approved by the Mayor or the Authorized Officer, the execution and delivery thereof to constitute conclusive evidence of this City Council's approval of any and all changes or revisions therein.

**Section 9. Approval of Second Lien Supplemental Indentures.** The form of Second Lien Supplemental Indenture attached hereto is hereby approved in all respects. The Mayor or the Authorized Officer is hereby authorized, with respect to each applicable series of Second Lien Bonds, to execute and deliver a Supplemental Indenture in substantially the form of the Second Lien Supplemental Indenture attached hereto as Exhibit B (for fixed rate bonds) or Exhibit C (for Variable Rate Second Lien Bonds) for and on behalf of the City, and the City Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the City or a facsimile thereof. Each such Supplemental Indenture may contain such changes or revisions consistent with the purposes and intent of this Ordinance as shall be approved by the Mayor or the Authorized Officer, the execution and delivery thereof to constitute conclusive evidence of this City Council's approval of any and all changes or revisions therein.

**Section 10. Approval of Reimbursement Agreements; Authorization of Bank Notes.** The Mayor or the Authorized Officer is hereby authorized, with respect to any applicable series of Bonds, to execute and deliver one or more Reimbursement Agreements (with one or more Banks selected by the Mayor or the Authorized Officer) in substantially the form previously used for similar financings of the City with appropriate revisions in text as the Mayor or the Authorized Officer shall determine are necessary or desirable in connection with the sale of the Bonds or, as provided in the applicable Supplemental Indenture, in connection with a change in Interest Modes or in connection with a new Letter of Credit, and the City Clerk is hereby authorized to attest the same and affix thereto the corporate seal of the City or a facsimile thereof, the execution and delivery thereof to constitute conclusive evidence of this City Council's approval of any and all changes or revisions therein. The Mayor or the Authorized Officer is hereby further authorized to execute and deliver a Bank Note pursuant to each Reimbursement Agreement in substantially the form previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of the related Reimbursement Agreement, and the City Clerk is hereby authorized to attest the same and affix thereto the corporate seal of the City or a facsimile thereof, the execution and delivery thereof to constitute conclusive evidence of this City Council's approval of any and all changes or revisions therein. The interest rate payable on any Bank Note shall not exceed 18 percent per annum and the maturity thereof shall not be greater than the longest maturity of the related series of Bonds plus five years. The annual fee payable to any Bank under each Reimbursement Agreement shall be determined by the Authorized Officer as shall be in the best interest of the City and the Airport under then existing market conditions. The obligations of the City under each Reimbursement Agreement and under each Bank Note do not now and shall never constitute an indebtedness or a loan of credit of the City, or a charge against its general credit or taxing powers, within the meaning of any constitutional or statutory limitation of the State of Illinois. Such obligations shall be limited obligations of the City secured by a pledge of the Revenues as provided in the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and by the other

specified sources pledged under the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and the related Supplemental Indenture, and shall be valid claims only against the funds and assets and other money held by the First Lien Trustee or the Second Lien Trustee, as applicable, with respect thereto and against such Revenues.

**Section 11. Reserve Fund Assets or Qualified Reserve Account Instruments.** The Authorized Officer is authorized to arrange for the provision of one or more Reserve Fund Assets (defined in the First Lien Master Indenture) or Qualified Reserve Account Instruments (defined in the Second Lien Master Indenture) as security for all or a portion of the Bonds if the Authorized Officer determines that it would be in the best financial interest of the City and the Airport. The Authorized Officer is also authorized to sell or liquidate any Reserve Fund Assets or Qualified Reserve Account Instruments previously executed and currently in effect with respect to any Outstanding Airport Obligations to be refunded by the Refunding Bonds and to apply amounts received in respect of such sale or liquidation, all as the Authorized Officer determines such to be in the best financial interest of the City and the Airport.

**Section 12. Approval of Interest Rate Swap and Cap Agreements.** If determined by the Authorized Officer to be in the best financial interest of the City and the Airport, the Authorized Officer is authorized to execute and deliver from time to time in the name and on behalf of the City one or more agreements with counterparties selected by the Authorized Officer, the purpose of which is to limit, reduce or manage the Airport's interest rate exposure with respect to Bonds; *provided, however*, that (a) the stated aggregate notional amount under all such agreements (net of offsetting transactions) at any one time shall not exceed the aggregate principal amount of such Bonds at the time outstanding or expected to be outstanding, (b) any such agreement to the extent practicable shall be in substantially the form of either the Local Currency-Single Jurisdiction version or the Multi-Currency Cross Border version of the 1992 I.S.D.A. Master Agreement, including any necessary schedules and annexes, or any successor form to either published by the I.S.D.A., and in appropriate confirmations of transactions governed by that agreement, with such insertions, completions and modifications thereof as shall be approved by the Authorized Officer, his or her execution to constitute conclusive evidence of this City Council's approval of such insertions, completions and modifications, (c) any and all amounts payable by the City under each such agreement shall constitute limited obligations of the City payable solely from Revenues as provided under the First Lien Master Indenture or Second Lien Revenues, as appropriate, and (d) under no circumstances shall any amounts payable by the City under, or with respect to, any such agreement constitute an indebtedness of the City for which its full faith and credit is pledged.

**Section 13. Approval of Form of Remarketing Agreement.** The Mayor or the Authorized Officer is hereby authorized to execute and deliver one or more Remarketing Agreements relating to any applicable series of Bonds in substantially the form previously used for similar financings of the City with appropriate changes and revisions in text as the Mayor or the Authorized Officer shall determine are necessary or desirable in connection with the sale of the Bonds, and the City Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the City or a facsimile thereof. The execution and delivery of each such Remarketing Agreement shall constitute conclusive evidence of this City Council's approval of any and all such changes and revisions.

**Section 14. Approval of Appointment of Remarketing Agent.** The Mayor or the Authorized Officer is hereby delegated the authority to appoint one or more Remarketing Agents with respect to one or more series of Bonds, in the manner provided in the appropriate Master Indenture and the related Supplemental Indenture.

**Section 15. Sale of Bonds.** (a) Subject to the limitations contained in this Ordinance, authority is hereby delegated to the Mayor or the Authorized Officer to sell the Bonds in one or more series from time to time (i) to an underwriter or a group of underwriters (the “*Underwriters*”) to be designated by the Authorized Officer with respect to one or more series of the Bonds pursuant to a separate contract of purchase (each a “*Bond Purchase Agreement*”) between the Underwriters and the City or (ii) in a private placement with an individual investor or group of investors to be designated by the Authorized Officer (the “*Placement Purchasers*”) with respect to one or more series of the Bonds pursuant to a separate placement agreement between the Placement Purchasers and the City or other similar agreement for the sale and purchase of the Bonds or (iii) to one or more banks or financial institutions (each a “*Credit Provider*” and together with the Underwriters and the Placement Purchasers, a “*Purchaser*”) providing a direct loan(s) or line(s) of credit pursuant to a loan agreement (each a “*Loan Agreement*” and together with the Bond Purchase Agreement and the Placement Agreement, a “*Purchase and Sale Agreement*”); *provided* that the aggregate purchase price of each series of Bonds shall not be less than 98 percent of the principal amount thereof to be issued (less any original issue discount which may be used in the marketing thereof) plus accrued interest thereon from their date to the date of delivery thereof and payment thereof. Any Bonds authorized to be issued pursuant to this Ordinance may be sold with a delayed delivery date (not beyond January 1, 2015), if determined by the Authorized Officer to be beneficial to the City and the Airport. In addition, all or a portion of the Bonds may be issued as bonds the interest on which will be includable in the gross income of the owners thereof for federal income tax purposes under the Code if determined by the Authorized Officer to be beneficial to the City and the Airport.

(b) The Mayor or the Authorized Officer, with the concurrence of the Chairman of the Committee on Finance of this City Council, is hereby authorized and directed to execute and deliver one or more Purchase and Sale Agreements relating to the Bonds, which (i) in the case of a Bond Purchase Agreement shall be in substantially the form used in previous sales of airport bonds by the City and (ii) in the case of a Placement Agreement (or Loan Agreement) shall contain terms and provisions no less favorable to the City as those contained in a Bond Purchase Agreement, and in any case, together with such changes thereto and modifications thereof as shall be approved by the Mayor or the Authorized Officer, as the case may be, subject to the limitations contained in this Ordinance, the execution and delivery thereof to constitute conclusive evidence of this City Council’s approval of such changes and modifications.

(c) To evidence the exercise of the authority delegated to the Mayor or the Authorized Officer by this Ordinance, the Mayor or the Authorized Officer, as the case may be, is hereby directed to execute and file with the City Clerk in connection with the sale of Bonds a certificate setting forth the determinations made pursuant to the authority granted herein, which certificate shall constitute conclusive evidence of the proper exercise by them of such authority. Upon the filing of such certificate, the Mayor or Authorized Officer shall also file with the City Clerk one copy of each official statement or private placement memorandum and executed Purchase and Sale Agreement in connection with the Bonds. Each filing, shall be made as soon as practicable

subsequent to the delivery of the related Bonds. The City Clerk shall direct copies of such filings to the City Council.

(d) The Authorized Officer is hereby authorized to cause to be prepared the form or forms of preliminary official statement or private placement memorandum (or other disclosure document) describing the Bonds. Each preliminary official statement or private placement memorandum (or other disclosure document) shall be in substantially the format of the disclosure documents used in connection with previous sales of airport revenue bonds by the City, together with such changes thereto and modifications thereof as shall be approved by the Authorized Officer. The distribution of each preliminary official statement to prospective purchasers and the use thereof by the Underwriters in connection with the offering of the Bonds are hereby authorized and approved. The Mayor or the Authorized Officer is hereby authorized to permit the distribution of a final official statement, in substantially the form of each preliminary official statement, with such changes, insertions and revisions thereto and completions thereof as the Mayor or the Authorized Officer shall deem advisable, and the Mayor or the Authorized Officer is authorized to execute and deliver each such final official statement to the Underwriters in the name and on behalf of the City, the execution of such final official statement to constitute conclusive evidence of this City Council's approval of such changes and completions. In connection with a private placement sale of the Bonds (or the sale of Bonds pursuant to a direct loan or line of credit), the Mayor or the Authorized Officer is authorized to provide to prospective Placement Purchasers (or Credit Providers) such information regarding the City's and the Airport's operations and finances as would typically be included in an official statement or private placement memorandum and to enter into such discussions and negotiations with such prospective Placement Purchasers (or Credit Providers) as the Authorized Officer shall deem appropriate.

(e) If determined by the Authorized Officer to be in the best financial interest of the City and the Airport, the Authorized Officer is authorized to procure one or more municipal bond insurance policies from one or more bond insurers selected by the Authorized Officer covering all or a portion of the Bonds, and in connection therewith to execute and deliver all necessary documents and instruments. In connection with the procurement of a municipal bond insurance policy, the Authorized Officer is hereby authorized to execute and deliver such agreements with the bond insurer that is obligated under the bond insurance policy as the Authorized Officer shall determine to be necessary or desirable. Such agreements may contain provisions for the reimbursement by the City of advances made under the policy, including the payment of interest on unpaid advances, the payment of the expenses of such bond insurer and provisions for the indemnification of such bond insurer.

(f) The Authorized Officer is hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings (each, a "*Continuing Disclosure Undertaking*") evidencing the City's agreement with respect to a series of Bonds to comply with the requirements of Section (b)(5) of Rule 15c2-12 ("*Rule 15c2-12*") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as herein provided, each Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are hereby authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Continuing

Disclosure Undertaking as executed. The Authorized Officer is hereby further authorized to amend each Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as said officer shall deem necessary. Notwithstanding any other provision of this Ordinance, the sole remedies for any failure by the City to comply with any such Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bonds to which such Continuing Disclosure Undertaking relates to seek mandamus or specific performance by court order to cause the City to comply with its obligations under each applicable Continuing Disclosure Undertaking.

**Section 16. Execution and Delivery of Bonds.** Pursuant to the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, and the related Supplemental Indenture, the Mayor shall execute the Bonds on behalf of the City, by manual or facsimile signature, and the corporate seal of the City or a facsimile thereof shall be affixed, imprinted, engraved or otherwise reproduced on the Bonds and they shall be attested by the manual or facsimile signature of the City Clerk. The Bonds shall, upon such execution on behalf of the City, be delivered to the First Lien Trustee or Second Lien Trustee, as appropriate, for authentication and thereupon shall be authenticated by the First Lien Trustee or Second Lien Trustee, as appropriate, and shall be delivered pursuant to written order of the City authorizing and directing the delivery of the Bonds to or upon the order of the Purchasers pursuant to the applicable Purchase and Sale Agreement.

**Section 17. Debt Service Reserve Fund Excess.** If, as a result of the issuance of the Bonds, the amount held to the credit of the Debt Service Reserve Fund (or any Account therein) exceeds the amount required to be held therein under the First Lien Master Indenture or Second Lien Master Indenture, as appropriate, such excess may be applied as directed by the Authorized Officer consistent with the provisions and requirements of the First Lien Master Indenture or Second Lien Master Indenture, as applicable. Such application may include, without limitation, a transfer for the purpose of paying the cost of, or reimbursing the City for the payment of the cost of, Airport Projects, including, without limit, payment of capitalized interest on Outstanding Airport Obligations.

**Section 18. Tax Covenant.** The City covenants to take any action required by the provisions of Section 148(f) of the Code in order to assure compliance with Section 712 of the First Lien Master Indenture or Section 412 of the Second Lien Master Indenture.

**Section 19. Public Hearing.** The Mayor is hereby authorized and directed to cause the publication of notice for and the holding of any public hearing, as and to the extent required under Section 147(f) of the Code in connection with the proposed issuance of the Bonds. The City Council hereby directs that no Bonds shall be issued unless and until the requirements of said Section 147(f), if applicable, including particularly the approval requirement following such public hearing, have been fully satisfied and that no contract, agreement or commitment to issue Bonds shall be executed or undertaken prior to satisfaction of the requirements of said Section 147(f), if applicable, unless the performance of said contract, agreement or commitment is expressly conditioned upon the prior satisfaction of such requirements. Any such actions taken prior to the enactment of this Ordinance are hereby ratified and confirmed. The actions, if any, of the Committee on Finance of this City Council with respect to the publication of notice for and the holding of a public hearing in connection with the Bonds are hereby ratified and

confirmed in all respects. The adoption of this Ordinance shall constitute the public approval of the Bonds for purposes of Section 147(f) of the Code.

**Section 20. Amortization of the Variable Rate Second Lien Bonds.** Authority is hereby delegated to either the Mayor or the Authorized Officer to determine the timing and amount of the principal amortization of the Variable Rate Second Lien Bonds, as and to the extent such officer determines that such principal amortization is desirable and in the best financial interest of the City and the Airport, and the Mayor or the Authorized Officer is hereby authorized to supplement from time to time the Certificate filed pursuant to Section 302(c) of the Second Lien Master Indenture, either to effectuate such amortization or to reduce or cancel amortization provided by a previous supplement to such Certificate, all as the Mayor or the Authorized Officer determines to be desirable and in the best financial interest of the City and the Airport.

**Section 21. Federal Income Tax Status of Variable Rate Second Lien Bonds.** Authority is hereby delegated to either the Mayor or the Authorized Officer to incorporate into the Second Lien Supplemental Indenture with respect to any Variable Rate Second Lien Bonds provisions for a mandatory tender and remarketing of such Variable Rate Second Lien Bonds upon the later receipt of an opinion of Bond Counsel that the interest on such Variable Rate Second Lien Bonds is excludable from gross income for federal tax purposes under Section 103 of the Code under circumstances where the approving opinion of Bond Counsel delivered upon the issuance of such Variable Rate Second Lien Bonds provided that the interest on such Variable Rate Second Lien Bonds was not excludable from gross income for federal income tax purposes under Section 103 of the Code (or provisions otherwise resulting in a conversion of the status under Section 103 of the Code of the interest on the Variable Rate Second Lien Bonds from taxable to tax-exempt).

**Section 22. Approval of Off Market Swap Transactions.** If determined by the Authorized Officer to be in the best financial interest of the City in the operation of the Airport, the Authorized Officer is authorized to execute and deliver from time to time in the name and on behalf of the City one or more agreements with counterparties selected by the Authorized Officer, commonly known as "off market" swap agreements for the purpose of providing additional funds to meet the costs of Airport Projects or the costs of refunding Outstanding Airport Obligations; provided, however, that (a) any such agreement to the extent practicable shall be in substantially the form of either the Local Currency-Single Jurisdiction version or the Multi-Currency Cross Border version of the 1992 I.S.D.A. Master Agreement accompanied by the U.S. Municipal Counterparty Schedule published by the International Swap Dealers Association ("I.S.D.A.") or any successor form to either published by the I.S.D.A., and in appropriate confirmations of transactions governed by that agreement, with such insertions, completions and modifications thereof as shall be approved by the Authorized Officer, his or her execution to constitute conclusive evidence of this City Council's approval of such insertions, completions and modifications, (b) any and all amounts payable by the City under each such agreement shall constitute limited obligations of the City payable solely from Second Lien Revenues as provided in the Second Lien Master Indenture (or from other available Revenues if secured by a pledge subordinate to the pledge of Second Lien Revenues); and (c) under no circumstances shall any amounts payable by the City under, or with respect to, any such agreement constitute an indebtedness of the City for which its full faith and credit is pledged.

**Section 23. Existing Swap Agreements Swap Agreement Payments.** If determined by the Authorized Officer to be in the best financial interest of the City in the operation of the Airport, the Authorized Officer is authorized to (a) terminate any swap agreement previously executed and currently in effect with respect to Outstanding Airport Obligations to be refunded by the Refunding Bonds (or with respect to any other Outstanding Airport Obligations) and pay any termination payment determined in accordance with the provisions of such swap agreement, (b) modify any such swap agreement and pay an amount determined in respect of such modification, and/or (c) transfer such swap agreements to the Bonds and pay an amount determined in respect of such transfer.

**Section 24. Forward Supply Contracts.** If determined to be in the best financial interest of the City and the Airport, the Authorized Officer is authorized to execute and deliver from time to time in the name and on behalf of the City one or more forward supply contracts with one or more counterparties selected by the Authorized Officer under which contracts such counterparties agree to sell to the City, and the City agrees to purchase from such counterparties, specified securities on specified dates at purchase prices established at the time of the execution and delivery of the applicable contract. The sources of funds to purchase such securities shall be amounts on hand and available in the funds and accounts created and established under the First Lien Master Indenture and the Second Lien Master Indenture, as applicable, and the related Supplemental Indenture. Under no circumstances shall any amounts payable by the City under, or with respect to, any such contract constitute an indebtedness of the City for which its full faith and credit is pledged, but such amounts shall be payable solely from legally available funds of the Airport.

**Section 25. Escrow Deposit Agreements.** As and to the extent required to provide for the payment and retirement of Outstanding Airport Obligations, the Mayor or the Authorized Officer of the City is hereby authorized to execute and deliver for and on behalf of the City one or more escrow deposit agreements in substantially the form of escrow deposit agreements previously used for such purpose by the City, together with such changes thereto and modifications thereof as shall be approved by the Mayor or the Authorized Officer, as the case may be, the execution and delivery thereof to constitute conclusive evidence of this City Council's approval of such changes and modifications.

**Section 26. Performance Provisions.** The Mayor, the Authorized Officer, the Commissioner of the Department of Aviation (the "*Commissioner*") and the City Clerk for and on behalf of the City shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance, the First Lien Master Indenture, the Second Lien Master Indenture and any Supplemental Indenture and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance, the First Lien Master Indenture, the Second Lien Master Indenture and any Supplemental Indenture, including but not limited to, the exercise or performance following the delivery date of any of the Bonds of any power, authority or duty delegated to the City or such official of the City under this Ordinance, the First Lien Master Indenture, the Second Lien Master Indenture or any Supplemental Indenture with respect to the Bonds upon the initial issuance thereof or any other documents authorized hereunder, but subject to any limitations on or restrictions of such power or authority as herein or in the First Lien Master Indenture, the Second Lien Master Indenture or any Supplemental



Indenture set forth. The Mayor, the Authorized Officer, the Commissioner, the City Clerk and other officers, agents and employees of the City are hereby further authorized, empowered and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance, the First Lien Master Indenture, the Second Lien Master Indenture and any Supplemental Indenture or to evidence said authority.

**Section 27. Proxies.** The Mayor and the Authorized Officer may each designate another to act as their respective proxy and to affix their respective signatures to, in the case of the Mayor, each Bond, whether in temporary or definitive form, and to any other instrument, certificate or document required to be signed by the Mayor or the Authorized Officer pursuant to this Ordinance, the First Lien Master Indenture, the Second Lien Master Indenture and any Supplemental Indenture. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the Authorized Officer, respectively. A written signature of the Mayor or the Authorized Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Authorized Officer is so affixed to an instrument, certificate or document at the direction of the Authorized Officer, the same, in all respects, shall be binding on the City as if signed by the Authorized Officer in person.

**Section 28. Severability.** It is the intention of this City Council that, if any Section, paragraph, clause or provision of this Ordinance shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such Section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

**Section 29. Prior Inconsistent Ordinances.** If any provision of this Ordinance is in conflict with or inconsistent with any ordinances or resolutions or parts of ordinances or resolutions or the proceedings of this City Council in effect as of the date hereof, the provisions of this Ordinance shall supersede any conflicting or inconsistent provision to the extent of such conflict or inconsistency. No provision of the Municipal Code of Chicago (the "*Municipal Code*") or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the instruments authorized by this Ordinance, or to impair the security for or payment of the instruments authorized by this Ordinance; provided, further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

**Section 30. Effective Date.** This Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor of the City.

*Exhibit "A"*  
(To Ordinance)

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CITY OF CHICAGO

To

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO),  
as Trustee

[TENTH] SUPPLEMENTAL INDENTURE

SECURING  
CHICAGO MIDWAY AIRPORT REVENUE BONDS,  
SERIES 2014[ ]

---

Dated as of \_\_\_\_\_ 1, 2014

Supplementing a Master Indenture of Trust Securing Chicago Midway Airport Revenue Bonds dated as of April 1, 1994, as amended, from the City of Chicago to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), as Trustee.

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[TENTH] SUPPLEMENTAL INDENTURE

(This Table of Contents is not a part of the [Tenth] Supplemental Indenture and is only for convenience of reference.)

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[TENTH] SUPPLEMENTAL INDENTURE

(This Table of Contents is not a part of the [Tenth] Supplemental Indenture and is only for convenience of reference.)

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THIS [TENTH] SUPPLEMENTAL INDENTURE, made and entered into as of [\_\_\_\_\_] , 2014 from the CITY OF CHICAGO (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, to THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in trust to AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO) (the "Trustee"), a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, with its corporate trust office located at 2 North LaSalle Street, Suite 1020, Chicago, Illinois 60602 as Trustee;

**WITNESSETH:**

WHEREAS, the City is a home rule unit of local government, duly organized and existing under the laws of the State of Illinois, and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois is authorized to own and operate commercial and general aviation facilities; and

WHEREAS, the City owns and operates an airport known as Chicago Midway International Airport (the "Airport"); and

WHEREAS, the City and the Trustee have entered into a Master Indenture of Trust Securing Chicago Midway Airport Revenue Bonds, dated as of April 1, 1994, as amended by Amendment No. 1 to Master Indenture, dated as of July 1, 1998 (the "Indenture") which authorizes the issuance of such Bonds in one or more Series pursuant to one or more Supplemental Indentures; and

WHEREAS, the City has heretofore determined to improve the Airport and to issue Bonds (as hereinafter defined), payable solely from Revenues (as hereinafter defined), to pay the cost of improvements to, and expansions of, the Airport and to refund prior to maturity or pay at maturity certain Prior Airport Obligations (as hereinafter defined); and

WHEREAS, in order to finance a portion of the cost of the 201\_ Airport Projects (as hereinafter defined) each constituting an Airport Project (as defined in the Indenture), to refund outstanding Prior Airport Obligations, to fund the Debt Service Reserve Fund and to pay costs and expenses incidental thereto and to the issuance of the Bonds, the City has authorized the issuance and sale of \$[\_\_\_\_\_] aggregate principal amount of Chicago Midway Airport Revenue Bonds, Series 2014[ ] (the "Bonds"); and

WHEREAS, the Bonds, and the Trustee's Certificate of Authentication to be endorsed on such Bonds, shall be in substantially the following forms with necessary and appropriate variations, omissions and insertions as permitted or required by the Indenture or this [Tenth] Supplemental Indenture, to wit:

[FORM OF BOND]

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

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

UNITED STATES OF AMERICA

STATE OF ILLINOIS

CITY OF CHICAGO

CHICAGO MIDWAY AIRPORT REVENUE BOND,

Series 2014[ ]

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
------------------	------------------	---------------	-------

[ \_\_\_\_\_ ], 2014

Registered Owner:

Principal Amount:

CITY OF CHICAGO (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay (but only out of the sources hereinafter provided) to the registered owner identified above, or registered assigns, on the maturity date specified above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal sum specified above and to pay (but only out of the sources hereinafter provided) interest on the balance of said principal sum from time to time remaining unpaid from and including the date hereof or from and including the most recent Interest Payment Date (as defined in the hereinafter-defined Indenture) with respect to which interest has been paid or duly provided for, until payment of said principal sum has been made or duly provided for, at the interest rate specified above, computed on the basis of a 360-day year consisting of twelve 30-day months, payable on [July 1, 2014] and semi-annually thereafter on each January 1 and July 1, and to pay interest on overdue principal and, to the extent permitted by law, on overdue premium, if any, and interest at the rate due on this Bond. Principal of, premium, if any, and interest on this Bond shall be payable in lawful money of the United States of America at the corporate trust office of The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), Chicago, Illinois, as Trustee, or its successor in trust (the "Trustee"); provided, however, that payment of the interest on any Interest Payment Date (as defined in the Indenture) shall be (i) made to the registered owner hereof as of the close of business on the applicable Record Date (as defined in the Indenture) with respect to such Interest Payment Date and shall be paid by check or draft mailed to such registered owner hereof at his or her address as it appears on the registration books of the City maintained by the Trustee as Bond

Registrar or at such other address as is furnished in writing by such registered owner to the Trustee as Bond Registrar as of the close of business on such Record Date or (ii) made by wire transfer to such registered owner as of the close of business on such Record Date upon written notice of such wire transfer address in the continental United States by such owner to the Bond Registrar given prior to such Record Date (which notice may provide that it will remain in effect until revoked), provided that each such wire transfer shall be made only with respect to an owner of \$1,000,000 or more in aggregate principal amount of the Bonds as of the close of business on the Record Date relating to such Interest Payment Date; except, in each case, that if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the registered owners as provided in the Indenture. So long as this Bond is restricted to being registered in the registration books of the City in the name of a Securities Depository (as defined in the Indenture), the provisions of the Indenture governing Book-Entry Bonds shall govern the payment of the principal of and interest on this Bond.

The Bonds are limited obligations of the City and shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision thereof is pledged to the payment of the principal of the Bonds, or the interest or any premium thereon. The Bonds are payable solely from the Revenues (as defined in the Indenture) pledged to such payment under the Indenture and certain other moneys held by or on behalf of the Trustee, and no owner or owners of the Bonds shall have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place. All capitalized terms used in this Bond shall have the meanings assigned in the Indenture unless otherwise defined herein.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture unless and until the certificate of authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and the manual or facsimile of its corporate seal to be printed hereon and attested by the manual or facsimile signature of its City Clerk.

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

CITY OF CHICAGO

By \_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
City Clerk

**[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]**

This Bond is one of the Bonds described in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in trust to AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO), as Trustee

By \_\_\_\_\_  
Authorized Signature

**[DTC LEGEND]**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.



## [FORM OF REVERSE BOND]

This Bond is one of an authorized series of bonds limited in aggregate principal amount to \$[ ] (the “*Bonds*”) issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and an ordinance of the City Council of the City, and executed under a Master Indenture of Trust Securing Chicago Midway Airport Revenue Bonds, dated as of April 1, 1994, as amended, from the City to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), Chicago, Illinois (the “*Trustee*”), as supplemented by an [Tenth] Supplemental Indenture Securing Chicago Midway Airport Revenue Bonds, Series 2014[ ], dated as of [ ], 2014, from the City to the Trustee (collectively, the “*Indenture*”), for the purpose of financing the costs of certain Airport Projects (as defined in the Indenture), refunding prior to maturity or pay at maturity certain Prior Airport Obligations (as defined in the Indenture) and paying costs and expenses incidental thereto and to the issuance of the Bonds.

The Bonds and the interest thereon are payable from Revenues (as defined in the Indenture) pledged to the payment thereof under the Indenture and certain other moneys held by or on behalf of the Trustee.

As provided in the Indenture, additional bonds may be issued from time to time pursuant to supplemental indentures in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture. The aggregate principal amount of bonds that may be issued pursuant to the Indenture is not limited and all bonds issued and to be issued pursuant to the Indenture, including the Bonds, are and will be equally secured by the pledges and covenants made therein, except as otherwise provided or permitted in the Indenture.

Copies of the Indenture are on file at the corporate trust office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof is made for a description of the pledge and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Bonds, and the limitations on such rights and remedies.

The Bonds are issuable only as fully registered Bonds in the authorized denominations described in the Indenture. Bonds may be transferred on the books of registration kept by the Bond Registrar by the registered owner in person or by his or her duly authorized attorney, upon surrender thereof, together with a written instrument of transfer executed by the registered owner or his or her duly authorized attorney. Upon surrender for registration of transfer of any Bond with all partial redemptions endorsed thereon at the principal office of the Bond Registrar, the City shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity and interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations and bearing numbers not outstanding under the Indenture.

Bonds may be exchanged at the principal office of the Bond Registrar for an equal aggregate principal amount of Bonds in the appropriate form and in the same maturity and

interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations. The City shall execute and the Trustee shall authenticate and deliver Bonds which the registered owner making the exchange is entitled to receive. Such registration of transfer or exchange of Bonds shall be without charge to the registered owners of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the registered owners of the Bond requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

The Bond Registrar shall not be required to register for transfer or exchange any undelivered Bond or Bonds after the giving of notice calling such Bond for redemption or partial redemption has been made.

The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of principal, premium, if any, or interest shall be made only to or upon the order of the registered owner thereof or his or her duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Bonds maturing on January 1, [20\_\_], are subject to mandatory redemption, in part by lot as provided in the Indenture from mandatory Sinking Fund Payments, on January 1 in each of the years and in the respective principal amounts set forth below, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the date of redemption:

YEAR	PRINCIPAL AMOUNT
	\$

If the City redeems Bonds maturing on January 1, [20\_\_] pursuant to optional redemption or purchases (other than from amounts held in the Debt Service Fund) such Bonds and cancels the same, then an amount equal to the principal amount of Bonds of such maturity so redeemed or purchased shall be credited against the unsatisfied balance of future Sinking Fund Payments or the final maturity amount in such amount and against such Sinking Fund Payments or final maturity amount as shall be determined by the City in a Certificate of an Authorized Officer filed with the Trustee prior to the mailing of the notice of redemption of such Bonds or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable Sinking Fund Payments in inverse order of their payment dates.

The Bonds maturing on or after January 1, [\_\_\_\_] are subject to redemption, otherwise than from mandatory Sinking Fund Payments, at the option of the City, on or after January 1, [\_\_\_\_], as a whole or in part at any time, and if in part, in such order of maturity as the City shall determine and within any maturity by lot, at the respective Redemption Prices (expressed as percentages of the principal amount of Bonds or portions thereof to be redeemed) set forth below, in each case together with accrued interest to the redemption date:

REDEMPTION PERIOD  
(BOTH DATES INCLUSIVE)

REDEMPTION PRICE  
(EXPRESSED AS A PERCENTAGE)

%

Notice of any such redemption shall be given by the Trustee by first class mail not fewer than 30 nor more than 60 days prior thereto to the registered owners of the Bonds. Failure to mail any such notice to the registered owner of any Bond or any defect therein shall not affect the validity of the proceedings for such redemption of Bonds.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future officer, employee or agent, or member of the City Council, of the City, or any successor to the City, as such, either directly or through the City, or any successor to the City, 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 officer, employee or agent, or member of the City Council, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto except as provided in the Indenture.

The Indenture prescribes the manner in which it may be discharged and after which the Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except as provided in the Indenture and for the purposes of registration and exchange of Bonds and of such payment, including a provision that the Bonds shall be deemed to be paid if Defeasance Obligations, as defined therein, maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay the principal of, premium, if any, and interest on the Bonds and all necessary and proper fees, compensation and expenses of the Trustee shall have been deposited with the Trustee.

Modifications or alterations of the Indenture, or of any supplement thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

[FORM OF ASSIGNMENT]

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

TEN COM	—	as tenants in common	UNIF GIFT MIN ACT-
TEN ENT	—	as tenants by the entireties	_____ CUSTODIAN _____
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common	(Cust) (Minor)
			Under Uniform Gifts to Minors Act of _____
			(State)

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

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

\_\_\_\_\_  
(Name and Address of Assignee)

this Bond of the City of Chicago and does hereby irrevocably constitute and appoint

\_\_\_\_\_

to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

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

Signature: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

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

NOW, THEREFORE, THIS [TENTH] SUPPLEMENTAL INDENTURE WITNESSETH:

### GRANTING CLAUSES

That the City, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the registered owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect, and to secure the performance and observance by the City of all the Covenants expressed or implied herein and in the Bonds, does hereby assign and grant a security interest in and to the following to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the City hereinafter set forth (the "*Trust Estate*"):

#### GRANTING CLAUSE FIRST

All right, title and interest of the City in and to Revenues, to the extent pledged and assigned in the granting clauses of the Indenture.

#### GRANTING CLAUSE SECOND

All moneys and securities from time to time held by the Trustee under the terms of this [Tenth] Supplemental Indenture, except for moneys deposited with or paid to the Trustee and held in trust hereunder for the redemption of Bonds, notice of the redemption of which has been duly given.

#### GRANTING CLAUSE THIRD

Any and all other property, rights and interests of every kind and nature from time to time hereafter by delivery or by writing of any kind granted, bargained, sold, alienated, demised, released, conveyed, assigned, transferred, mortgaged, pledged, hypothecated or otherwise subjected hereto, as and for additional security hereunder by the City or by any other person on its behalf or with its written consent to the Trustee, and the Trustee is hereby authorized to receive any and all property thereof at any and 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, whether now owned or hereafter acquired, unto the Trustee and its successors in said trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds without privilege, priority or distinction as to the lien or otherwise of any of the foregoing over any other of the foregoing except to the extent herein or in the Indenture otherwise specifically provided;

*PROVIDED, HOWEVER*, that if the City, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds due or to become

due thereon, at the times and in the manner set forth therein according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds, or shall provide, as permitted hereby, for the payment thereof, and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of the Indenture and this [Tenth] Supplemental Indenture and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon the final payment thereof this [Tenth] Supplemental Indenture and the rights hereby granted shall cease, determine and be void; otherwise this [Tenth] Supplemental Indenture shall remain in full force and effect.

THIS [TENTH] SUPPLEMENTAL INDENTURE WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property, rights and interests and any other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS

All capitalized terms used herein unless otherwise defined shall have the same meaning as used in Article I of the Indenture. In addition, the following words and phrases shall have the following meanings for purposes of this [Tenth] Supplemental Indenture:

“*Authorized Denomination*” means \$5,000 or any integral multiple thereof.

“*Bonds*” means the Chicago Midway Airport Revenue Bonds, Series 2014[ ], authorized to be issued pursuant to Section 2.01 hereof.

“*Business Day*” means a day except Saturday, Sunday or any day on which banking institutions located in the States of New York or Illinois are required or authorized to close or on which the New York Stock Exchange is closed.

“*Date of Issuance*” means the date of original issuance and delivery of the Bonds hereunder.

“*Indenture*” means the Master Indenture of Trust Securing Chicago Midway Airport Revenue Bonds, dated as of April 1, 1994, from the City to the Trustee, as amended, pursuant to which Chicago Midway Airport Revenue Bonds are authorized to be issued, and any amendments and supplements thereto, including this [Tenth] Supplemental Indenture. References to Articles and Sections of the Indenture shall be deemed to refer to Articles and Sections of the Indenture as amended.

[“*Insurance Policy*” or “*Policy*” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.]

["*Insurer*"] means \_\_\_\_\_, or any successor thereto or assignee thereof.]

"*Interest Payment Date*" means January 1 and July 1 of each year, commencing [July 1, 2014].

"*Ordinance*" means the ordinance duly adopted and approved by the City Council of the City on \_\_\_\_\_, 2014, which authorizes the issuance and sale of the Bonds and the execution of this [Tenth] Supplemental Indenture.

"*Participant*" when used with respect to any Securities Depository, means any participant of such Securities Depository.

"*Prior Airport Obligations*" means \_\_\_\_\_.

"*Project Certificate*" is defined in the Tax Agreement.

"*Record Date*" means June 15 and December 15 of each year.

"*Securities Depository*" means any securities depository registered as a clearing agency with the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934, as amended, and appointed as the securities depository for the Bonds. Initially, the Securities Depository shall be The Depository Trust Company.

"*State*" means the State of Illinois.

"*Tax Agreement*" means the Tax Exemption Certificate and Agreement of the City dated the date of issuance of the Bonds.

"[*Tenth*] *Supplemental Indenture*" means this [Tenth] Supplemental Indenture and any amendments and supplements hereto.

"*Trust Estate*" means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

"*2014 Airport Projects*" means the Airport Projects approved by the Ordinance and to be financed in whole or in part by the application of the proceeds of the sale of the Bonds.

## ARTICLE II

### THE BONDS

*Section 2.01. Authorized Amount of Bonds.* No Bonds may be issued under the provisions of this [Tenth] Supplemental Indenture except in accordance with this Article. The Bonds are being issued to provide funds to finance a portion of the costs of the 2014 Airport Projects, to pay capitalized interest on the Bonds, to refund prior to maturity or pay at maturity the Prior Airport Obligations, to fund the Debt Service Reserve Fund and to pay Costs of

Issuance of the Bonds. Except as provided in Section 305 of the Indenture, the total principal amount of Bonds that may be issued hereunder is expressly limited to \$[\_\_\_\_\_].

*Section 2.02. Issuance of Bonds; Denominations; Numbers.* The Bonds shall be designated "City of Chicago, Chicago Midway Airport Revenue Bonds, Series 2014[\_\_\_\_\_]."

The Bonds shall be dated as of the Interest Payment Date next preceding their date of authentication, unless such date of authentication is an Interest Payment Date, in which case the Bonds shall be dated as of such Interest Payment Date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event the Bonds shall be dated as of [\_\_\_\_\_] 2014.

The Bonds shall be issued as registered bonds without coupons. The Bonds shall be issued only in Authorized Denominations. The Bonds shall be numbered consecutively from R-1 upwards bearing numbers not then outstanding (in order of issuance) according to the records of the Trustee.

The Bonds shall mature on January 1 of each of the following years and bear interest at the following interest rates per annum:

YEAR	PRINCIPAL AMOUNT	INTEREST RATE
_____	\$ _____	_____ %
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Interest on the Bonds shall be payable on January 1 and July 1 of each year, commencing [July 1, 2014]. The Bonds shall bear interest from the date thereof or from and including the most recent Interest Payment Date with respect to which interest has been paid or duly provided for. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

*Section 2.03. Form of Bonds; Temporary Bonds.* The Bonds shall be substantially in the form hereinbefore set forth, with such appropriate variations, omissions and insertions as are permitted or required by this [Tenth] Supplemental Indenture.

Pending preparation of definitive Bonds, or by agreement with the purchasers of the Bonds, the City may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary printed or typewritten Bonds in Authorized Denominations of substantially the tenor recited above. Upon request of the City, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.



*Section 2.04. Delivery of Bonds.* Upon the execution and delivery of this [Tenth] Supplemental Indenture, the City shall execute and deliver to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to the purchasers as may be directed by the City as hereinafter in this Section 2.04 provided.

Prior to the delivery by the Trustee of any of the Bonds there shall be filed with the Trustee:

- (a) a copy, duly certified by the City Clerk of the City, of the Ordinance;
- (b) original executed counterparts of the Indenture and this [Tenth] Supplemental Indenture;
- (c) a Counsel's Opinion to the effect that (i) the City had the right and power to adopt the Ordinance; (ii) the Ordinance has been duly and lawfully adopted by the City Council, is in full force and effect and is valid and binding upon the City and is enforceable in accordance with its terms (except as limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that the equitable remedies are sought); (iii) the Indenture and this [Tenth] Supplemental Indenture have been duly and lawfully executed by authorized officers of the City, are in full force and effect and are valid and binding upon the City and are enforceable in accordance with their terms (except as limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that the equitable remedies are sought); (iv) the Indenture and this [Tenth] Supplemental Indenture create the valid pledge of Revenues, moneys and securities held thereunder for the benefit and security of the Bonds, subject to application thereof in the manner provided therein: and (v) upon the execution, authentication and delivery thereof, the Bonds will have been duly and validly authorized and issued in accordance with the Constitution and laws of the State, the Indenture and this [Tenth] Supplemental Indenture;
- (d) a written order as to the delivery of the Bonds, executed by an Authorized Officer stating (i) the identity of the purchasers, aggregate purchase price and date and place of delivery and (ii) that no Event of Default has occurred and is continuing under the Indenture or this [Tenth] Supplemental Indenture;
- (e) [a Certificate of an Independent Airport Consultant stating that, based upon reasonable assumptions set forth therein, Revenues and Other Available Moneys are projected to be not less than that required to satisfy the rate covenant set forth in Section 704 of the Indenture (disregarding any Bonds that have been paid or discharged or will be paid or discharged immediately after the issuance of the Series of Bonds proposed to be issued) for each of the next three Fiscal Years following the issuance of such Bonds or, if later, for each Fiscal Year from the issuance of such Bonds through the two Fiscal Years immediately following completion of the project or projects financed by such Bonds; and]

(f) a certificate of an Independent Accountant stating the amount of either (i) moneys (including a portion of the proceeds of the Bonds to be issued) in an amount sufficient to pay the Prior Airport Obligations to be refunded at the applicable Redemption Price of the Prior Airport Obligations together with accrued interest on such Prior Airport Obligations to the redemption date or dates; or (ii) Defeasance Obligations the principal of, and interest on, which when due (without reinvestment thereof), together with the moneys (including a portion of the proceeds of the Bonds to be issued), if any, which must be contemporaneously deposited with the Trustee, to be sufficient to pay when due the applicable Redemption Price of the Prior Airport Obligations to be refunded, together with accrued interest on such Prior Airport Obligations to the redemption date or dates or the dates or dates of maturity thereof; and

(g) a Certificate directing the Trustee concerning the application of the proceeds of the Bonds pursuant to Section 206(e) of the Master Indenture and stating that any required approval for the issuance of the Bonds has been obtained pursuant to Section 206(h) of the Master Indenture.

*Section 2.05. Book-Entry Provisions.* The provisions of this Section shall apply so long as the Bonds are maintained in book-entry form with The Depository Trust Company or another Securities Depository, any provisions of this [Tenth] Supplemental Indenture to the contrary notwithstanding.

(a) *Payments.* The Bonds shall be payable to the Securities Depository, or its nominee, as the registered owner of the Bonds, on each date on which the principal of, interest on, and premium, if any, on the Bonds is due as set forth in this [Tenth] Supplemental Indenture and in the Bonds. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the City and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Bonds, the City and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set forth herein. In such different manner of payment is agreed upon, the City shall give the Trustee notice thereof, and the Trustee shall make payments with respect to the Bonds in the manner specified in such notice as set forth herein. Neither the City nor the Trustee shall have any obligation with respect to the transfer or crediting of the principal of, interest on, and premium, if any, on the Bonds to Participants or the beneficial owners of the Bonds or their nominees.

(b) *Replacement of the Securities Depository.* The City may discontinue use of a Securities Depository as the depository of the Bonds if (i) the City, in its sole discretion, determines that (A) such Securities Depository is incapable of discharging its duties with respect to the Bonds, or (B) the interest of the beneficial owners of the Bonds might be adversely affected by the continuation of the book-entry system with such Securities Depository as the depository for the Bonds, or (ii) such Securities Depository determines not to continue to act as a depository for the Bonds or is no longer permitted to act as such depository. Notice of any determination pursuant to clause (i) shall be given to such Securities Depository at least 30 days prior to any such determination (or such fewer number of days as shall be acceptable to such Securities Depository). The City shall have no obligation to make any investigation to determine the occurrence of

any events that would permit the City to make any determination described in this paragraph.

(c) *Discontinuance of Book-Entry or Change of Securities Depository.* If, following a determination or event specified in paragraph (b) above, the City discontinues the maintenance of the Bonds in book-entry form with the then current Securities Depository, the City will issue replacement Bonds to the successor Securities Depository, if any, or, if no replacement Securities Depository is selected for the Bonds, directly to the Participants as shown on the records of the former Securities Depository or, to the extent requested by any Participant, to the beneficial owners of the Bonds shown on the records of such Participant. Replacement Bonds shall be in fully registered form and in Authorized Denominations, be payable as to interest on the Interest Payment Dates of the Bonds by check or draft mailed to each registered owner at the address of such owner as it appears on the bond registration books maintained by the City for such purpose at the corporate trust office of the Trustee or at the option of any registered owner of not less than \$1,000,000 principal amount of Bonds, by wire transfer to any address in the continental United States of America on such Interest Payment Date to such registered owner as of such Record Date, if such registered owner provides the Trustee with written notice of such wire transfer address not later than the Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice). Principal and redemption premium, if any, on the replacement Bonds are payable only upon presentation and surrender of such replacement Bond or Bonds at the corporate trust office of the Trustee.

(d) *Effect of Book-Entry System.* The Securities Depository and its Participants and the beneficial owners of the Bonds, by their acceptance of the Bonds, agree that the City and the Trustee shall not have liability for the failure of such Securities Depository to perform its obligations to the Participants and the beneficial owners of the Bonds, nor shall the City or the Trustee be liable for the failure of any Participant or other nominee of the beneficial owners to perform any obligation of the Participant to a beneficial owner of the Bonds.

*Section 2.06. Application of Proceeds.* The proceeds of the sale of the Bonds shall be applied as set forth in the Certificate delivered by the City to the Trustee pursuant to Section 206(e) of the Indenture.

*Section 2.07. Tax Covenant.* The City covenants to take any action required by the provisions of the Code and within its power to take in order to preserve the exemption from federal income taxation of interest on the Bonds (other than with respect to an alternative minimum tax imposed on interest on the Bonds), including, but not limited to, the provisions of Section 148 of the Code relating to "arbitrage bonds."

The City covenants to comply with the provisions of the Tax Agreement governing the use of Bond proceeds.

**ARTICLE III**

**REDEMPTION OF BONDS BEFORE MATURITY**

*Section 3.01. Redemption Dates and Prices.* The Bonds shall be subject to redemption prior to maturity in the amounts, at the times and in the manner provided in this Article III.

(a) *Optional Redemption.* The Bonds maturing on or after January 1, [\_\_\_\_] are subject to redemption, otherwise than from mandatory Sinking Fund Payments, at the option of the City, on or after January 1, [\_\_\_\_], as a whole or in part at any time, and if in part, in such order of maturity as the City shall determine and within any maturity by lot, at the respective Redemption Prices (expressed as percentages of the principal amount of such Bonds or portions thereof to be redeemed) set forth below, in each case together with accrued interest to the redemption date:

PERIOD (BOTH DATES INCLUSIVE)	REDEMPTION PRICE (EXPRESSED AS A PERCENTAGE)
	%

(b) *Mandatory Sinking Fund Redemption.* The Bonds maturing on January 1, [20\_\_], are subject to mandatory redemption, in part by lot as provided in the Indenture from mandatory Sinking Fund Payments, on January 1 in each of the years and in the respective principal amounts set forth below, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the date of redemption:

YEAR	PRINCIPAL AMOUNT
	\$

If the City redeems Bonds maturing on January 1, [20\_\_] pursuant to optional redemption or purchases (other than from amounts held in the Debt Service Fund) such Bonds and cancels the same, then an amount equal to the principal amount of Bonds of such maturity so redeemed or purchased shall be credited against the unsatisfied balance of future Sinking Fund Payments or the final maturity amount in such amount and against such Sinking Fund Payments or final maturity amount as shall be determined by the City in a Certificate of an Authorized Officer filed with the Trustee prior to the mailing of the notice of redemption of such Bonds or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable Sinking Fund Payments in inverse order of their payment dates.

*Section 3.02. Partial Redemption of Bonds; Selection of Bonds for Redemption.*

(a) In case a Bond is of a denomination larger than the minimum Authorized Denomination, all or a portion of such Bond (equal to the minimum Authorized Denomination or any integral multiple thereof) may be redeemed but such Bond shall be

redeemed only in a principal amount equal to the minimum Authorized Denomination or any integral multiple thereof.

(b) Upon surrender of any Bond for redemption in part only, the City shall execute and the Bond Registrar shall authenticate and deliver to the registered owner thereof, at the expense of the City, a new Bond or Bonds of Authorized Denominations in aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

(c) If fewer than all of the Bonds of a maturity are called for redemption, the Bonds (or portions thereof) to be redeemed shall be selected by lot by the Trustee.

*Section 3.03. Additional Redemption Notice.* In addition to the requirements of Section 602 of the Indenture, the following provisions shall apply to the redemption of Bonds:

(a) Notice of the redemption of Bonds or any portion thereof shall specify (i) the series name and designation and certificate numbers of Bonds being redeemed, (ii) the CUSIP numbers of the Bonds being redeemed, (iii) the principal amount of Bonds being redeemed and the redeemed amount for each certificate (for partial calls), (iv) the redemption date, (v) the Redemption Price, (vi) the Date of Issuance, (vii) the interest rate and maturity date of the Bonds being redeemed, (viii) the date of mailing of notices to registered owners and information services, and (ix) the name of the employee of the Trustee who may be contacted with regard to such notice.

(b) Redemption notices shall be sent by first class mail, postage prepaid, and, in addition, to registered owners of \$1,000,000 or more of the Bonds, by registered mail.

(c) Redemption notices shall also be forwarded by registered mail, "FAX" or overnight delivery service with the intention that they be received at least two days prior to the date of mailing of notices to registered owners, to:

The Depository Trust Company  
711 Stewart Avenue  
Garden City, New York 11530  
Attention: Muni Reorganization Manager  
FAX: (516) 227-4039 or 4190

(d) Redemption notices shall also be sent by registered mail, at least 30 days but not more than 60 days prior to the redemption date, to two national information services that disseminate redemption information as determined by the Trustee so long as such services exist.

(e) In the event of an advance refunding of the Bonds, a notice of such event shall be given as required above for redemptions as soon as practicable after such advance refunding occurs. Notice of redemption shall also be given as required above at least 30 days but not more than 60 days prior to the actual redemption date.

Notwithstanding the foregoing, failure to comply with the provisions of this Section 3.02 shall not affect the validity of proceedings for the redemption of Bonds.

## ARTICLE IV

### SUPPLEMENTAL INDENTURES; AMENDMENT TO INDENTURE

*Section 4.01. Supplements or Amendments to [Tenth] Supplemental Indenture.* This [Tenth] Supplemental Indenture may be supplemented or amended in the manner set forth in Articles X and XI, respectively, of the Indenture.

*Section 4.02. [Consent of Insurer Required.]* A supplemental indenture under this Article requiring the consent of Bondholders shall not become effective unless the Insurer shall have consented to the execution and delivery of such supplemental indenture, provided that no such consent shall be required if the rights of the Insurer have ceased and terminated pursuant to Section 1404 of the Indenture.]

*Section 4.03. Amendment of [ ] of Indenture.* In a [ ] Supplemental Trust Indenture dated as of [ ], 2014 amending the Indenture, [ ] of the Indenture was amended to read as follows:

The amendment of the Indenture described above is to be effective only upon compliance with Articles X and XI of the Indenture.

By purchasing the Bonds, the purchasers and Owners of the Bonds are deemed to have consented to such amendment to the Indenture and, notwithstanding any other provisions of the Indenture, such consent shall be deemed to be a continuing consent by such Owners and registered assigns so long as such Bonds are Outstanding.

*Section 4.04. [Inapplicability of Section 806 of the Indenture.]* By purchasing the Bonds, the purchasers and Owners of the Bonds are deemed to have consented to the inapplicability of the terms of Section 806 of the Indenture to the Bonds and, notwithstanding any other provisions of the Indenture, such consent shall be deemed to be a continuing consent by such Owners and registered assigns so long as such Bonds are Outstanding.]

## ARTICLE V

### [BOND INSURANCE

*Section 5.01. General Provisions.* The provisions of this Article shall govern the rights of the Insurer with respect to the Bonds notwithstanding anything to the contrary in the Indenture. Such rights are granted to the Insurer in consideration for the issuance of the Policy.

*Section 5.02. Termination of Rights of Insurer.* All rights given to the Insurer under this [Tenth] Supplemental Indenture with respect to the right to provide Reserve Fund Assets, the giving of consents or approvals and the direction of proceedings or otherwise shall cease and

terminate upon the occurrence of any of the events and circumstances set forth in Section 1404 of the Indenture.

*Section 5.03. Notice Address.* The notice address of the Insurer is:

\_\_\_\_\_, Attention: \_\_\_\_\_; Telephone: \_\_\_\_\_;  
Telecopier: \_\_\_\_\_. [In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."]

*Section 5.04. [Information to Be Provided.]* The Insurer shall be provided with the following information:

(a) Annual audited financial statements with respect to the Airport within 210 days after the end of the City's fiscal year and the City's annual budget with respect to the Airport within 60 days after the approval thereof;

(b) Notice of any draw upon the Debt Service Reserve Fund within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Debt Service Reserve Fund Requirement and (ii) withdrawals in connection with a refunding of Bonds;

(c) Notice of any default known to the Trustee within five Business Days after knowledge thereof;

(d) Prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(e) Notice of the resignation or removal of the Trustee, paying agent and bond registrar and the appointment of, and acceptance of duties by, any successor thereto.

(f) Notice of the commencement of any proceeding by or against the City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "*Insolvency Proceeding*");

(g) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds; and

(h) A full original transcript of all proceedings relating to the execution of any amendment or supplement to the Indenture or this [Tenth] Supplemental Indenture.]

*Section 5.05. Perfection of Priority Pledge.* The City agrees to cause the Trustee to take such action (including filing UCC financing statements) as is necessary from time to time to perfect or to otherwise preserve the priority of the pledge of the Trust Estate under applicable law.]

## ARTICLE VI

### MISCELLANEOUS

*Section 6.01. [Tenth] Supplemental Indenture as Part of Indenture.* This [Tenth] Supplemental Indenture shall be construed in connection with and as a part of the Indenture and all terms, conditions and covenants contained in the Indenture shall apply and be deemed to be for the equal benefit, security and protection of the Bonds.

*Section 6.02. Severability.* If any provision of this [Tenth] Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

*Section 6.03. Payments Due on Saturdays, Sundays and Holidays.* If any payment of interest or principal or premium on the Bonds is due on a date that is not a Business Day, payment shall be made on the next succeeding Business Day with the same force and effect as if made on the date which is fixed for such payment, and no interest shall accrue on such amount for the period after such due date.

*Section 6.04. Counterparts.* This [Tenth] Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

*Section 6.05. Rules of Interpretation.* Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this [Tenth] Supplemental Indenture and not solely to the particular portion in which any such word is used.

*Section 6.06. Captions.* The captions and headings in this [Tenth] Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this [Tenth] Supplemental Indenture.



IN WITNESS WHEREOF, the City has caused these presents to be executed in its name and with its official seal hereunto affixed and attested by its duly authorized officials; and to evidence its acceptance of the trusts hereby created, and Trustee has caused these presents to be executed in its corporate name and with its corporate seal hereunto affixed and attested by its duly authorized officers, as of the date first above written.

CITY OF CHICAGO

By: \_\_\_\_\_  
Chief Financial Officer

[SEAL]

Attest:

By: \_\_\_\_\_  
City Clerk

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO), as Trustee

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

[SEAL]

Attest:

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

*Exhibit "B"*  
(To Ordinance)

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CITY OF CHICAGO

To

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO),  
as Trustee

---

[NINETEENTH] SUPPLEMENTAL INDENTURE

SECURING  
CHICAGO MIDWAY AIRPORT SECOND LIEN REVENUE BONDS,  
SERIES 2014[ ]

---

Dated as of [\_\_\_\_\_] , 2014

Supplementing a Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations dated as of September 1, 1998, as amended, from the City of Chicago to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), as Trustee.

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[NINETEENTH] SUPPLEMENTAL INDENTURE

(This Table of Contents is not a part of the [Nineteenth] Supplemental Indenture and is only for convenience of reference.)

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**[NINETEENTH] SUPPLEMENTAL INDENTURE**

THIS [NINETEENTH] SUPPLEMENTAL INDENTURE, made and entered into as of [\_\_\_\_\_] , 2014 from the CITY OF CHICAGO (the "*City*"), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, to THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in trust to AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO) (the "*Trustee*"), a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, with its corporate trust office located at 2 North LaSalle Street, Suite 1020, Chicago, Illinois 60602, as Trustee;

**WITNESSETH:**

WHEREAS, the City is a home rule unit of local government, duly organized and existing under the laws of the State of Illinois, and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois is authorized to own and operate commercial and general aviation facilities; and

WHEREAS, the City owns and operates an airport known as Chicago Midway International Airport (the "*Airport*"); and

WHEREAS, the City and the Trustee have entered into a Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations, dated as of September 1, 1998, as supplemented and amended (the "*Indenture*") which Indenture authorizes the issuance of such Second Lien Obligations in one or more Series pursuant to one or more Supplemental Indentures and the incurrence by the City of Section 208 Obligations (as therein defined) and Section 209 Obligations (as therein defined); and

WHEREAS, the City has heretofore determined to issue Bonds (as hereinafter defined), payable solely from Second Lien Revenues (as hereinafter defined), to pay the cost of improvements to, and expansions of, the Airport, to refund prior to maturity or pay at maturity certain Prior Airport Obligations (as hereinafter defined) and to fund the payment of any Swap Agreement Payment (as hereinafter defined); and

WHEREAS, in order to finance a portion of the cost of the 201\_ Airport Projects (as hereinafter defined), to refund outstanding Prior Airport Obligations, to pay any Swap Agreement Payment, to fund the Debt Service Reserve Account and to pay costs and expenses incidental thereto and to the issuance of the Bonds, the City has authorized the issuance and sale of \$[\_\_\_\_\_] aggregate principal amount of Chicago Midway Airport Second Lien Revenue Bonds, Series 2014[ ] (the "*Bonds*"); and

WHEREAS, the Bonds, and the Trustee's Certificate of Authentication to be endorsed on such Bonds, shall be in substantially the following forms with necessary and appropriate variations, omissions and insertions as permitted or required by the Indenture or this [Nineteenth] Supplemental Indenture, to wit:

[FORM OF BOND]

[Financial Guaranty Insurance Policy No. \_\_\_\_\_ (the "Policy") with respect to payments due for principal of and interest on this Bond has been issued by \_\_\_\_\_. The Policy has been delivered to The Bank of New York Mellon, New York, New York, as the Insurance Trustee under said Policy and will be held by such Insurance Trustee or any successor insurance trustee. The Policy is on file and available for inspection at the principal office of the Insurance Trustee and a copy thereof may be secured from Ambac Assurance or the Insurance Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of \_\_\_\_\_] as more fully set forth in the Policy.]

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

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

UNITED STATES OF AMERICA

STATE OF ILLINOIS

CITY OF CHICAGO

CHICAGO MIDWAY AIRPORT SECOND LIEN REVENUE BOND,

SERIES 2014[ ]

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
------------------	------------------	---------------	-------

[ \_\_\_\_\_, 2014]

Registered Owner:

Principal Amount:

CITY OF CHICAGO (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay (but only out of the sources hereinafter provided) to the registered owner identified above, or registered assigns, on the maturity date specified above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal sum specified above and to pay (but only out of the sources hereinafter provided) interest on the balance of said principal sum from time to time remaining unpaid from and including the date hereof or from and including the most recent Interest Payment Date (as defined in the hereinafter-defined Indenture) with respect to which interest has been paid or duly provided for, until payment of said principal sum has been made or duly provided for, at the interest rate

specified above, computed on the basis of a 360-day year consisting of twelve 30-day months, payable on [July 1, 2014] and semi-annually thereafter on each January 1 and July 1, and to pay interest on overdue principal and, to the extent permitted by law, on overdue premium, if any, and interest at the rate due on this Bond. Principal of, premium, if any, and interest on this Bond shall be payable in lawful money of the United States of America at the corporate trust office of The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), Chicago, Illinois, as Trustee, or its successor in trust (the "Trustee"); *provided, however*, that payment of the interest on any Interest Payment Date (as defined in the Indenture) shall be (i) made to the registered owner hereof as of the close of business on the applicable Record Date (as defined in the Indenture) with respect to such Interest Payment Date and shall be paid by check or draft mailed to such registered owner hereof at his or her address as it appears on the registration books of the City maintained by the Trustee as Bond Registrar or at such other address as is furnished in writing by such registered owner to the Trustee as Bond Registrar as of the close of business on such Record Date or (ii) made by wire transfer to such registered owner as of the close of business on such Record Date upon written notice of such wire transfer address in the continental United States by such owner to the Bond Registrar given prior to such Record Date (which notice may provide that it will remain in effect until revoked), *provided* that each such wire transfer shall be made only with respect to an owner of \$1,000,000 or more in aggregate principal amount of the Bonds as of the close of business on the Record Date relating to such Interest Payment Date; except, in each case, that if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the registered owners as provided in the Indenture. So long as this Bond is restricted to being registered in the registration books of the City in the name of a Securities Depository (as defined in the Indenture), the provisions of the Indenture governing Book-Entry Bonds shall govern the payment of the principal of and interest on this Bond.

The Bonds are limited obligations of the City and shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision thereof is pledged to the payment of the principal of the Bonds, or the interest or any premium thereon. The Bonds are payable solely from the Second Lien Revenues (as defined in the hereinafter-defined Indenture) pledged to such payment under the Indenture and certain other moneys held by or on behalf of the Trustee, and no owner or owners of the Bonds shall have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place. All capitalized terms used in this Bond shall have the meanings assigned in the Indenture unless otherwise defined herein.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law, and that the

issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture unless and until the certificate of authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and the manual or facsimile of its corporate seal to be printed hereon and attested by the manual or facsimile signature of its City Clerk.

Dated: [ \_\_\_\_\_ ], 2014

CITY OF CHICAGO

By \_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

\_\_\_\_\_  
City Clerk

**[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]**

This Bond is one of the Bonds described in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO), as Trustee

By \_\_\_\_\_  
Authorized Signature

**[DTC LEGEND]**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co.



or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

### [FORM OF REVERSE BOND]

This Bond is one of an authorized series of bonds limited in aggregate principal amount to \$[\_\_\_\_\_] (the "*Bonds*") issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and an ordinance of the City Council of the City, and executed under a Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations, dated as of September 1, 1998, as amended, from the City to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), Chicago, Illinois (the "*Trustee*"), as supplemented by a [Nineteenth] Supplemental Indenture Securing Chicago Midway Airport Second Lien Revenue Bonds, Series 2014[\_\_\_], dated as of [\_\_\_\_\_] , 2014, from the City to the Trustee (collectively, the "*Indenture*"), to finance the costs of certain Airport Projects (as defined in the Indenture), to refund prior to maturity or pay at maturity certain Prior Airport Obligations (as defined in the Indenture), to fund certain Swap Agreement Payments (as defined in the Indenture), funding a debt service reserve account, and paying costs and expenses incidental thereto and to the issuance of the Bonds.

The Bonds and the interest thereon are payable from Second Lien Revenues (as defined in the Indenture) deposited into the Series 2014[\_\_\_] Dedicated Sub-Fund and pledged to the payment thereof under the Indenture and certain other moneys held by or on behalf of the Trustee.

As provided in the Indenture, additional bonds may be issued from time to time pursuant to supplemental indentures in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture. The aggregate principal amount of bonds that may be issued pursuant to the Indenture is not limited and all bonds issued and to be issued pursuant to the Indenture, including the Bonds, are and will be equally secured by the pledges and covenants made therein, except as otherwise provided or permitted in the Indenture.

Copies of the Indenture are on file at the corporate trust office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof is made for a description of the pledge and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Bonds, and the limitations on such rights and remedies.

The Bonds are issuable only as fully registered Bonds in the authorized denominations described in the Indenture. Bonds may be transferred on the books of registration kept by the Bond Registrar by the registered owner in person or by his or her duly authorized attorney, upon

surrender thereof, together with a written instrument of transfer executed by the registered owner or his or her duly authorized attorney. Upon surrender for registration of transfer of any Bond with all partial redemptions endorsed thereon at the principal office of the Bond Registrar, the City shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity and interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations and bearing numbers not outstanding under the Indenture.

Bonds may be exchanged at the principal office of the Bond Registrar for an equal aggregate principal amount of Bonds in the appropriate form and in the same maturity and interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations. The City shall execute and the Trustee shall authenticate and deliver Bonds which the registered owner making the exchange is entitled to receive. Such registration of transfer or exchange of Bonds shall be without charge to the registered owners of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the registered owners of the Bond requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of principal, premium, if any, or interest shall be made only to or upon the order of the registered owner thereof or his or her duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Bonds maturing on January 1, [\_\_\_\_], are subject to mandatory redemption, in part by lot as provided in the Indenture from mandatory Sinking Fund Payments, on January 1 in each of the years and in the respective principal amounts set forth below, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the date of redemption:

YEAR	PRINCIPAL AMOUNT
	\$

If the City redeems Bonds maturing on January 1, [\_\_\_\_] pursuant to optional redemption or purchases (other than from amounts held in the Series 2014[ ] Dedicated Sub-Fund) such Bonds and cancels the same, then an amount equal to the principal amount of Bonds of such maturity so redeemed or purchased shall be credited against the unsatisfied balance of future Sinking Fund Payments or the final maturity amount in such amount and against such Sinking Fund Payments or final maturity amount as shall be determined by the City in a Certificate of an Authorized Officer filed with the Trustee prior to the mailing of the notice of redemption of such Bonds or, in the absence of such determination, shall be credited against the

unsatisfied balance of the applicable Sinking Fund Payments in inverse order of their payment dates.

Amounts accumulated in the Series 2014[ ] Dedicated Sub-Fund or other amounts delivered to the Trustee for such purpose may, and if so directed by the City shall, be applied by the Trustee, on or prior to the 45th day before the payment date of a Sinking Fund Payment, to the purchase of the Bonds maturing January 1, [ ] for which such Sinking Fund Payment is to be made in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of the Bonds maturing January 1, [ ] payable from such Sinking Fund Payment on such payment date. The purchase price paid by the Trustee (excluding accrued interest but including any brokerage and other charges) for any Bond so purchased shall not exceed the Sinking Fund redemption price of such Bond applicable upon its redemption on such payment date. Any Bonds so purchased shall be canceled and the applicable Sinking Fund redemption price thereof shall be credited against the applicable Sinking Fund Payment due on the next payment date.

The Bonds maturing on or after January 1, [ ] are subject to redemption, otherwise than from mandatory Sinking Fund Payments, at the option of the City, on or after January 1, [ ], as a whole or in part at any time, and if in part, in such order of maturity as the City shall determine and within any maturity by lot, at the Redemption Price of 100% of the principal amount of Bonds or portions thereof to be redeemed, together with accrued interest to the redemption date.

Notice of any such redemption shall be given by the Trustee by first class mail not fewer than 30 nor more than 60 days prior thereto to the registered owners of the Bonds. Failure to mail any such notice to the registered owner of any Bond or any defect therein shall not affect the validity of the proceedings for such redemption of Bonds.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future officer, employee or agent, or member of the City Council, of the City, or any successor to the City, as such, either directly or through the City, or any successor to the City, 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 officer, employee or agent, or member of the City Council, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

The Indenture prescribes the manner in which it may be discharged and after which the Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except as provided in the Indenture and for the purposes of registration and exchange of Bonds and of such

payment, including a provision that the Bonds shall be deemed to be paid if Defeasance Obligations, as defined therein, maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay the principal of, premium, if any, and interest on the Bonds and all necessary and proper fees, compensation and expenses of the Trustee shall have been deposited with the Trustee.

Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

**[FORM OF ASSIGNMENT]**

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

TEN COM	—	as tenants in common	UNIF GIFT MIN ACT-
TEN ENT	—	as tenants by the entireties	_____ Custodian _____
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common	(Cust) _____ (Minor) _____
			under Uniform Gifts to Minors Act of _____
			(State)

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

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_  
 \_\_\_\_\_  
 (Name and Address of Assignee)

this Bond of the City of Chicago and does hereby irrevocably constitute and appoint \_\_\_\_\_  
 \_\_\_\_\_

to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

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

Signature: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

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

NOW, THEREFORE, THIS [NINETEENTH] SUPPLEMENTAL INDENTURE WITNESSETH:

**GRANTING CLAUSES**

That the City, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the registered owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged[, to secure the rights of the Insurer (as hereinafter defined) to satisfaction of the Insurer Obligations (as hereinafter defined)], and for the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect, and to secure the performance and observance by the City of all the covenants expressed or implied herein and in the Bonds, does hereby assign and grant a security interest in and to the following to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the City hereinafter set forth (the "*Trust Estate*"):

**GRANTING CLAUSE FIRST**

All right, title and interest of the City in and to Second Lien Revenues, to the extent pledged and assigned in the granting clauses of the Indenture.

**GRANTING CLAUSE SECOND**

All moneys and securities from time to time held by the Trustee under the terms of this [Nineteenth] Supplemental Indenture, except for moneys deposited with or paid to the Trustee and held in trust hereunder for the redemption of Bonds, notice of the redemption of which has been duly given.

**GRANTING CLAUSE THIRD**

Any and all other property, rights and interests of every kind and nature from time to time hereafter by delivery or by writing of any kind granted, bargained, sold, alienated, demised, released, conveyed, assigned, transferred, mortgaged, pledged, hypothecated or otherwise subjected hereto, as and for additional security hereunder by the City or by any other person on its behalf or with its written consent to the Trustee, and the Trustee is hereby authorized to receive any and all property thereof at any and 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, whether now owned or hereafter acquired, unto the Trustee and its successors in said trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds [(and, with respect to the Debt Service Reserve Account, the other Common Reserve Bonds)], the

Insurer (to the extent of unsatisfied Insurer Obligations)] and all other Second Lien Obligations issued or secured from time to time under the provisions of this [Nineteenth] Supplemental Indenture, without privilege, priority or distinction as to the lien or otherwise of any of the foregoing over any other of the foregoing except to the extent herein or in the Indenture otherwise specifically provided;

*PROVIDED, HOWEVER,* that if the City, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner set forth therein according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds, [and shall well and truly satisfy, or cause to be satisfied, the Insurer Obligations as required herein,] or shall provide, as permitted hereby, for the payment thereof, and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of the Indenture and this [Nineteenth] Supplemental Indenture and shall pay or cause to be paid to the Trustee [and the Insurer] all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon the final payment thereof this [Nineteenth] Supplemental Indenture and the rights hereby granted shall cease, determine and be void; otherwise this [Nineteenth] Supplemental Indenture shall remain in full force and effect. [Notwithstanding the foregoing, so long as any Common Reserve Bonds remain outstanding, the Trustee shall continue to hold the Debt Service Reserve Account for the benefit of Common Reserve Bonds and this [Nineteenth] Supplemental Indenture and all provisions related to the Debt Service Reserve Account shall continue in force to that extent.]

THIS [NINETEENTH] SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property, rights and interests and any other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners of the Bonds, as follows:

## ARTICLE I

### DEFINITIONS

All capitalized terms used herein unless otherwise defined shall have the same meaning as used in Article I of the Indenture. In addition, the following words and phrases shall have the following meanings for purposes of this [Nineteenth] Supplemental Indenture:

*"Authorized Denomination"* means \$5,000 or any integral multiple thereof.

*"Bonds"* means the Chicago Midway Airport Second Lien Revenue Bonds, Series 2014[ ], authorized to be issued pursuant to Section 2.01 hereof.

“*Business Day*” means a day except Saturday, Sunday or any day on which banking institutions located in the States of New York or Illinois are required or authorized to close or on which the New York Stock Exchange is closed.

[“*Common Reserve Bonds*” means the Bonds and the \$[\_\_\_\_\_] issued under the Indenture on the Date of Issuance and entitled to the benefit of the Debt Service Reserve Account pursuant to Section 5.08 hereof.]

“*Costs of Issuance Account*” means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

“*Date of Issuance*” means the date of original issuance and delivery of the Bonds hereunder.

“*Debt Service Reserve Account*” means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

“*Favorable Opinion of Bond Counsel*” means an opinion of Bond Counsel (defined in the Tax Agreement) to the effect that the action proposed to be taken is not prohibited by the laws of the State of Illinois and this [Nineteenth] Supplemental Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds:

“*Indenture*” means the Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations, dated as of September 1, 1998, from the City to the Trustee, as amended, pursuant to which Chicago Midway Airport Second Lien Revenue Bonds are authorized to be issued, and any amendments and supplements thereto, including this [Nineteenth] Supplemental Indenture. References to Articles and Sections of the Indenture shall be deemed to refer to Articles and Sections of the Indenture as amended.

[“*Insurance Policy*” or “*Policy*” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.]

[“*Insurer*” means [\_\_\_\_\_] , or any successor thereto or assignee thereof.]

[“*Insurer Obligations*” means the City’s obligations under Article VI hereof, which obligations shall be deemed to constitute Section 208 Obligations for purposes of the Indenture.]

“*Interest Payment Date*” means January 1 and July 1 of each year, commencing [July 1, 2014].

[“*[Nineteenth] Supplemental Indenture*” means this [Nineteenth] Supplemental Indenture and any amendments and supplements hereto.

“*Ordinance*” means the ordinance duly adopted and approved by the City Council of the City on [\_\_\_\_\_] , 2014, which authorizes the issuance and sale of the Bonds and the execution of this [Nineteenth] Supplemental Indenture.

"Participant" when used with respect to any Securities Depository, means any participant of such Securities Depository.

"Principal and Interest Account" means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

"Principal and Interest Account Requirement" means an amount equal to (i) the interest due on the Bonds on the next succeeding Interest Payment Date based upon the aggregate principal amount of Bonds Outstanding as of the first day of the current Bond Year, plus (ii) one-half of the total Principal Installments due on the Bonds on the next succeeding January 1.

"Prior Airport Obligations" means \$[\_\_\_\_\_].

"Project Certificate" is defined in the Tax Agreement.

"Program Fee Account" means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

"Program Fees" means:

(a) the fees, expenses and other charges payable to each fiduciary, including the Trustee and any Paying Agent, pursuant to the provisions of Section 1005 of the Indenture; *provided* that if at any time there shall be any Series of Second Lien Obligations Outstanding under the Indenture other than the Bonds, then "Program Fees," for purposes of this [Nineteenth] Supplemental Indenture, shall mean only such portion of such fees, expenses and other charges as shall be payable with respect to, or properly allocable to, the duties performed by each such fiduciary with respect to the Bonds; [and]

(b) [the fees, expenses and other charges payable hereunder to the Insurer and the Surety; and]

(c) any other fees, expenses and other charges of a similar nature payable by the City to any person hereunder or otherwise with respect to the Bonds.

"Record Date" means June 15 and December 15 of each year.

"Reserve Requirement" means the lesser of (i) the maximum amount of Annual Second Lien Debt Service payable on the [Common Reserve] Bonds in the current or any succeeding Bond Year, (ii) 125% of the average Annual Second Lien Debt Service on the [Common Reserve] Bonds or (iii) 10% of the original principal amount of the [Common Reserve] Bonds.

"Securities Depository" means any securities depository registered as a clearing agency with the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934, as amended, and appointed as the securities depository for the Bonds. Initially, the Securities Depository shall be The Depository Trust Company.



“State” means the State of Illinois.

[“Surety” means Ambac Assurance Corporation, a Wisconsin stock insurance corporation, as issuer of the Surety Bond, or any successor thereto or assignee thereof.]

[“Surety Bond” means the Qualified Reserve Account Credit Instrument issued by the Surety and deposited on the Date of Issuance into the Debt Service Reserve Account in the amount of the Reserve Requirement.]

“Swap Agreement Payment” means a payment in respect of a transfer, modification and/or termination of an existing swap agreement with respect to a Prior Airport Obligation.

“Tax Agreement” means the Tax Exemption Certificate and Agreement of the City dated the date of issuance of the Bonds.

“Trust Estate” means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

“2014 Airport Projects” means the Airport Projects approved by the Ordinance and to be financed in whole or in part by the application of the proceeds of the sale of the Bonds.

## ARTICLE II

### THE BONDS

*Section 2.01. Authorized Amount of Bonds.* No Bonds may be issued under the provisions of this [Nineteenth] Supplemental Indenture except in accordance with this Article. The Bonds are being issued to provide funds to refund prior to maturity or pay at maturity the Prior Airport Obligations, to pay any Swap Agreement Payment, to fund the Debt Service Reserve Account and to pay Costs of Issuance of the Bonds. Except as provided in Section 2.07 hereof, the total principal amount of Bonds that may be issued hereunder is expressly limited to \$[\_\_\_\_\_].

*Section 2.02. Issuance of Bonds; Denominations; Numbers.* The Bonds shall be designated “City of Chicago, Chicago Midway Airport Second Lien Revenue Bonds, Series 2014[\_\_\_\_\_].”

The Bonds shall be dated as of the Interest Payment Date next preceding their date of authentication, unless such date of authentication is an Interest Payment Date, in which case the Bonds shall be dated as of such Interest Payment Date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event the Bonds shall be dated as of the Date of Issuance.

The Bonds shall be issued as registered bonds without coupons. The Bonds shall be issued only in Authorized Denominations. The Bonds shall be numbered consecutively from

R-1 upwards bearing numbers not then outstanding (in order of issuance) according to the records of the Trustee.

The Bonds shall mature on January 1 of each of the following years and bear interest at the following interest rates per annum:

YEAR	PRINCIPAL AMOUNT	INTEREST RATE
	\$	%

Interest on the Bonds shall be payable on January 1 and July 1 of each year, commencing [July 1, 2014]. The Bonds shall bear interest from the date thereof or from and including the most recent Interest Payment Date with respect to which interest has been paid or duly provided for. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

*Section 2.03. Execution; Limited Obligations.* The Bonds shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor of the City and attested with the official manual or facsimile signature of its City Clerk, and shall have affixed, impressed, imprinted or otherwise reproduced thereon the corporate seal of the City or a facsimile thereof. The Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State, and pursuant to the Ordinance. The Bonds, the Section 208 Obligations and the Section 209 Obligations are not general obligations of the City, but are limited obligations payable solely from Second Lien Revenues (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof) [and from moneys provided under the Policy,] and shall be a valid claim of the respective Registered Owners of the Bonds and the Insurer only against the Series 2014[ ] Dedicated Sub-Fund and other moneys held by the Trustee or otherwise pledged therefor, which amounts are hereby pledged, assigned and otherwise held as security for the equal and ratable payment of the Bonds, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds except as may be otherwise expressly authorized in the Indenture or in this [Nineteenth] Supplemental Indenture. Neither the Bonds, the Section 208 Obligations nor the Section 209 Obligations shall constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation, and neither the

faith and credit nor the taxing power of the City, the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds, the Section 208 Obligations or the Section 209 Obligations, or other costs incident thereto. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, as if he or she had remained in office until delivery.

*Section 2.04. Authentication.* No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this [Nineteenth] Supplemental Indenture unless and until such certificate of authentication in substantially the form set forth in the form of Bond herein shall have been duly executed by the Trustee, and such executed certificate of the Trustee, upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this [Nineteenth] Supplemental Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized signatory of the Trustee, but it shall not be necessary that the same signatory sign the certificates of authentication on all of the Bonds issued hereunder.

*Section 2.05. Form of Bonds; Temporary Bonds.* The Bonds shall be substantially in the form set forth in the form of Bond herein, with such appropriate variations, omissions and insertions as are permitted or required by this [Nineteenth] Supplemental Indenture.

Pending preparation of definitive Bonds, or by agreement with the purchasers of the Bonds, the City may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary printed or typewritten Bonds of substantially the tenor recited above. Upon request of the City, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

*Section 2.06. Delivery of Bonds.* Upon the execution and delivery of this [Nineteenth] Supplemental Indenture, the City shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Bonds and deliver them to the purchasers as may be directed by the City as hereinafter in this Section provided.

Prior to the delivery by the Trustee of any of the Bonds there shall be filed with the Trustee:

- (1) a copy, duly certified by the City Clerk of the City, of the Ordinance;
- (2) original executed counterparts of the Indenture, this [Nineteenth] Supplemental Indenture, the Policy and the Surety Bond;
- (3) a Counsel's Opinion to the effect set forth in Section 206(b) of the Indenture;

(4) a Certificate stating that any required approval for the issuance of the Bonds has been obtained;

(5) a written order as to the delivery of the Bonds, signed by an Authorized Officer and stating (i) the identity of the purchasers, the aggregate purchase price and the date and place of delivery, and (ii) that no Event of Default has occurred and is continuing under the Indenture or this [Nineteenth] Supplemental Indenture;

(6) [(i) a Certificate of the Independent Airport Consultant stating that, based upon the reasonable assumptions set forth therein, Revenues and Other Available Moneys are projected to be not less than that required to satisfy the rate covenant set forth in Section 404 of the Indenture (disregarding any First Lien Bonds or Second Lien Obligations that have been paid or discharged or that will be paid or discharged immediately after the issuance of the Bonds) for each of the next three Fiscal Years immediately following completion of the project or projects financed by the Bonds; *provided* that for purposes of such certificate, Other Available Moneys shall be projected only to the extent that such Other Available Moneys have been (x) paid over to the Trustee and deposited into the First Lien Revenue Fund, First Lien Debt Service Fund or a debt service fund for the Bonds or (y) irrevocably pledged to the payment of debt service on the First Lien Bonds or Second Lien Obligations; or (ii) a Certificate stating that Revenues and Other Available Moneys in the most recently completed Fiscal Year for which audited financial statements have been prepared satisfied the rate covenant set forth in Section 404 of the Indenture, assuming for such purpose that Aggregate Second Lien Debt Service for the Bond Year commencing during such Fiscal Year includes the maximum Annual Second Lien Debt Service on the Bonds [and the other Common Reserve Fund Bonds] proposed to be issued; and]

(7) a verification report of an Independent Accountant stating the amount of either (i) moneys in an amount sufficient to pay the Prior Airport Obligations to be refunded at the applicable Redemption Price of the Prior Airport Obligations together with accrued interest on such Prior Airport Obligations to the redemption date or dates; or (ii) Defeasance Obligations the principal of, and interest on, which when due (without reinvestment thereof), together with the moneys (including a portion of the proceeds of the Bonds to be issued), if any, are sufficient to pay when due the applicable Redemption Price of the Prior Airport Obligations to be refunded, together with accrued interest on such Prior Airport Obligations to the redemption date or dates or the dates or dates of maturity thereof.

*Section 2.07. Mutilated, Lost, Stolen or Destroyed Bonds.* In the event any Bond is mutilated, lost, stolen or destroyed, the City may execute and the Trustee may authenticate a new Bond of like date, maturity, interest rate and denomination as the Bond mutilated, lost, stolen or destroyed; *provided* that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of such loss, theft or destruction satisfactory to the City and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond the City may pay the same without

surrender thereof. The City and the Trustee may charge the Registered Owner of such Bond with their reasonable fees and expenses in this connection. All Bonds so surrendered to the Trustee shall be cancelled and destroyed, and evidence of such destruction shall be given to the City. Upon the date of final maturity or redemption of all of the Bonds, the Trustee shall destroy any inventory of unissued certificates.

All duplicate Bonds issued and authenticated pursuant to this Section shall constitute original, contractual obligations of the City (whether or not, in the case of the first paragraph of this Section, lost, stolen or destroyed Bonds be at any time found by anyone), and shall be entitled to equal and proportionate rights and benefits hereunder as all other outstanding Bonds issued hereunder.

All Bonds shall be owned upon the express condition that the foregoing provisions, to the extent permitted by law, are exclusive with respect to the replacement or payment of mutilated, destroyed, lost, stolen or purchased Bonds, and shall preclude any and all other rights or remedies.

*Section 2.08. Transfer and Exchange of Bonds; Persons Treated as Owners.* (a) Subject to the limitations contained in subsection (c) of this Section, upon surrender for registration of transfer of any Bond at the corporate trust office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the Bondholder or such Bondholder's attorney duly authorized in writing, the City shall execute, and the Trustee shall authenticate and deliver, in the name of the transferee or transferees a new Bond or Bonds of like date and tenor in Authorized Denominations of the same Maturity Date for the aggregate principal amount which the Registered Owner is entitled to receive bearing numbers not contemporaneously Outstanding. Subject to the limitations contained in subsection (c) of this Section, Bonds may be exchanged at such times at such corporate trust office of the Trustee upon surrender thereof together with an assignment duly executed by the Registered Owner thereof or such Registered Owner's attorney in such form and with guarantee of signature as shall be satisfactory to the Trustee for an equal aggregate principal amount of Bonds of like date and tenor of any Authorized Denomination as the Bonds surrendered for exchange bearing numbers not contemporaneously Outstanding. The execution by the City of any Bond of any Authorized Denomination shall constitute full and due authorization of such Authorized Denomination, and the Trustee shall thereby be authorized to authenticate and deliver such registered Bond.

(b) No service charge shall be imposed upon the Registered Owners for any exchange or transfer of Bonds. The City and the Trustee may, however, require payment by the person requesting an exchange or transfer of Bonds of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption in part.

(c) The Trustee shall not be required to transfer or exchange such Bond during the period commencing on the Record Date next preceding any Interest Payment Date of such Bond and ending on such Interest Payment Date, or to transfer or exchange such Bond after the mailing of notice calling such Bond for redemption has been made as herein provided or during

the period of 15 days next preceding the giving of notice of redemption of Bonds of the same Maturity Date and interest rate which were converted on the same date. The Trustee shall not be required to exchange or register the transfer of such Bond after the mailing of notice calling such Bond for redemption has been made as herein provided, except that the City and the Trustee shall be required to issue or register the transfer of Tendered Bonds after such date of mailing of notice of redemption.

(d) Bonds delivered upon any registration of transfer or exchange as provided herein or as provided in Section 2.07 hereof shall be valid limited obligations of the City, evidencing the same debt as the Bonds surrendered, shall be secured by the Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

(e) The City[,] [and] the Trustee [and the Insurer] may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary. All payments of or on account of the principal of, premium, if any, and interest on any such Bond as herein provided shall be made only to or upon the written order of the Registered Owner thereof or such Registered Owner's legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

*Section 2.09. Cancellation.* Any Bond surrendered for the purpose of payment or retirement, or for exchange, transfer or replacement, shall be cancelled upon surrender thereof to the Trustee or any Paying Agent. If the City shall acquire any of the Bonds, the City shall deliver such Bonds to the Trustee for cancellation and the Trustee shall cancel the same. Any such Bonds cancelled by any Paying Agent other than the Trustee shall be promptly transmitted by such Paying Agent to the Trustee. Certification of Bonds cancelled by the Trustee and Bonds cancelled by a Paying Agent other than the Trustee which are transmitted to the Trustee shall be made to the City. Cancelled Bonds may be destroyed by the Trustee unless instructions to the contrary are received from the City. Upon the date of final maturity or redemption of all Bonds, the Trustee shall destroy any inventory of unissued certificates.

*Section 2.10. Book-Entry Provisions.* The provisions of this Section shall apply so long as the Bonds are maintained in book-entry form with The Depository Trust Company or another Securities Depository, any provisions of this [Nineteenth] Supplemental Indenture to the contrary notwithstanding.

(a) *Payments.* The Bonds shall be payable to the Securities Depository, or its nominee, as the registered owner of the Bonds, on each date on which the principal of, interest on, and premium, if any, on the Bonds is due as set forth in this [Nineteenth] Supplemental Indenture and in the Bonds. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the City and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Bonds, the City and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set forth herein. In such different manner of payment is agreed upon, the City shall give the Trustee notice thereof, and the

Trustee shall make payments with respect to the Bonds in the manner specified in such notice as set forth herein. Neither the City nor the Trustee shall have any obligation with respect to the transfer or crediting of the principal of, interest on, and premium, if any, on the Bonds to Participants or the beneficial owners of the Bonds or their nominees.

(b) *Replacement of the Securities Depository.* The City may discontinue use of a Securities Depository as the depository of the Bonds if (i) the City, in its sole discretion, determines that (A) such Securities Depository is incapable of discharging its duties with respect to the Bonds, or (B) the interest of the beneficial owners of the Bonds might be adversely affected by the continuation of the book-entry system with such Securities Depository as the depository for the Bonds, or (ii) such Securities Depository determines not to continue to act as a depository for the Bonds or is no longer permitted to act as such depository. Notice of any determination pursuant to clause (i) shall be given to such Securities Depository at least 30 days prior to any such determination (or such fewer number of days as shall be acceptable to such Securities Depository). The City shall have no obligation to make any investigation to determine the occurrence of any events that would permit the City to make any determination described in this paragraph.

(c) *Discontinuance of Book-Entry or Change of Securities Depository.* If, following a determination or event specified in paragraph (b) above, the City discontinues the maintenance of the Bonds in book-entry form with the then current Securities Depository, the City will issue replacement Bonds to the successor Securities Depository, if any, or, if no replacement Securities Depository is selected for the Bonds, directly to the Participants as shown on the records of the former Securities Depository or, to the extent requested by any Participant, to the beneficial owners of the Bonds shown on the records of such Participant. Replacement Bonds shall be in fully registered form and in Authorized Denominations, be payable as to interest on the Interest Payment Dates of the Bonds by check or draft mailed to each registered owner at the address of such owner as it appears on the bond registration books maintained by the City for such purpose at the corporate trust office of the Trustee or at the option of any registered owner of not less than \$1,000,000 principal amount of Bonds, by wire transfer to any address in the continental United States of America on such Interest Payment Date to such registered owner as of such Record Date, if such registered owner provides the Trustee with written notice of such wire transfer address not later than the Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice). Principal and redemption premium, if any, on the replacement Bonds are payable only upon presentation and surrender of such replacement Bond or Bonds at the corporate trust office of the Trustee.

(d) *Effect of Book-Entry System.* The Securities Depository and its Participants and the beneficial owners of the Bonds, by their acceptance of the Bonds, agree that the City and the Trustee shall not have liability for the failure of such Securities Depository to perform its obligations to the Participants and the beneficial owners of the Bonds, nor shall the City or the Trustee be liable for the failure of any

Participant or other nominee of the beneficial owners to perform any obligation of the Participant to a beneficial owner of the Bonds.

*Section 2.11. Tax Covenant.* The City covenants to take any action required by the provisions of the Code and within its power to take in order to preserve the exemption from federal income taxation of interest on the Bonds (other than with respect to an alternative minimum tax imposed on interest on the Bonds), including, but not limited to, the provisions of Section 148 of the Code relating to "arbitrage bonds."

The City covenants to comply with the provisions of the Tax Agreement governing the use of Bond proceeds.

### ARTICLE III

#### REDEMPTION OF BONDS BEFORE MATURITY

*Section 3.01. Redemption Dates and Prices.* The Bonds shall be subject to redemption prior to maturity in the amounts, at the times and in the manner provided in this Article III.

(a) *Optional Redemption.* The Bonds maturing on or after January 1, [\_\_\_\_\_] are subject to redemption, otherwise than from mandatory Sinking Fund Payments, at the option of the City, on or after January 1, [\_\_\_\_], as a whole or in part at any time, and if in part, in such order of maturity as the City shall determine and within any maturity by lot, at the Redemption Price of 100% of the principal amount of such Bonds or portions thereof to be redeemed, together with accrued interest to the redemption date.

(b) *Mandatory Sinking Fund Redemption.* The Bonds maturing on January 1, [\_\_\_\_], are subject to mandatory redemption, in part by lot as provided in the Indenture from mandatory Sinking Fund Payments, on January 1 in each of the years and in the respective principal amounts set forth below, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the date of redemption:

YEAR	PRINCIPAL AMOUNT
	\$

If the City redeems Bonds maturing on January 1, [\_\_\_\_\_] pursuant to optional redemption or purchases (other than from amounts held in the Series 2014[ ] Dedicated Sub-Fund) such Bonds and cancels the same, then an amount equal to the principal amount of Bonds of such maturity so redeemed or purchased shall be credited against the unsatisfied balance of future Sinking Fund Payments or the final maturity amount in such amount and against such Sinking Fund Payments or final maturity amount as shall be determined by the City in a Certificate of an Authorized Officer filed with the Trustee prior to the mailing of the notice of redemption of such



Bonds or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable Sinking Fund Payments in inverse order of their payment dates.

Amounts accumulated in the Series 2014[ ] Dedicated Sub-Fund or other amounts delivered to the Trustee for such purpose may, and if so directed by the City shall, be applied by the Trustee, on or prior to the 45th day before the payment date of a Sinking Fund Payment, to the purchase of the Bonds maturing January 1, [ ] for which such Sinking Fund Payment is to be made in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of the Bonds maturing January 1, [ ] payable from such Sinking Fund Payment on such payment date. The purchase price paid by the Trustee (excluding accrued interest but including any brokerage and other charges) for any Bond so purchased shall not exceed the Sinking Fund redemption price of such Bond applicable upon its redemption on such payment date. Any Bonds so purchased shall be canceled and the applicable Sinking Fund redemption price thereof shall be credited against the applicable Sinking Fund Payment due on the next payment date.

*Section 3.02. Notice of Redemption.* (a) Except as hereinafter provided, a copy of the notice of the call for any redemption identifying the Bonds to be redeemed shall be given by first class mail, postage prepaid, not less than 30 or more than 60 days prior to the date fixed for redemption, to [the Insurer and] the Registered Owners of the Bonds to be redeemed at their addresses as shown on the Bond Register. Such notice shall specify the redemption date, the redemption price, the place and manner of payment, and that from the redemption date interest will cease to accrue on the Bonds which are the subject of such notice, and shall include such other information as the Trustee shall deem appropriate or necessary at the time such notice is given to comply with any applicable law, regulation or industry standard. Prior to the date that the redemption notice is first given as aforesaid, funds shall be placed with the Trustee to pay such Bonds, any premium thereon, and accrued interest thereon to the redemption date, or such notice shall state that any redemption is conditional on such funds being deposited on the redemption date, and that failure to deposit such funds shall not constitute an Event of Default under the Indenture; any funds so deposited with the Trustee shall be invested solely in Federal Obligations maturing no later than the earlier of (i) 30 days after the date of placement with the Trustee, or (ii) the redemption date.

(b) In addition to the requirements of subsection (a), notice of the redemption of Bonds or any portion thereof identifying the Bonds or portions thereof to be redeemed shall specify (i) the series name and designation and certificate numbers of Bonds being redeemed, (ii) the CUSIP numbers of the Bonds being redeemed, (iii) the principal amount of Bonds being redeemed and the redeemed amount for each certificate (for partial calls), (iv) the redemption date, (v) the Redemption Price, (vi) the Date of Issuance, (vii) the interest rate and Maturity Date of the Bonds being redeemed, (viii) the date of mailing of notices to Registered Owners and information services, and (ix) the name of the employee of the Trustee which may be contacted with regard to such notice.

(c) Redemption notices shall also be forwarded by registered mail, telecopier or overnight delivery service to the Securities Depository with the intention that they be received at least two days prior to the date of mailing of notices to Registered Owners.

(d) Failure to give notice in the manner prescribed hereunder with respect to any Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Bonds to be redeemed and to pay interest due thereon and premium, if any, the Bonds thus called shall not, after the applicable redemption date, bear interest, be protected by the Indenture or be deemed to be outstanding under the provisions of the Indenture.

(e) If any Bond is transferred or exchanged on the Bond Register after notice has been given calling such Bond for redemption, the Trustee will attach a copy of such notice to the Bond issued in connection with such transfer or exchange.

*Section 3.03. No Partial Optional Redemption After Default.* Anything in this [Nineteenth] Supplemental Indenture to the contrary notwithstanding, if there shall have occurred and be continuing an Event of Default of which an officer of the Trustee has actual knowledge, there shall be no optional redemption of less than all of the Bonds at the time outstanding.

*Section 3.04. Selection of Bonds for Redemption.* If less than all the Bonds shall be called for redemption under any provision of this [Nineteenth] Supplemental Indenture permitting such partial redemption, the particular Bonds or portions thereof to be redeemed shall be selected in such order of maturity as the City shall determine and within any maturity by lot. In selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination. If it is determined that one or more, but not all, of the integral multiples of the Authorized Denomination of principal amount represented by any Bond is to be called for redemption, then, upon notice of intention to redeem such integral multiple of an Authorized Denomination, the Registered Owner of such Bond shall forthwith surrender such Bond to the Trustee for (a) payment to such Registered Owner of the redemption price of the integral multiple of the Authorized Denomination of principal amount called for redemption, and (b) delivery to such Registered Owner of a new Bond or Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds representing the unredeemed balance of the principal amount of such Bond shall be issued to the Registered Owner thereof without charge therefor.

*Section 3.05. Deposit of Funds.* For the redemption of any of the Bonds, the City shall cause to be deposited in the Principal and Interest Account moneys sufficient to pay when due the principal of, and premium, if any, and interest on, the Bonds to be redeemed on the redemption date to be applied in accordance with the provisions hereof.

## ARTICLE IV

### SUPPLEMENTAL INDENTURES; AMENDMENT TO INDENTURE

*Section 4.01. Supplements or Amendments to [Nineteenth] Supplemental Indenture.* This [Nineteenth] Supplemental Indenture may be supplemented or amended in the manner set forth in Articles VII and VIII, respectively, of the Indenture.

*Section 4.02. [Consent of Insurer Required.]* A supplemental indenture under this Article requiring the consent of Bondholders shall not become effective unless the Insurer shall have consented to the execution and delivery of such supplemental indenture, *provided* that no such consent shall be required if the rights of the Insurer have ceased and terminated pursuant to Section 1104 of the Indenture.]

*Section 4.03. Amendment of [\_\_\_\_\_] of Indenture.* In a [Ninth] Supplemental Trust Indenture dated as of [\_\_\_\_\_], 2014 amending the Indenture, [\_\_\_\_\_] of the Indenture was amended to read as follows:

The amendment of the Indenture described above is to be effective only upon compliance with Articles VII and VIII of the Indenture.

By purchasing the Bonds, the purchasers and Owners of the Bonds are deemed to have consented to such amendment to the Indenture and, notwithstanding any other provisions of the Indenture, such consent shall be deemed to be a continuing consent by such Owners and registered assigns so long as such Bonds are Outstanding.

*Section 4.04. Inapplicability of Section 506 of the Indenture.* By purchasing the Bonds, the purchasers and Owners of the Bonds are deemed to have consented to the inapplicability of the terms of Section 506 of the Indenture to the Bonds and, notwithstanding any other provisions of the Indenture, such consent shall be deemed to be a continuing consent by such Owners and registered assigns so long as such Bonds are Outstanding.

## ARTICLE V

### REVENUES AND FUNDS

*Section 5.01. Source of Payment of Bonds.* The Bonds, the Section 208 Obligations and the Section 209 Obligations are not general obligations of the City but are limited obligations as described in Section 2.03 hereof and as provided herein and in the Indenture.

*Section 5.02. Creation of Sub-Fund and Accounts in Second Lien Revenue Fund.*

(a) *Creation of Series 2014[ ] Dedicated Sub-Fund.* There is hereby created by the City and ordered established with the Trustee a separate and segregated sub-fund within the

Second Lien Revenue Fund, such sub-fund to be designated the "Chicago Midway Airport Series 2014[ ] Second Lien Bonds Dedicated Sub-Fund" (the "*Series 2014[ ] Dedicated Sub-Fund*"). Moneys on deposit in the Series 2014[ ] Dedicated Sub-Fund, and in each Account established therein as hereinafter provided, shall be held in trust by the Trustee for the sole and exclusive benefit of the Registered Owners of the Bonds [and the Insurer]; [*provided* that moneys in the Debt Service Reserve Account may be used to pay debt service on Common Reserve Bonds as provided in Section 5.08 hereof].

(b) *Creation of Accounts and Sub-Account.* There are hereby created by the City and ordered established with the Trustee separate Accounts within the Series 2014[ ] Dedicated Sub-Fund, designated as follows:

(1) Project Account: an Account to be designated the "Chicago Midway Airport Series 2014[ ] Project Account" (the "*Project Account*");

(2) Capitalized Interest Account: an Account to be designated the "Chicago Midway Airport Series 2014[ ] Capitalized Interest Account (the "*Capitalized Interest Account*");

(3) Costs of Issuance Account: an Account to be designated the "Chicago Midway Airport Series 2014[ ] Costs of Issuance Account" (the "*Costs of Issuance Account*");

(4) Program Fee Account: an Account to be designated the "Chicago Midway Airport Series 2014[ ] Program Fee Account" (the "*Program Fee Account*");

(5) Debt Service Reserve Account: an Account to be designated the "Chicago Midway Airport Series 2014[ ] Common Debt Service Reserve Account" (the "*Debt Service Reserve Account*"); and

(6) Principal and Interest Account: an Account to be designated the "Chicago Midway Airport Series 2014[ ] Principal and Interest Account" (the "*Principal and Interest Account*").

*Section 5.03. Application of Bond Proceeds.* The proceeds received by the City from the sale of the Bonds shall be applied as follows:

(a) *Principal and Interest Account.* The Trustee shall deposit into the Principal and Interest Account any accrued interest received upon the sale of the Bonds;

(b) *Capitalized Interest Account.* The Trustee shall deposit into the Capitalized Interest Account the amount of \$[\_\_\_\_\_];

(c) [*Payment to Insurer and Surety.* The premium for the Policy and the Surety Bond, in the respective amounts of \$[\_\_\_\_\_] and \$[\_\_\_\_\_], shall be

paid to the Insurer and the Surety, respectively, by [UNDERWRITER] as a condition to the delivery of the Bonds under Section 2.06 hereof];

(d) *Debt Service Reserve Account.* The Trustee shall deposit into the Debt Service Reserve Account an amount equal to the Reserve Requirement;

(e) *Project Account.* The Trustee shall deposit into the Project Account the sum of \$[\_\_\_\_\_];

(f) *Payment of Prior Airport Obligations.* The Trustee shall transfer to the Escrow Agent (as defined in the Tax Agreement) the amount of \$[\_\_\_\_\_] to be applied in accordance with the City's letter of instructions to payment of the Prior Airport Obligations;

(g) *Payment of Swap Agreement Payment.* To satisfy the Swap Agreement Payments, the Trustee shall make the following transfers: (i) [\_\_\_\_\_] and (ii) [\_\_\_\_\_]; and

(h) *Costs of Issuance Account.* The balance of the proceeds of the Bonds in the amount of \$[\_\_\_\_\_] shall be deposited in the Costs of Issuance Account and applied by the City to the payment of Costs of Issuance of the Bonds.

*Section 5.04. Deposits into Series 2014[ ] Dedicated Sub-Fund and Accounts Therein.* The City covenants to file with the First Lien Trustee the certificate required in Section 503(b) of the First Lien Indenture and Section 3.02(c) of the Indenture which certificate shall set forth the Series 2014[ ] Deposit Requirement (as defined in this Section 5.04) in order to provide for transfer of sufficient amounts into the Junior Lien Obligation Debt Service Fund to satisfy the Series 2014[ ] Deposit Requirement and shall request that the First Lien Trustee promptly transfer such amounts to the Second Lien Revenue Fund. On January 1 and July 1 of each year, commencing [July 1, 2014] (each such date referred to herein as the "*Deposit Date*") there shall be deposited into the Series 2014[ ] Dedicated Sub-Fund from amounts on deposit in the Second Lien Revenue Fund an amount equal to the aggregate of the following amounts, which amounts shall have been calculated by the Trustee on the next preceding December 5 or June 5, in the case of each January 1 or July 1, respectively (such aggregate amount with respect to any Deposit Date being referred to herein as the "*Series 2014[ ] Deposit Requirement*"):

(a) for deposit into the Principal and Interest Account, the amount, projected to be required as of the close of business on the applicable January 1 or July 1 next succeeding such date of calculation to restore the Principal and Interest Account to an amount equal to the Principal and Interest Account Requirement, treating for purposes of such calculation any balance projected to be on deposit in the Capitalized Interest Account as of the close of business on such date as amounts credited to the Principal and Interest Account;

(b) for deposit into the Debt Service Reserve Account, the amount, if any, projected to be required as of the close of business on the applicable January 1 or July 1

next succeeding such date of calculation to restore the Debt Service Reserve Account to an amount equal to the Reserve Requirement; and

(c) for deposit into the Program Fee Account, the amount estimated by the City to be required as of the close of business on the related Deposit Date to pay all Program Fees payable from amounts in the Program Fee Account during the semi-annual period commencing on such related Deposit Date.

In addition to the Series 2014[ ] Deposit Requirement, there shall be deposited into the Series 2014[ ] Dedicated Sub-Fund any other moneys received by the Trustee under and pursuant to the Indenture or this [Nineteenth] Supplemental Indenture, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Series 2014[ ] Dedicated Sub-Fund and to one or more accounts therein.

Upon calculation by the Trustee of each Series 2014[ ] Deposit Requirement under this Section, the Trustee shall notify the City of the Series 2014[ ] Deposit Requirement and the Deposit Date to which it relates, and shall provide the City with such supporting documentation and calculations as the City may reasonably request.

[If by the third Business Day preceding any Interest Payment Date the Trustee determines that there is not enough money in the Principal and Interest Account to make the payments of principal or interest due on the Bonds then the Trustee agrees to give notice of that fact to the Insurer as provided in Section 6.02 of this [Nineteenth] Supplemental Indenture and to the Surety as provided in the Surety Bond. Amounts paid under the Policy shall only be used to pay scheduled principal and interest on the Bonds. The Trustee will take all necessary action to make a claim first on the Surety Bond and then, to the extent necessary, on the Policy. ]

*Section 5.05. Use of Moneys in Certain Accounts for Payment of Bonds, Section 208 Obligations and Section 209 Obligations.* Moneys in the Capitalized Interest Account, the Principal and Interest Account and the Debt Service Reserve Account shall be used solely for the payment of the principal of, premium, if any, and interest on the Bonds, for the redemption of the Bonds [(and the Common Reserve Bonds with respect to moneys in the Debt Service Reserve Account as provided in Section 5.08 hereof)] prior to their Maturity Date and for the payment of Section 208 Obligations and Section 209 Obligations, but only to the extent that the Section 208 Obligations and the Section 209 Obligations relate to the Bonds. Funds for such payments shall be derived from the following source or sources but only in the following order of priority:

(a) for payment of interest on the Bonds on each Interest Payment Date with respect to the Bonds, from moneys held in the Capitalized Interest Account;

(b) for payment of interest on or principal of the Bonds on each Interest Payment Date, from moneys transferred from the Project Account and held in the Principal and Interest Account;

(c) for payment of principal of, premium, if any, and interest due on each Payment Date with respect to the Bonds and not otherwise provided for, and with respect

to Section 208 Obligations and Section 209 Obligations, but only to the extent that the Section 208 Obligations and the Section 209 Obligations relate to the Bonds, from moneys held in the Principal and Interest Account, ratably, without preference or priority of any kind; and

(d) for payment of principal of, premium, if any, and interest due on each Payment Date with respect to the [Common Reserve] Bonds and not otherwise provided for, from amounts held in the Debt Service Reserve Account, ratably, without preference or priority of any kind.

In connection with any partial redemption or defeasance prior to maturity of any [Common Reserve] Bonds, the Trustee may, at the request of the City, use any amounts to be on deposit in the Debt Service Reserve Account in excess of the Reserve Requirement after giving effect to such redemption or defeasance to pay principal of, or the principal portion of the redemption price of, the [Common Reserve] Bonds to be redeemed or defeased.

*Section 5.06. Use of Moneys in Costs of Issuance Account and Program Fee Account.* Moneys deposited into the Costs of Issuance Account shall be used solely for the payment of Costs of Issuance of the Bonds as directed in a certificate of the City filed with the Trustee. If after the payment of all Costs of Issuance, as specified in a certificate of the City filed with the Trustee, there shall be any balance remaining in the Costs of Issuance Account, such balance shall be transferred to the Program Fee Account at the direction of the City. Moneys deposited into the Program Fee Account shall be used solely for the payment of Program Fees payable by the City to third parties[, including the Insurer and the Surety,] with respect to the Bonds as set forth in a Certificate of the City filed with the Trustee.

*Section 5.07. Use of Moneys in Project Account.* Except as otherwise provided in this [Nineteenth] Supplemental Indenture, moneys in the Project Account shall be disbursed and applied to pay, or to reimburse the payment of, the cost of 201 \_ Airport Projects.

*Section 5.08. Debt Service Reserve Account.* (a) The City shall maintain the Debt Service Reserve Account in an amount equal to the Reserve Requirement, which requirement may be satisfied, in whole or in part, by one or more Qualified Reserve Account Credit Instruments [approved by the Insurer and] meeting the requirements of Section 413 of the Indenture. Any Qualified Investments held to the credit of the Debt Service Reserve Account shall be valued in accordance with Section 305 of the Indenture.

(b) The moneys in the Debt Service Reserve Account are held for the benefit of all Bonds [and the other Common Reserve Bonds]. Anything herein to the contrary notwithstanding, moneys in the Debt Service Reserve Account shall be held and disbursed for the benefit of [the Bonds] [all Common Reserve Bonds] and such moneys are hereby pledged and assigned for that purpose. So long as any Bonds remain outstanding the City covenants that the Trustee shall hold and disburse the Debt Service Reserve Account for the benefit of Bonds [and the other Common Reserve Bonds].

*Section 5.09. Non-presentment of Bonds.* In the event any Bond shall not be presented for payment when the principal thereof becomes due, whether at maturity, at the date fixed for redemption or otherwise, if moneys sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the Registered Owner thereof, subject to the provisions of the immediately following paragraph, all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine 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 Registered Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his or her part under the Indenture or on, or with respect to, such Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within two years after the date on which the same shall have become due shall be repaid by the Trustee to the City, and thereafter the Registered Owners of such Bonds shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and all liability of the Trustee with respect to such moneys shall thereupon cease, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such moneys. The obligation of the Trustee under this Section to pay any such funds to the City shall be subject, however, to any provisions of law applicable to the Trustee or to such funds providing other requirements for disposition of unclaimed property.

*Section 5.10. Moneys Held in Trust.* All moneys required to be deposited with or paid to the Trustee for the account of any Fund or Account referred to in any provision of this [Nineteenth] Supplemental Indenture shall be held by the Trustee in trust as provided in Section 1003 of the Indenture, and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created hereby. Payments under and the Policy shall be used solely and only to pay scheduled principal and interest on the Bonds as provided in the Policy.

*Section 5.11. Investment of Moneys.* Moneys held in the funds, accounts and sub-accounts established hereunder shall be invested and reinvested in accordance with the provisions governing investments contained in the Indenture[; *provided, however,* that proceeds of the Policy shall only be invested in Federal Obligations maturing no later than the date upon which such moneys will be required to be used in accordance herewith]. All such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund, account or sub-account for which they were made.

*Section 5.12. Investment Income.* The interest earned on any investment of moneys held hereunder, any profit realized from such investment and any loss resulting from such investment shall be credited or charged to the fund, account or sub-account for which such investment was made; *provided, however,* that any interest earned on, and any profit resulting from, the investment of moneys on deposit in the Debt Service Reserve Account shall be transferred by the Trustee to the Second Lien Revenue Fund.



*Section 5.13. Costs of Airport Projects.* For the purposes of this [Nineteenth] Supplemental Indenture the costs of Airport Projects, including the 2014 Airport Projects, shall include to the extent applicable:

(a) Obligations incurred for labor and to contractors, builders, and materialmen in connection with the construction, installation and acquisition of the Airport Projects or any part thereof, and obligations incurred for the installation and acquisition of machinery and equipment;

(b) Payment to owners and others for real property including payments for options, easements or other contractual rights;

(c) All expenses incurred in the acquisition of real property, including all costs and expenses of whatever kind in connection with the exercise of the power of eminent domain, and including the cost of title searches and reports, abstracts of title, title certificates and opinions, title guarantees, title insurance policies, appraisals, negotiations and surveys;

(d) The amount of any damages incident to or consequent upon the construction, installation and acquisition of the Airport Projects;

(e) The cost of any indemnity, fidelity and surety bonds, the fees and expenses of the Trustee during construction, installation and acquisition of Airport Projects, and premiums on insurance, if any, in connection with such Airport Projects during construction, installation and acquisition, including builders' risk insurance;

(f) The cost of engineering and architectural services which includes borings and other preliminary investigations to determine foundation or other conditions, expenses necessary or incident to the development of contract documents and supervising construction, as well as for the performance of all other duties of engineers and architects set forth herein in relation to the construction, installation and acquisition of such Airport Projects or the issuance of Bonds therefor;

(g) Costs of Issuance;

(h) Any cost properly chargeable to such Airport Projects prior to and during construction, installation and acquisition;

(i) The cost of restoring, repairing and placing in its original condition, as nearly as practicable, all public or private property damaged or destroyed in the construction of such Airport Projects and the cost thereof, or the amount required to be paid by the City as adequate compensation for such damage or destruction, and all costs lawfully incurred or damages lawfully payable, with respect to the restoration, relocation, removal, reconstruction or duplication of property made necessary or caused by the construction and installation of such Airport Projects and the cost thereof,

(j) Any obligation or expense incurred by the City for moneys advanced in connection with the construction, installation and acquisition of Airport Projects and the cost thereof; and

(k) All other items of cost and expense not elsewhere in this Section specified, incident to the construction, installation and acquisition of Airport Projects and the financing thereof, including, without limiting the generality of the foregoing, capitalized interest on the Bonds and, upon receipt by the Trustee of a Favorable Opinion of Bond Counsel, capitalized interest on other Airport Obligations.

*Section 5.14. Disbursements from Project Account.* (a) All disbursements from the Project Account shall be made in accordance with requisitions signed by the an Authorized Officer, as to the following:

(i) Item number of the payment;

(ii) The amount to be paid;

(iii) The purpose, by general classification, for which payment is to be made;

(iv) That the obligations in stated amounts have been incurred by the City, and that each item thereof is a proper charge against the Project Account and is due and has not been included in any prior requisition which has been paid; and

(v) That there has not been filed with or served upon the City any notice of any lien, right to lien, or attachment upon or claim affecting the right to receive payment of any of the moneys payable to any of the persons, firms or corporations named which have not been released or will not be released simultaneously with the payment of such obligations, and in the event that any assignment of right to receive payment has been made and notice thereof has been given to the City and the City has accepted such assignment, the order directing payment shall recite that fact and direct the payment to be made to the assignee thereof as shown by the records of the City.

(b) Disbursements from the Project Account may be made directly to the firm or corporation to whom payment is due or to the City in reimbursement for payments made or to be made by the City.

(c) Upon receipt of any such orders the Trustee shall make payments from the Project Account and the Trustee shall make disbursements in accordance with the directions from the City Comptroller.

*Section 5.15. Permitted Transfers.* (a) Moneys in the Project Account may be transferred or withdrawn as shall be specified by the City pursuant to paragraph (b) of this Section for any one or more of the following purposes: (i) to make transfers to one or more other Project Accounts maintained under the First Lien Indenture or the Indenture to pay the costs of other Airport Projects, (ii) to make transfers into the Debt Service Reserve Account to make up any

deficiency therein, (iii) to make transfers to the Principal and Interest Account or the Capitalized Interest Account, or (iv) to redeem Bonds in accordance with the provisions of this [Nineteenth] Supplemental Indenture and the Indenture.

(b) Before any such transfer or withdrawal shall be made, the City shall file with the Trustee:

(i) its requisition therefor, stating the amount of the transfer or withdrawal and directing the Trustee as to the application of such amount;

(ii) A Counsel's Opinion stating that in the opinion of the signer, such transfer or withdrawal will not constitute a breach or default on the part of the City of any of the covenants or agreements contained in this [Nineteenth] Supplemental Indenture or the Indenture; and

(iii) a Favorable Opinion of Bond Counsel.

## [ARTICLE VI

### BOND INSURANCE

*Section 6.01. General Provisions.* The following covenants shall apply only to the Bonds and shall only be applicable during the period in which any Bonds are Outstanding or any amounts are due to the Insurer under the Policy, and the Insurer has not lost its rights pursuant to Section 1104 of the Indenture. The covenants contained in this Article VI may only be enforced by the Insurer and may be modified, amended or waived at any time with the prior written consent of the Insurer and without the consent of the Trustee (so long as such modification or amendment imposes no additional duties on the Trustee) or any holder of the Bonds.

The City hereby covenants with the Insurer as follows:

(a) Any provision of the Indenture expressly recognizing or granting rights in or to the Insurer may not be amended in any manner which affects the rights of the Insurer without the prior written consent of the Insurer. The Insurer reserves the right to charge the City a fee for any consent or amendment to the Indenture while the Policy is outstanding.

(b) As long as the Policy is in effect and the Insurer shall have satisfied its obligations thereunder, the Insurer shall be entitled to exercise all of the rights to direct proceedings granted to the Owners of Bonds under the Indenture and in such event shall be further entitled to direct the Trustee with respect to the use and disposition of moneys on deposit in the Principal and Interest Account of the Series 2014[ ] Dedicated Sub-Fund (including, without limitation, the right to direct the Trustee to pay over all or any part of such moneys to the Insurer) until all of the obligations to the Insurer under the Indenture shall have been satisfied in full. As long as the Policy shall be in effect, and

the Insurer shall have satisfied its obligations thereunder, the Owners of the Bonds shall not exercise any remedies without the consent of the Insurer.

(c) Anything in the Indenture to the contrary notwithstanding, in determining whether the rights of the Owners of the Bonds will be adversely affected by any action taken pursuant to the terms and provisions of the Indenture, the Trustee shall consider the effect on the Owners of the Bonds as if there were no Policy.

*Section 6.02. Payment Procedure Pursuant to the Policy.* As long as the Policy shall be in full force and effect, the City and the Trustee agree to comply with the following provisions:

(a) At least one business day prior to all Interest Payment Dates, the Trustee will determine whether there will be sufficient funds in the funds and accounts to pay the principal of or interest on the Bonds on such Interest Payment Date. If the Trustee determines that there will be insufficient funds in such funds or accounts, the Trustee shall so notify the Insurer. Such notice shall specify the amount of the anticipated deficiency, the Bonds to which such deficiency is applicable and whether such Bonds will be deficient as to principal or interest, or both. If the Trustee has not so notified the Insurer at least one business day prior to an Interest Payment Date, the Insurer will make payments of principal or interest due on the Bonds on or before the first business day next following the date on which the Insurer shall have received notice of nonpayment from the Trustee.

(b) The Trustee shall, after giving notice to the Insurer as provided in (a) above, make available to the Insurer and, at the Insurer's direction, to The Bank of New York Mellon in New York, New York, as insurance trustee for the Insurer or any successor insurance trustee (the "*Insurance Trustee*"), the registration books of the City maintained by the Trustee and all records relating to the funds and accounts maintained under this [Nineteenth] Supplemental Indenture.

(c) The Trustee shall provide the Insurer and the Insurance Trustee with a list of registered owners of Bonds entitled to receive principal or interest payments from the Insurer under the terms of the Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of the Bonds entitled to receive full or partial interest payments from the Insurer and (ii) to pay principal upon the Bonds surrendered to the Insurance Trustee by the registered owners of the Bonds entitled to receive full or partial principal payments from the Insurer.

(d) The Trustee shall, at the time it provides notice to the Insurer pursuant to (a) above, notify registered owners of Bonds entitled to receive the payment of principal or interest thereon from the Insurer (i) as to the fact of such entitlement, (ii) that the Insurer will remit to them all or a part of the interest payments next coming due upon proof of Bondholder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from the Insurer, they must surrender their Bonds (along with an

appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to permit ownership of such Bonds to be registered in the name of the Insurer) for payment to the Insurance Trustee, and not the Trustee, and (iv) that should they be entitled to receive partial payment of principal from the Insurer, they must surrender their Bonds for payment thereon first to the Trustee, who shall note on such Bonds the portion of the principal paid by the Trustee, and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Trustee has notice that any payment of principal of or interest on a Bond which has become Due for Payment and which is made to a Bondholder by or on behalf of the City has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, non-appealable order of a court having competent jurisdiction, the Trustee shall, at the time the Insurer is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from the Insurer to the extent of such recovery if sufficient funds are not otherwise available, and the Trustee shall furnish to the Insurer its records evidencing the payments of principal of and interest on the Bonds which have been made by the Trustee and subsequently recovered from registered owners and the dates on which such payments were made.

(f) In addition to those rights granted the Insurer under this [Nineteenth] Supplemental Indenture, the Insurer shall, to the extent it makes payment of principal of or interest on Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note the Insurer's rights as subrogee on the registration books of the City maintained by the Trustee, upon receipt from the Insurer of proof of the payment of interest thereon to the registered owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note the Insurer's rights as subrogee on the registration books of the City maintained by the Trustee upon surrender of the Bonds by the registered owners thereof together with proof of the payment of principal thereof.

*Section 6.03. The Insurer as Third Party Beneficiary.* To the extent that the Indenture confers upon or gives or grants to the Insurer, any right, remedy or claim under or by reason of the Indenture, the Insurer is hereby explicitly recognized as being a third-party beneficiary under the Indenture and may enforce any such right, remedy or claim conferred, given or granted under the Indenture.

*Section 6.04. Notices and Other Information to Be Given to the Insurer.* (a) While the Policy is in effect, the City shall furnish upon request the following to the Insurer (to the attention of the Surveillance Department):

(i) as soon as practicable after the filing thereof, a copy of any financial statement of the City and a copy of any audit and annual report of the City;

(ii) a copy of any notice to be given to the Owners of the Bonds, including, without limitation, notice of any redemption of or defeasance of the Bonds, and any certificate rendered pursuant to the Indenture relating to the security for the Bonds, at no cost to the Insurer;

(iii) the Insurer will receive written notice of the resignation of the Trustee;

(iv) such additional information it may reasonably request; and

(v) all information delivered pursuant to the Continuing Disclosure Undertaking executed in connection with the issuance of the Bonds.

(b) The City shall notify the Insurer (to the attention of the General Counsel Office) of the following:

(i) any failure of the City to provide relevant notices, certificates, etc.; and

(ii) notwithstanding any other provision of the Indenture, immediately if at any time there are insufficient moneys to make any payments of principal and/or interest as required and immediately upon the occurrence of any event of default under the Indenture.

(c) The City will permit the Insurer to discuss the affairs, finances and accounts of the City or any information the Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City. The City will permit the Insurer to have access to and to make copies of all books and records relating to the Bonds at any reasonable time.

*Section 6.05. Payment of Bonds by Insurer.* Notwithstanding anything in the Indenture to the contrary, in the event that the principal and/or interest due on the Bonds shall be paid by the Insurer pursuant to the Policy, the Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, and the assignment and pledge described in Granting Clauses of the Indenture and all covenants, agreements and other obligations of the City to the registered owners of the Bonds shall continue to exist and shall run to the benefit of the Insurer, and shall be subrogated to the rights of the registered owners of the Bonds.]

## ARTICLE VII

### MISCELLANEOUS

*Section 7.01. [Nineteenth] Supplemental Indenture as Part of Indenture.* This [Nineteenth] Supplemental Indenture shall be construed in connection with and as a part of the Indenture and all terms, conditions and covenants contained in the Indenture shall apply and be deemed to be for the equal benefit, security and protection of the Bonds.

*Section 7.02. Severability.* If any provision of this [Nineteenth] Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

*Section 7.03. Payments Due on Saturdays, Sundays and Holidays.* If any payment of interest or principal or premium on the Bonds is due on a date that is not a Business Day, payment shall be made on the next succeeding Business Day with the same force and effect as if made on the date which is fixed for such payment, and no interest shall accrue on such amount for the period after such due date.

*Section 7.04. Trustee Representation.* Neither the Trustee nor any Affiliate (defined below) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in this Section "*Affiliate*," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

*Section 7.05. Counterparts.* This [Nineteenth] Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

*Section 7.06. Rules of Interpretation.* Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this [Nineteenth] Supplemental Indenture and not solely to the particular portion in which any such word is used.

*Section 7.07. Captions.* The captions and headings in this [Nineteenth] Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this [Nineteenth] Supplemental Indenture.



IN WITNESS WHEREOF, the City has caused these presents to be executed in its name and with its official seal hereunto affixed and attested by its duly authorized officials; and to evidence its acceptance of the trusts hereby created, and Trustee has caused these presents to be executed in its corporate name and with its corporate seal hereunto affixed and attested by its duly authorized officers, as of the date first above written.

CITY OF CHICAGO

By: \_\_\_\_\_  
Chief Financial Officer

[SEAL]

Attest:

By: \_\_\_\_\_  
City Clerk

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO), as Trustee

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

[SEAL]

Attest:

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

*Exhibit "C"*  
(To Ordinance)

---

CITY OF CHICAGO

TO

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO),  
as Trustee

[NINETEENTH] SUPPLEMENTAL INDENTURE

SECURING

CHICAGO MIDWAY AIRPORT SECOND LIEN REVENUE BONDS,  
SERIES 2014[ ]

Dated as of [ ], 2014

---

Supplementing a Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations dated as of September 1, 1998, from the City of Chicago to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), as Trustee.

[NINETEENTH] SUPPLEMENTAL INDENTURE

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Exhibit A — Form of Bond

**[NINETEENTH] SUPPLEMENTAL INDENTURE**

THIS [NINETEENTH] SUPPLEMENTAL INDENTURE, made and entered into as of [\_\_\_\_\_] , 2014 (this “[*Nineteenth*] Supplemental Indenture”), from the CITY OF CHICAGO (the “City”), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago) (the “Trustee”), a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, with its corporate trust office located at 2 North LaSalle Street, Suite 1020, Chicago, Illinois 60602 as Trustee,

**WITNESSETH:**

WHEREAS, the City is a home rule unit of local government, duly organized and existing under the laws of the State of Illinois, and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois is authorized to own and operate commercial and general aviation facilities; and

WHEREAS, the City owns and operates an airport known as Chicago Midway International Airport; and

WHEREAS, the City and the Trustee have entered into a Master Indenture of Trust Securing Chicago Midway Airport Second Lien Revenue Obligations, dated as of September 1, 1998, as supplemented and amended (the “*Indenture*”) which Indenture authorizes the issuance of such Second Lien Obligations in one or more Series pursuant to one or more Supplemental Indentures and the incurrence by the City of Section 208 Obligations (as therein defined) and Section 209 Obligations (as therein defined); and

WHEREAS, the City has heretofore determined to issue Bonds (as hereinafter defined), payable solely from Second Lien Revenues (as hereinafter defined), to pay the cost of improvements to, and expansions of, the Airport, to refund prior to maturity or pay at maturity certain Prior Airport Obligations (as hereinafter defined) and to fund the payment of any Swap Agreement Payment (as hereinafter defined); and

WHEREAS, in order to finance a portion of the cost of the 2014 Airport Projects (as hereinafter defined), to refund outstanding Prior Airport Obligations, to pay any Swap Agreement Payment, to fund the Debt Service Reserve Account and to pay costs and expenses incidental thereto and to the issuance of the Bonds, the City has authorized the issuance and sale of \$[\_\_\_\_\_] aggregate principal amount of Chicago Midway Airport Second Lien Revenue Bonds, Series 2014[ ] (the “*Bonds*”); and

WHEREAS, the Bonds, and the Trustee’s Certificate of Authentication to be endorsed on such Bonds, shall be substantially in the form attached hereto as Exhibit A, with necessary and appropriate variations, omissions and insertions as permitted or required by the Indenture or this [Nineteenth] Supplemental Indenture;

NOW, THEREFORE, THIS [NINETEENTH] SUPPLEMENTAL INDENTURE WITNESSETH:

**GRANTING CLAUSES**

That the City, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the registered owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect, to secure the rights of the Bank (as hereinafter defined) to the satisfaction of the Bank Obligations (as hereinafter defined) [and the Bond Insurer (as hereinafter defined) to satisfaction of the Bond Insurer Obligations (as hereinafter defined)], and for payment of the purchase price of Bonds as provided herein, and to secure the performance and observance by the City of all the covenants expressed or implied herein, in the Bonds, and in the Liquidity Agreement (as hereinafter defined), does hereby assign and grant a security interest in and to the following to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the City hereinafter set forth (the "*Trust Estate*"):

**GRANTING CLAUSE FIRST**

All right, title and interest of the City in and to Second Lien Revenues, to the extent pledged and assigned in the granting clauses of the Indenture;

**GRANTING CLAUSE SECOND**

All moneys and securities from time to time held by the Trustee under the terms of this [Nineteenth] Supplemental Indenture, except for moneys deposited with or paid to the Trustee and held in trust hereunder for the redemption of Bonds, notice of the redemption of which has been duly given; and

**GRANTING CLAUSE THIRD**

Any and all other property, rights and interests of every kind and nature from time to time hereafter by delivery or by writing of any kind granted, bargained, sold, alienated, demised, released, conveyed, assigned, transferred, mortgaged, pledged, hypothecated or otherwise subjected hereto, as and for additional security hereunder by the City or by any other person on its behalf or with its written consent to the Trustee, and the Trustee is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in said trust and assigns forever;



IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future registered owners of the Bonds [(and, with respect to the Debt Service Reserve Account, the other Common Reserve Bonds)], the Bank (to the extent of unsatisfied Bank Obligations), [the Bond Insurer (to the extent of unsatisfied Bond Insurer Obligations)] and all other Second Lien Obligations issued or secured from time to time under the provisions of this [Nineteenth] Supplemental Indenture, without privilege, priority or distinction as to the lien or otherwise of any of the foregoing over any other of the foregoing, except to the extent herein or in the Indenture otherwise specifically provided;

*PROVIDED, HOWEVER,* that if the City, its successors or assigns shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds, and shall well and truly satisfy, or cause to be satisfied, the Bank Obligations and the Bond Insurer Obligations, at the times and in the manner set forth therein according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds[,] [and] the Bank Obligations [and the Bond Insurer Obligations] as required herein, or shall provide, as permitted hereby, for the payment thereof, and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of the Indenture, this [Nineteenth] Supplemental Indenture and the Liquidity Agreement, and shall pay or cause to be paid to the Trustee[,] [and] the Bank [and the Bond Insurer] all sums of money due or to become due to them in accordance with the terms and provisions hereof and of the Liquidity Agreement, then upon the final payment thereof this [Nineteenth] Supplemental Indenture and the rights hereby granted shall cease, determine and be void; otherwise this [Nineteenth] Supplemental Indenture shall remain in full force and effect. [Notwithstanding the foregoing, so long as any Common Reserve Bonds remain outstanding, the Trustee shall continue to hold the Debt Service Reserve Account for the benefit of Common Reserve Bonds and this [Nineteenth] Supplemental Indenture and all provisions related to the Debt Service Reserve Account shall continue in force to that extent.]

THIS [NINETEENTH] SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interests and any other amounts hereby assigned and pledged are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee, the respective owners of the Bonds, the Bank and the Bond Insurer as follows:

## ARTICLE I

### DEFINITIONS

*Section 1.01. Definitions.* All capitalized terms used herein unless otherwise defined shall have the same meaning as used in Article I of the Indenture. In addition, the following words and phrases shall have the following meanings for purposes of this [Nineteenth] Supplemental Indenture:

*“Adjustable Long Mode”* means any Adjustment Period during which the Rate Determination Date and Rate Change Date for each Rate Period therein (which shall have a duration of 367 days or more and less than or equal to the remaining term of the Bonds) shall be designated by the Remarketing Agent upon the request of the City pursuant to Section 4.01 hereof, and during which the Bonds which bear interest during such Adjustment Period bear interest at the Adjustable Long Rate.

*“Adjustable Long Rate”* means, for each Rate Period within an Adjustable Long Mode applicable to a Bond, a fixed per annum interest rate borne by such Bond established pursuant to Section 2.02(e), 4.01(c) or 4.02(b) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Bond to be remarketed at the principal amount thereof, plus accrued interest thereon, if any, on the Rate Change Date for such Rate Period.

*“Adjustment Date”* means (a) the Date of Issuance, (b) any date which is the first day of an Adjustment Period designated in the manner set forth in Section 4.01 hereof, (c) any Substitute Adjustment Date designated in the manner set forth in Section 4.02 hereof, and (d) any proposed Fixed Rate Conversion Date designated in the manner set forth in Section 4.03 hereof.

*“Adjustment Period”* means, with respect to each Bond, each period commencing on an Adjustment Date for such Bond to and including the day immediately preceding the immediately succeeding Adjustment Date for such Bond (or the Maturity Date thereof), during which period such Bond shall operate in one type of Interest Mode.

*“Authorized Denomination”* means, prior to the Fixed Rate Conversion Date with respect to a particular Bond, \$100,000 and any multiple of \$5,000 in excess thereof, and, after the Fixed Rate Conversion Date with respect to a particular Bond, \$5,000 and any integral multiple thereof.

*“Bank”* means the initial Bank selected by the City [(with Bond Insurer approval)] and thereafter shall mean the Substitute Bank then obligated under the Substitute Liquidity Facility and Substitute Liquidity Agreement at the time in effect.

*“Bank Approval”* means the written approval of the Bank, which approval will not be unreasonably withheld.

*“Bank Bonds”* means Tendered Bonds purchased with moneys drawn under the Liquidity Facility pursuant to Section 3.09(c) hereof, which are owned by the Bank or its permitted assigns in accordance with the Liquidity Agreement or the Custody Agreement, if any, until such Bonds are remarketed by the Remarketing Agent pursuant to the Remarketing Agreement or such Bonds lose their characterization as Bank Bonds pursuant to the Liquidity Agreement.

*“Bank Obligations”* means the City’s obligations under the Liquidity Agreement, which obligations shall be deemed to constitute Section 208 Obligations for purposes of the Indenture.

*“Bank Rate”* means, with respect to any Bank Bond, such interest rate or sequence of rates (which may be stated as a formula and may be determined by reference to a specified index or indices) as is specified in the initial Liquidity Agreement or any Substitute Liquidity Agreement or the initial Liquidity Facility or any Substitute Liquidity Facility then in effect pursuant to which such Bank Bond was purchased, and which has been approved in writing by the City in accordance with the Indenture. The foregoing notwithstanding, at no time shall the Bank Rate be higher than the Maximum Interest Rate.

*“Bondholder,” “holder,” “owner of the Bonds”* or *“registered owner”* means the Registered Owner of any Bond.

[*“Bond Insurance Policy”* means the Initial Bond Insurance Policy to be delivered by the Initial Bond Insurer to the Trustee on the Date of Issuance, unless and until such Bond Insurance Policy is cancelled pursuant to Section 6.03 of this [Nineteenth] Supplemental Indenture, and thereafter *“Bond Insurance Policy”* means any Substitute Bond Insurance Policy delivered by a Substitute Bond Insurer and accepted by the Trustee in substitution therefor pursuant to Section 6.03 of this [Nineteenth] Supplemental Indenture.]

[*“Bond Insurance Substitution Date”* means the day on which a Substitute Bond Insurance Policy becomes effective.]

[*“Bond Insurer”* means the Initial Bond Insurer, as issuer of the Initial Bond Insurance Policy, until such Bond Insurance Policy is cancelled pursuant to Section 6.03 of this [Nineteenth] Supplemental Indenture, and thereafter *“Bond Insurer”* means a Substitute Bond Insurer as the obligor on any Substitute Bond Insurance Policy accepted by the Trustee in substitution therefor pursuant to Section 6.03 of this [Nineteenth] Supplemental Indenture.]

[*“Bond Insurer Approval”* means the written approval of the Bond Insurer, which approval will not be unreasonably withheld.]

[*“Bond Insurer Obligations”* means the City’s obligations under Section 6.11 hereof, which obligations shall be deemed to constitute Section 208 Obligations for purposes of the Indenture.]

*“Bond Purchase Fund”* means the trust fund so designated which is created and established pursuant to Section 5.02 hereof.

*“Bond Register”* means the registration books of the City kept by the Trustee (in its capacity as Bond Registrar) to evidence the registration and transfer of Bonds.

*“Bond Registrar”* means the Trustee.

*“Bonds”* means the Chicago Midway Airport Second Lien Revenue Bonds, Series 2014[ ], authorized to be issued pursuant to Section 2.01 hereof.

“*Business Day*” means a day which is not (a) a Saturday, Sunday or legal holiday on which banking institutions in the State of Illinois, the State of New York or the state in which the office of the Bank designated to fund the Liquidity Facility, [or the office of the fiscal agent for the Bond Insurer designated to process claims under the Bond Insurance Policy,] or (b) a day on which the New York Stock Exchange is closed.

“*City*” means the City of Chicago, a municipal corporation and home rule unit of local government, organized and existing under the Constitution and laws of the State.

[“*Common Reserve Bonds*” means the Bonds and the \$[ ] issued under the Indenture on the Date of Issuance and entitled to the benefit of the Debt Service Reserve Account pursuant to Section 5.08 hereof.]

“*Costs of Issuance Account*” means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

“*Custody Agreement*” means a custody agreement or a pledge and security agreement (which may also be the Liquidity Agreement), if any, entered into by the Trustee, as custodian, and the Bank, and any and all amendments and supplements thereto, relating to Bank Bonds.

“*DTC*” means The Depository Trust Company, New York, New York, or its nominee, and its successors and assigns, or any other depository performing similar functions.

“*Date of Issuance*” means the date of original issuance and delivery of the Bonds hereunder.

“*Debt Service Reserve Account*” means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

“*Defaulted Interest*” means interest on any Bond which is payable but not duly paid on the date due.

“*Delivery Office*” shall mean the following office of the Trustee at

The Bank of New York Mellon Trust Company, N.A.

[ ]

[ ]

Attention: [ ]

“*Demand Date*” means with respect to any Bond during a Weekly Mode, the Business Day specified in the notice received by the Trustee’s Agent upon which the Registered Owner of such Bond intends to tender such Bond (or any portion thereof in an Authorized Denomination) for purchase as provided in Section 3.01 hereof, which Business Day shall be not less than seven calendar days after the date such notice is received.

*“Eligible Moneys”* means (a) moneys (i) paid or deposited by the City to or with the Trustee, (ii) continuously held in any fund, account or subaccount established hereunder which is subject to the lien of the Indenture and in which no other moneys which are not Eligible Moneys are held, and (iii) which have so been on deposit with the Trustee for at least 91 days from their receipt by the Trustee, during and prior to which period no Event of Bankruptcy shall have occurred, together with investment earnings on such moneys; (b) moneys received by the Trustee pursuant to the Liquidity Facility which are held in any fund, account or subaccount established hereunder in which no other moneys which are not Eligible Moneys are held, together with investment earnings on such moneys; (c) proceeds from the remarketing of any Bonds pursuant to the provisions of the Indenture to any person other than the City; (d) proceeds from the issuance and sale of refunding bonds, together with the investment earnings on such proceeds, if there is delivered to the Trustee at the time of issuance and sale of such refunding bonds an opinion of bankruptcy counsel acceptable to the Trustee [and the Bond Insurer] and to each rating agency then maintaining a rating on the Bonds bearing interest at a Short Rate or an Adjustable Long Rate to the effect that the use of such proceeds and investment earnings to pay the principal of, premium, if any, or interest on the Bonds would not be avoidable as preferential payments under Section 547 (as incorporated into Chapter 9) of the United States Bankruptcy Code should an Event of Bankruptcy occur; and (e) moneys which are derived from any other source, together with the investment earnings on such moneys, if the Trustee has received an opinion of bankruptcy counsel acceptable to the Trustee [and the Bond Insurer] and to each rating agency then maintaining a rating on the Bonds bearing interest at a Short Rate or an Adjustable Long Rate to the effect that payment of such amounts to Bondholders would not be avoidable as preferential payments under Section 547 (as incorporated into Chapter 9) of the United States Bankruptcy Code should an Event of Bankruptcy occur; *provided, however,* that (a) through (e) notwithstanding, such proceeds, moneys or income shall not be deemed to be Eligible Moneys or available for payment of the Bonds if, among other things, an injunction, restraining order or stay is in effect preventing such proceeds, moneys or income from being applied to make such payment. For the purposes of this definition, the term “moneys” shall include cash and any investment securities, including, without limitation, Federal Obligations.

*“Event of Bankruptcy”* means the filing of a petition in bankruptcy or the commencement of a proceeding under the United States Bankruptcy Code or any other applicable law concerning insolvency, reorganization or bankruptcy by or against the City as debtor, other than any involuntary proceeding that has been finally dismissed without entry of an order for relief or similar order and as to which all appeal periods have expired.

*“Favorable Opinion of Bond Counsel”* means an Opinion of Bond Counsel to the effect that the action proposed to be taken is not prohibited by the laws of the State of Illinois and this [Nineteenth] Supplemental Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

*“Fitch”* means Fitch, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities agency designated by the City by notice to the Trustee [and subject to Bond Insurer Approval].

*"Fixed Mode"* means the Adjustment Period commencing on the Fixed Rate Conversion Date for a Bond and ending on the Maturity Date thereof, as established pursuant to Section 4.03 hereof, during which the Bonds which bear interest during such Adjustment Period bear interest at the Fixed Rate.

*"Fixed Rate"* means, for the Fixed Mode applicable to a Bond, a fixed per annum interest rate borne by such Bond established pursuant to Section 2.02(f) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Bond to be remarketed at the principal amount thereof on the Fixed Rate Conversion Date for such Fixed Mode.

*"Fixed Rate Conversion"* means the conversion of the interest rate to be borne by all or, with Bond Insurer Approval, any portion of the Bonds to a Fixed Rate pursuant to Sections 2.02 and 4.03 hereof.

*"Fixed Rate Conversion Date"* means an Adjustment Date for any Bond on which it begins to bear interest at a Fixed Rate.

*"Flexible Mode"* means any Adjustment Period during which the Rate Determination Date and the Rate Change Date for each Rate Period therein (which shall have a duration which is not less than seven days nor more than 270 days) shall occur on the first day of such Rate Period which shall be designated by the Remarketing Agent pursuant to Section 2.02(d), 4.01(c) or 4.02(b) hereof, and during which the Bonds which bear interest during such Adjustment Period bear interest at the Flexible Rate.

*"Flexible Rate"* means, for each Rate Period within a Flexible Mode applicable to a Bond, a fixed per annum interest rate borne by such Bond established pursuant to Section 2.02(d), 4.01(c) or 4.02(b) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Bond to be remarketed at the principal amount thereof on the Rate Change Date for such Rate Period.

*"Immediate Notice"* means notice by telephone, telex or telecopier to such address as the addressee shall have directed in writing, promptly followed by written notice by first class mail, postage prepaid; *provided, however,* that if any person required to give an Immediate Notice shall not have been provided with the necessary information as to the telephone, telex or telecopier number of an addressee, Immediate Notice shall mean written notice by first class mail, postage prepaid.

*"Indenture"* means the Master Indenture of Trust Securing Chicago Midway Airport Second Lien Obligations, dated as of September 1, 1998, from the City to the Trustee, pursuant to which Bonds are authorized to be issued, and any amendments and supplements thereto, including this [Nineteenth] Supplemental Indenture. References to Articles and Sections of the Indenture shall be deemed to refer to Articles and Sections of the Indenture as amended.

[*“Initial Bond Insurance Policy”* means the municipal bond insurance policy of the Initial Bond Insurer which insures the scheduled payment of the principal of and interest on the Bonds when due.]

[*“Initial Bond Insurer”* means [\_\_\_\_\_], or any successor thereto or assignee thereof.]

*“Interest Coverage Rate”* means the rate used in the Liquidity Facility to calculate the maximum amount (as reduced and reinstated from time to time in accordance with the terms thereof) which is available for the payment of the portion of the purchase price of Tendered Bonds corresponding to interest accrued on the Tendered Bonds.

*“Interest Funding Rate”* means (a) as of any date of calculation, the ten year average of the SIFMA Municipal Index, plus 100 basis points or (b) if the City has executed a Qualified Swap Agreement in connection with the Bonds pursuant to Section 12 of the Ordinance, the amount payable as interest by the City pursuant to such Qualified Swap Agreement, plus five basis points.

*“Interest Mode”* means a period of time relating to the frequency with which the interest rate on the Bonds is determined pursuant to Sections 2.01 and 2.02 hereof. An Interest Mode may be a Weekly Mode, a Flexible Mode, an Adjustable Long Mode or a Fixed Mode.

*“Interest Payment Date”* means (a) for each Bond, each Adjustment Date (including, without limitation, a proposed Fixed Rate Conversion Date) therefor, (b) for any Bond in the Weekly Mode, the first Business Day of each calendar month, (c) for any Bond in an Adjustable Long Mode, the first day of the sixth calendar month following the month in which the applicable Rate Period commences, the first day of each sixth month thereafter and each Rate Change Date therefor, (d) for any Bond in a Flexible Mode, each Rate Change Date therefor, (e) for any Bond in a Fixed Mode, each January 1 and July 1, commencing as provided in Section 4.03 hereof, (f) for any Bank Bond, such dates as are specified in the Liquidity Agreement, and (g) for each Bond, the Maturity Date thereof; *provided* that, except with respect to Interest Payment Dates with respect to remarketed Bank Bonds under (f), in no event shall more than one Interest Payment Date for the Bonds occur in any one calendar month (and the City shall not undertake any modification of any Interest Mode applicable to the Bonds which might cause such to result).

*“Liquidity Agreement”* means the initial Liquidity Agreement and any Substitute Liquidity Agreement (obtained with Bond Insurer Approval).

*“Liquidity Agreement Default”* means each “default” or “event of default,” if any, under a Liquidity Facility (obtained with Bond Insurer Approval) the consequence of notice of which is that the Bonds shall be subject to mandatory tender pursuant to Section 3.02 hereof.

*“Liquidity Facility”* means the obligation of the Bank to provide funds for the purpose of purchasing Tendered Bonds, which Liquidity Facility may be in the form of a line of credit, bond purchase agreement or letter of credit.

*"Liquidity Facility Cancellation Date"* has the meaning attributed to it in Section 6.02(b) hereof.

*"Liquidity Substitution Date"* means the day on which a Substitute Liquidity Facility becomes effective.

*"Maturity Date"* means January 1, [\_\_\_\_\_].

*"Maximum Interest Rate"* means 15 percent per annum.

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

*"Opinion of Bond Counsel"* means a written opinion of Bond Counsel in form and substance acceptable to the City, the Bank, [the Bond Insurer] and the Trustee.

*"Ordinance"* means the ordinance duly adopted and approved by the City Council of the City on [\_\_\_\_\_ ] 2014, which authorizes the issuance and sale of the Bonds and the execution and delivery of this [Nineteenth] Supplemental Indenture.

*"[Nineteenth] Supplemental Indenture"* means this [Nineteenth] Supplemental Indenture and any amendments and supplements hereto.

*"Participant,"* when used with respect to any Securities Depository, means any participant of such Securities Depository.

*"Paying Agent"* means any Paying Agent designated by the Trustee pursuant to Section 10.06 hereof, and any successor thereto.

*"Principal and Interest Account"* means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

*"Principal and Interest Account Requirement"* means (a) from [July 1, 2014] and thereafter for as long as the Bonds bear interest at a Short Rate, a Bank Rate, an Adjustable Long Rate, an amount equal to (i) the next six month's interest on the Bonds based upon the aggregate principal amount of Bonds Outstanding as of the first day of the current Bond Year and an assumed interest rate equal to the Interest Funding Rate, plus (ii) one-half of the Principal Installment coming due on the Bonds on the next succeeding January 1, and (b) during such time as the Bonds bear interest at a Fixed Rate, an amount equal to (i) the interest due on the Bonds on the next succeeding Interest Payment Date based upon the aggregate principal amount of Bonds Outstanding as of the first day of the current Bond Year, plus (ii) one-half of the total Principal Installments due on the Bonds on the next succeeding January 1.



*"Prior Airport Obligations"* means [\_\_\_\_\_].

*"Project Certificate"* is defined in the Tax Agreement.

*"Program Fee Account"* means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

*"Program Fees"* means:

(a) the fees, expenses and other charges payable to each fiduciary, including the Trustee, the Trustee's Agent and any Paying Agent, pursuant to the provisions of Section 1005 of the Indenture; *provided* that if at any time there shall be any Series of Second Lien Obligations Outstanding under the Indenture other than the Bonds, then "Program Fees," for purposes of this [Nineteenth] Supplemental Indenture, shall mean only such portion of such fees, expenses and other charges as shall be payable with respect to, or properly allocable to, the duties performed by each such fiduciary with respect to the Bonds;

(b) the fees, expenses and other charges payable hereunder or under the Remarketing Agreement to the Remarketing Agent;

(c) the fees, expenses and other charges (constituting Bank Obligations) payable hereunder or under the Liquidity Agreement to the Bank;

(d) [the fees, expenses and other charges (constituting Bond Insurer Obligations) payable hereunder to the Bond Insurer; and]

(e) any other fees, expenses and other charges of a similar nature payable by the City to any person hereunder or otherwise with respect to the Bonds.

*"Rate Change Date"* means for each Rate Period (a) during any Weekly Mode, Wednesday or such other day of the week designated as such by the Remarketing Agent from time to time, in accordance with the provisions of Section 2.02(c)(ii) hereof, (b) during any Adjustable Long Mode, the Business Day(s) specified in the notice delivered to the Trustee in accordance with Section 4.01(b) or 4.02(b) hereof, (c) during any Flexible Mode, the Business Day(s) specified in the notice delivered to the Trustee in accordance with Section 2.02(d), 4.01(c) or 4.02(b) hereof and (d) each Adjustment Date.

*"Rate Determination Date"* means for (a) each Rate Period during any Weekly Mode, Tuesday or such other day of the week designated as such by the Remarketing Agent from time to time, in accordance with the provisions of Section 2.02(c)(ii) hereof, next preceding the Rate Change Date for such Rate Period (unless such day is not a Business Day, in which case the Rate Determination Date shall be the immediately preceding Business Day), (b) each Rate Period during any Adjustable Long Mode, the Business Day(s) specified in the notice delivered to the Trustee in accordance with Section 4.01(b) or Section 4.02(b) hereof, which Business Day(s) shall not be less than one calendar day or more than 30 calendar days prior to the first day of

such Rate Period, (c) each Rate Period during any Flexible Mode, the Rate Change Date for such Rate Period specified in the notice delivered to the Trustee in accordance with Section 2.02(d), 4.01(c) or 4.02(b) hereof, (d) the Rate Period during a Fixed Mode, the date of the firm underwriting or purchase contract referred to in Section 4.03 hereof, (e) the Rate Period following a proposed Fixed Rate Conversion Date in the event of a failed conversion, such proposed Fixed Rate Conversion Date and (g) the Rate Period following a failed Interest Mode conversion pursuant to Section 4.01(e), the proposed Adjustment Date.

*“Rate Period”* means, with respect to each Bond, each period commencing on a Rate Change Date for such Bond to and including the day immediately preceding the immediately succeeding Rate Change Date for such Bond (or the Maturity Date or date of redemption thereof), during which period such Bond shall bear interest at one specific interest rate.

*“Record Date”* means (a) with respect to any Bond during a Flexible Mode or Weekly Mode, the Business Day immediately preceding each Interest Payment Date for such Bond, (b) with respect to any Bond during an Adjustable Long Mode, the fifteenth calendar day immediately preceding each interest Payment Date (whether or not a Business Day) for such Bond and (c) with respect to any Bond during a Fixed Mode, December 15 and June 15 (whether or not a Business Day); *provided, however*, that if the Fixed Rate Conversion Date shall occur on or after December 15 but prior to January 1, or on or after June 15 but prior to July 1, the Record Date shall be the Fixed Rate Conversion Date.

*“Registered Owner”* or *“Owner”* means the person or persons in whose name or names a Bond shall be registered in the Bond Register.

*“Remarketing Agent”* means the placement or remarketing agent at the time serving as such under the Remarketing Agreement and designated by the City as the Remarketing Agent for purposes of the Indenture.

*“Remarketing Agreement”* means the remarketing agreement between the City and the Remarketing Agent, as the same may be amended, supplemented or assigned from time to time, or any similar agreement as may be substituted therefor.

*“Reserve Requirement”* means the lesser of (i) \$[\_\_\_\_\_] or (ii) the maximum amount of Annual Second Lien Debt Service payable on the [Common Reserve] Bonds in the current or any succeeding Bond Year.

*“Securities Depository”* means DTC and any other securities depository registered as a clearing agency with the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934, as amended, and appointed as the securities depository for the Bonds.

*“Series 2014[ ] Capitalized Interest Account”* means the account of that name established in the Series 2014[ ] Dedicated Sub-Fund as described in Section 5.02 hereof.

“*Series 2014[ ] Dedicated Sub-Fund*” means the fund of that name established and described in Section 5.02 hereof.

“*Short Mode*” means a Flexible Mode or a Weekly Mode.

“*Short Rate*” means a Flexible Rate or a Weekly Rate.

“*SIFMA Municipal Index*” means the “SIFMA Municipal Swap Index”™ (such index previously known as the “Bond Market Association/PSA Municipal Swap Index”™) based upon the weekly interest rate resets of tax-exempt variable rate issues included in a database maintained by Municipal Market Data which meet specified criteria established by the Bond Market Association. The SIFMA Municipal Swap Index shall be based upon current yields of high-quality weekly adjustable variable rate demand bonds which are subject to tender upon seven days notice, the interest on which is excludable from gross income for Federal income tax purposes under the Code. The SIFMA Municipal Swap Index shall not include any bonds the interest on which is subject to any personal “alternative minimum tax” or similar tax unless all tax exempt bonds are subject to such tax; *provided, however*, that if such index is no longer produced by Municipal Market Data, Inc. or its successor, then “SIFMA Municipal Index” means such other reasonably comparable index selected by the City.

“*Special Default*” means each “default” or “event of default,” if any, under the initial Liquidity Agreement or a Substitute Liquidity Agreement [(obtained with Bond Insurer Approval)] the consequence of which is that the obligation of the Bank to provide funds for the purchase of Tendered Bonds thereunder is either suspended or terminated without prior notice to Bondholders.

“*Special Record Date*” means the date fixed by the Trustee pursuant to Section 2.02(g) hereof for the payment of Defaulted Interest.

“*S&P*” means Standard & Poor’s Credit Market Services, a division of McGraw-Hill, Inc., its successors and assigns, and, if S&P shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the City by notice to the Trustee [and subject to Bond Insurer Approval].

“*State*” means the State of Illinois.

“*Stated Termination Date*” means the stated date upon which the Liquidity Facility under a Liquidity Agreement by its term expires, as the same may be extended from time to time.

“*Substitute Adjustment Date*” means (i) any Business Day during any Adjustment Period for Bank Bonds, and (ii) any Business Day for any Bonds in an Adjustable Long Mode on which such Bonds can be optionally redeemed at a price of par plus accrued interest as set forth in Section 3.11(a)(ii) hereof, in each case designated by the City in accordance with Section 4.02 hereof as the first day of a new Adjustment Period.

“*Substitute Bank*” means one or more commercial banks, trust companies or financial institutions obligated under any Substitute Liquidity Agreement selected by the City (with Bond Insurer Approval).

[“*Substitute Bond Insurance Policy*” means a policy (including endorsements) containing terms which are in all material respects the same as or equivalent to those provided by the Initial Bond Insurance Policy, which insures the payment of the principal of and interest on the Bonds when due and acceptable to the Bank (acting in its sole discretion) and the City.]

[“*Substitute Bond Insurer*” means an insurance company or financial institution obligated on any Substitute Bond Insurance Policy and acceptable to the Bank (acting in its sole discretion) and the City, and its successors and assigns and any surviving, resulting and transferee corporation.]

“*Substitute Liquidity Agreement*” means any agreement replacing a Liquidity Agreement between the City and any Substitute Bank [(which agreement shall be subject to Bond Insurer Approval)] as it may from time to time be amended or supplemented, pursuant to which a Substitute Liquidity Facility shall be in effect.

“*Substitute Liquidity Facility*” means a Liquidity Facility [acceptable to the Bond Insurer] provided by a Substitute Bank other than the Bank providing the Liquidity Facility on or prior to the Liquidity Substitution Date; *provided, however*, that none of the following shall be deemed to be the delivery of a Substitute Liquidity Facility: a change in the Liquidity Agreement pursuant to which the Liquidity Facility is issued; a change in the number of days of interest or interest rate covered by the Liquidity Facility; and a renewal of the term of the existing Liquidity Facility.

[“*Swap Agreement*” means [\_\_\_\_\_].]

“*Swap Agreement Payment*” means a payment in respect of a transfer, modification and/or termination of an existing swap agreement with respect to a Prior Airport Obligation.

“*Tax Agreement*” means the Tax Exemption Certificate and Agreement of the City dated the date of issuance of the Bonds.

“*Tendered Bonds*” means Bonds tendered or deemed tendered for purchase pursuant to Section 3.01, 3.02, 3.03, 3.04, 3.05 or 3.06 hereof.

“*Trust Estate*” means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

“*Trustee’s Agent*” means any agent designated as Trustee’s Agent by the Trustee and at the time serving in that capacity. Any agent so designated by the Trustee shall execute a written agreement with the Trustee assuming all obligations of the Trustee hereunder with respect to those duties of the Trustee such agent agrees to perform on behalf of the Trustee.

“2014 Airport Projects” means the Airport Projects approved by the Ordinance, all or a portion of the costs of which are paid or reimbursed from the proceeds of the Bonds.

“Unmatured Default” means each “default” or “event of default,” if any, under initial Liquidity Agreement or a Substitute Liquidity Agreement the consequence of which is that the obligation of the Bank to provide funds for the purchase of Tendered Bonds is suspended without prior notice to Bondholders.

“Weekly Mode” means an Interest Mode during which the rate of interest borne by the Bonds is determined on a weekly basis as set forth in Section 2.02(c) hereof.

“Weekly Rate” means, for each Rate Period during any Weekly Mode, the rate of interest established pursuant to Section 2.02(c) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Bond to be remarketed at the principal amount thereof, plus accrued interest thereon, if any, on the Rate Change Date for such Rate Period.

## ARTICLE II

### THE BONDS

*Section 2.01. Authority for and Issuance of Bonds.* (a) No Bonds may be issued under the provisions of this [Nineteenth] Supplemental Indenture except in accordance with this Article. The Bonds are being issued to provide funds to finance a portion of the costs of the 201\_ Airport Projects, to pay capitalized interest on the Bonds, to refund prior to maturity the Prior Airport Obligations, to fund the payment of any Swap Agreement Payment, to fund the Debt Service Reserve Account and to pay Costs of Issuance of the Bonds. Except as provided in Section 2.07 hereof, the total principal amount of Bonds that may be issued hereunder is expressly limited to \$[\_\_\_\_\_].

(b) The Bonds shall be designated “Chicago Midway Airport Second Lien Revenue Bonds, Series 2014[\_\_\_\_\_].” The Bonds shall be issuable as fully registered bonds, without coupons, in Authorized Denominations, substantially in the form attached as Exhibit A hereto. Unless the City shall otherwise direct, the Bonds shall be lettered and numbered from R-1 and upwards. The Bonds, as initially issued, shall be dated the Date of Issuance and shall mature, subject to prior redemption as provided in Article III hereof and further subject to the designation of additional maturity dates in connection with a Fixed Rate Conversion Date, on the Maturity Date.

(c) Each Bond authenticated prior to the first Interest Payment Date thereon shall bear interest from the Date of Issuance and thereafter interest shall accrue as set forth in the next paragraph except that if, as shown by the records of the Trustee, interest on such Bond shall be in default, any Bond issued in exchange for or upon the registration of transfer of such Bond shall bear interest from the date to which interest has been paid in full on such Bond or, if no interest has been paid on such Bond, the Date of Issuance. Each Bond shall bear interest on overdue

principal and, to the extent permitted by law, on overdue premium, if any, and interest at the rate borne by such Bond on the date on which such principal, premium or interest came due and payable.

(d) Interest on Bonds in a Weekly Mode shall be payable on each Interest Payment Date for the period from the later of (i) the first Business Day of each calendar month, or (ii) the Adjustment Date for such Weekly Mode to, but not including, the earlier of (a) the first Business Day of the next calendar month, or (b) the Adjustment Date for the Interest Mode which succeeds such Weekly Mode. Interest on Bonds in a Flexible Mode shall be payable on each Interest Payment Date for the period from the Rate Change Date for such Bonds to, but not including, the next succeeding Rate Change Date. Interest on Bonds in an Adjustable Long Mode shall be payable on each Interest Payment Date for the period to, but not including, such Interest Payment Date from the later of (i) the Rate Change Date for such Bonds, or (ii) the preceding Interest Payment Date occurring during the Rate Period to which interest has been paid. Interest on Bonds which are Bank Bonds shall be payable on each Interest Payment Date for the period to, but not including, such Interest Payment Date from the preceding Interest Payment Date to which interest has been paid. Interest on Bonds in a Fixed Mode shall be payable on each Interest Payment Date for the period from the Fixed Rate Conversion Date to, but not including, the next succeeding January 1 or July 1, and from each succeeding January 1 or July 1, as the case may be, to, but not including, the next succeeding January 1 or July 1. The foregoing notwithstanding, no interest shall accrue on any Bonds prior to the Date of Issuance or after the Maturity Date thereof, after the redemption or mandatory or optional purchase date for such Bond (*provided* the redemption or purchase price is paid or provided for in accordance with the provisions of the Indenture), or after the date to which such Bond is paid.

(e) The principal and purchase price of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(f) The principal of and premium, if any, on Bonds bearing interest at a Bank Rate, a Short Rate, or an Adjustable Long Rate shall be payable at the corporate trust office of the Trustee, upon presentation and surrender of such Bonds. The principal of and premium, if any, on Bonds bearing interest at a Fixed Rate shall be payable at the corporate trust office of the Trustee or, at the option of the Registered Owners, at the corporate trust office of any Paying Agent named in such Bonds, upon presentation and surrender of such Bonds. Any payment of the purchase price of a Tendered Bond shall be payable at the corporate trust office of the Trustee's Agent (or at such other office as may be designated by the Trustee), upon presentation and surrender of such Tendered Bond, as provided in Section 3.07 hereof.

(g) Payment of interest on Bonds bearing interest at a Weekly Rate, an Adjustable Long Rate, or a Fixed Rate shall be paid by check mailed on the Interest Payment Date to the person appearing on the Bond Register as the Registered Owners thereof as of the close of business of the Trustee on the Record Date at the addresses of such Registered Owners as they appear on the Bond Register, or at such other addresses as are furnished to the Trustee in writing by the Registered Owners not later than the Record Date. Payment of interest on Bonds bearing interest at a Flexible Rate shall be made to the person appearing on the Bond Register as the Registered

Owner thereof as of the close of business of the Trustee on the Record Date, upon presentation and surrender of such Bond at the corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on any Bond shall be made to the Registered Owner of \$1,000,000 or more in aggregate principal amount of Bonds as of the close of business of the Trustee on the Record Date for a particular Interest Payment Date by wire transfer to such Registered Owner on such Interest Payment Date upon written notice from such Registered Owner containing the wire transfer address within the United States to which such Registered Owner wishes to have such wire directed, which written notice is received not later than the Business Day next preceding the Record Date; *provided* that such wire transfer shall only be made for Bonds bearing interest at a Flexible Rate upon presentation and surrender of such Bonds at the corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on Bank Bonds shall be made to the Bank by wire transfer on each Interest Payment Date at the wire transfer address specified in the Liquidity Agreement (or such other wire transfer address as is specified by the Bank in writing from time to time).

(h) Bank Bonds are payable as provided in the applicable Liquidity Agreement.

*Section 2.02. Interest on Bonds.* (a) *General.* The Bonds shall bear interest from and including the Date of Issuance until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions hereof, whether at the Maturity Date, upon redemption or acceleration, or otherwise. Interest accrued on the Bonds during each Rate Period shall be paid in arrears on each Interest Payment Date. Interest on the Bonds shall be computed (i) during any Short Mode upon the basis of a 365- or 366-day year, as applicable, for the number of days actually elapsed, (ii) during any Adjustable Long Mode or during a Fixed Mode, upon the basis of a 360-day year consisting of twelve 30-day months, and (iii) with respect to Bank Bonds, upon the basis of a 360-day year and the actual number of days elapsed.

The Bonds shall initially bear interest at the [Weekly Rate pursuant to Section 2.02(c)] hereof until and unless any portion thereof is converted to a different Interest Mode as provided in Section 4.01, 4.02 or 4.03 hereof. Each Bank Bond shall bear interest at the Bank Rate.

(b) *Limitations.* At no time shall the Bonds (including Bank Bonds) bear interest at a rate higher than the Maximum Interest Rate and at no time shall Bonds entitled to the benefit of the Liquidity Facility bear interest at a rate higher than the Interest Coverage Rate. No Rate Period shall be established during an Adjustable Long Mode or a Flexible Mode which extends beyond the Business Day preceding the Stated Termination Date. [Anything herein to the contrary notwithstanding, less than all of the Bonds may not be converted to a different Interest Mode without Bond Insurer Approval.]

(c) *Weekly Mode.* (i) For each Rate Period during any Weekly Mode, Bonds in such Interest Mode shall bear interest beginning on the Rate Change Date at the Weekly Rate determined on the Rate Determination Date in the following manner for each such Rate Period. No later than 3:00 p.m., Chicago time, on the Rate Determination Date for each such Rate Period, the Remarketing Agent will determine the Weekly Rate and will give telephonic notice (confirmed by telecopy) to the Trustee of the Weekly Rate by 1:00 p.m., Chicago time, on the

following Rate Change Date. Except on an Adjustment Date, in the event that the Weekly Rate is not determined by the Remarketing Agent on a Rate Determination Date, the rate of interest borne by the Bonds bearing interest at a Weekly Rate shall be equal to the last determined Weekly Rate until the Remarketing Agent next determines the Weekly Rate as required hereunder.

(ii) If at any time the Remarketing Agent shall determine that, in its judgment, the scheduled Rate Determination Dates or Rate Change Dates during a Weekly Mode have become inappropriate (taking into account general market practice with respect to periodic adjustment of rates on instruments comparable to the Bonds bearing interest at the Weekly Rate, whether based upon the time of compilation or reporting of any interest rate or financial index or indicator or otherwise), the Remarketing Agent may, after consultation with the City, designate new scheduled Rate Determination Dates and/or Rate Change Dates, to remain in effect until another redetermination of scheduled Rate Determination Dates or Rate Change Dates in accordance with this subparagraph. The Remarketing Agent shall give written notice of any change in scheduled Rate Determination Dates and/or Rate Change Dates during a Weekly Mode to the City, the Trustee, the Trustee's Agent[,] [and] the Bank [and the Bond Insurer], and such change shall become effective on the first scheduled Rate Determination Date or Rate Change Date, as the case may be, so designated occurring not less than 14 days following the giving of such notice. Promptly upon receipt of such notice, the Trustee shall notify or cause the Remarketing Agent to notify each affected Bondholder of such change in writing.

(d) *Flexible Mode.* (i) For each Rate Period during any Flexible Mode, each Bond which will bear interest at a Flexible Rate for such Rate Period shall bear interest beginning on the Rate Change Date at the Flexible Rate determined on the Rate Determination Date in the following manner for each such Rate Period. No later than 11:00 a.m., Chicago time, on the Rate Determination Date for a Bond bearing interest at the Flexible Rate, the Remarketing Agent will determine, and is required to give telephonic notice (confirmed by telecopy) to the Trustee of, (a) the duration of the Rate Period for such Bond by specifying the succeeding Rate Change Date (which shall also be the succeeding Rate Determination Date) for such Bond which Rate Change Date shall be no later than the Business Day prior to the Stated Termination Date, if a Liquidity Facility is required to be in place, and (b) the Flexible Rate applicable to such Bonds bearing interest at the Flexible Rate during such Rate Period. The last day of such Rate Period must be a Business Day and the day next succeeding such Business Day must also be a Business Day. Except on an Adjustment Date, in the event that the Flexible Rate for any Bond is not determined by the Remarketing Agent on any Rate Determination Date, (a) if the new Rate Period has been established, then such Bond shall bear interest at a Flexible Rate equal to 110% of the most recently announced rate for "AA" Financial Commercial Paper as shown in the Federal Reserve Composite Index of Rates for commercial paper having a duration to maturity that is closest to the duration of the new Rate Period or (b) if no new Rate Period has been established, then such Bond shall bear interest at a Flexible Rate equal to 110% of the most recently announced rate for 30 day "AA" Financial Commercial Paper as shown in the Federal Reserve Composite Index of Rates for a Rate Period of the shortest possible duration until the Remarketing Agent next determines the Flexible Rate, as required hereunder.



(ii) The Remarketing Agent shall determine the duration of Rate Periods during a Flexible Mode as will, in the judgment of the Remarketing Agent, result in the lowest aggregate cost being payable by the City with respect to the Bonds bearing interest at Flexible Rates, taking into account interest and any other determinable fees and expenses. The Remarketing Agent may establish different Rate Periods on the same Rate Change Date for Bonds in the Flexible Mode in order to achieve an average duration of Rate Periods that, in the judgment of the Remarketing Agent, is most likely to achieve the lowest total aggregate cost being payable by the City with respect to such Bonds, taking into account interest and any other determinable fees and expenses. The Remarketing Agent's determination shall be based upon the market for, and the relative yields of, the Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the judgment of the Remarketing Agent, are otherwise comparable to the Bonds, or any fact or circumstance relating to the Bonds, affecting the market for the Bonds or affecting such other comparable securities in a manner that, in the judgment of the Remarketing Agent, will affect the market for the Bonds. The Remarketing Agent's determination shall be conclusive and binding upon all parties. Except on an Adjustment Date, in the event that the Rate Period for any Bond in a Flexible Mode is not determined by the Remarketing Agent as provided in this clause, the Rate Period for such Bond shall be a Rate Period of the shortest possible duration.

(e) *Adjustable Long Mode.* (i) For each Rate Period during any Adjustable Long Mode each Bond which will bear interest at an Adjustable Long Rate for such Rate Period shall bear interest beginning on the Rate Change Date at the Adjustable Long Rate determined on the Rate Determination Date in the following manner for such Rate Period. No later than 11:00 a.m., Chicago time, on the Rate Determination Date for each Rate Period during an Adjustable Long Mode applicable to a specific Bond, the Remarketing Agent will determine a fixed per annum interest rate to be borne by such Bond for such Rate Period and is required to give telephonic notice (confirmed by telecopy) to the Trustee of the Adjustable Long Rate. In the event that the Adjustable Long Rate for any Bond is not determined by the Remarketing Agent for the initial Rate Period, the rate of interest borne by such Bonds shall be determined pursuant to Section 4.01(e) hereof. Except on an Adjustment Date, if the Remarketing Agent shall fail to determine an Adjustable Long Rate on a Rate Determination Date for a Rate Period within an Adjustable Long Mode, the Bonds shall automatically convert to a Rate Period of 367 days and shall bear interest at an Adjustable Long Rates equal to 105% of the yield to maturity on United States Treasury fixed rate obligations having a maturity that is closest to the date that is 367 days after the Rate Determination Date, as most recently published in *The Wall Street Journal* prior to the Adjustment Date.

(ii) The Remarketing Agent, upon the request of the City, shall determine the duration of Rate Periods during an Adjustable Long Mode as will, in the judgment of the Remarketing Agent, result in the lowest aggregate cost being payable by the City with respect to the Bonds bearing interest at Adjustable Long Rates, taking into account interest and any other determinable fees and expenses. The Remarketing Agent may establish different Rate Periods on the same Rate Change Date for Bonds in an Adjustable Long Mode in order to achieve an average duration of Rate Periods that, in the judgment of the Remarketing Agent, is most likely to achieve the lowest total aggregate cost being payable by the City with respect to such Bonds, taking into account interest and any other determinable fees and expenses. The Remarketing

Agent's determination will be based upon the market for and the relative yields of the Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the judgment of the Remarketing Agent, are otherwise comparable to the Bonds, or any fact or circumstance relating to the Bonds, affecting the market for the Bonds or affecting such other comparable securities in a manner that, in the judgment of the Remarketing Agent, will affect the market for the Bonds. The Remarketing Agent's determination will be conclusive and binding upon all parties. Except on an Adjustment Date, in the event that the Rate Period for any Bond in an Adjustable Long Mode is not determined by the Remarketing Agent as provided in this clause (ii), the Rate Period for such Bond will be a 367-day Rate Period.

(f) *Fixed Rate.* From and after the Fixed Rate Conversion Date for a Bond, such Bond shall bear interest at the Fixed Rate with respect thereto established as provided in Section 4.03 hereof.

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

(h) *Information for Bondholders.* Trustee agrees to provide to any Bondholder, upon the written request of such Bondholder, information regarding the Adjustment Periods, Rate Periods, Interest Payment Dates, optional redemption provisions and interest rate or rates applicable to such Bondholder's Bonds.

(i) *Notices to City.* The Remarketing Agent agrees to provide to the City notice of all determinations made by the Remarketing Agent pursuant to the Indenture, including, but not limited to, interest rate determinations and duration of Rate Periods, on a timely basis.

*Section 2.03. Execution; Limited Obligations.* The Bonds shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor of the City and attested with the official manual or facsimile signature of its City Clerk, and shall have affixed, impressed, imprinted or otherwise reproduced thereon the corporate seal of the City or a facsimile thereof. The Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State, and pursuant to the Ordinance. The Bonds, the Section 208 Obligations and the Section 209 Obligations are not general obligations of the City, but are limited obligations payable solely from Second Lien Revenues (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof) and from moneys provided under the Liquidity Facility (only with respect to the purchase price of Tendered Bonds) [or the Bond Insurance Policy], and shall be a valid claim of the respective Registered Owners of the Bonds[,] [and] the Bank [and the Bond Insurer] only against the Series 2014[ ] Dedicated Sub-Fund and other moneys held by the Trustee or otherwise pledged therefor, which amounts are hereby pledged, assigned and otherwise held as security for the equal and ratable payment of the Bonds, the Section 208 Obligations and the Section 209 Obligations, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, the Section 208 Obligations and the Section 209 Obligations, except as may be otherwise expressly authorized in the Indenture or in this [Nineteenth] Supplemental Indenture. Neither the Bonds, the Section 208 Obligations nor the Section 209 Obligations shall constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation, and neither the faith and credit nor the taxing power of the City, the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds, the Section 208 Obligations or the Section 209 Obligations, or other costs incident thereto. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, as if he or she had remained in office until delivery.

*Section 2.04. Authentication.* No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this [Nineteenth] Supplemental Indenture unless and until such certificate of authentication in substantially the form attached hereto as part of Exhibit A shall have been duly executed by the Trustee, and such executed certificate of the Trustee, upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this [Nineteenth] Supplemental Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if (a) signed by an authorized signatory of the Trustee, but it shall not be necessary that the same signatory sign the certificates of authentication on all of the Bonds issued hereunder, and (b) the date of authentication on the Bond is inserted in the place provided therefor in the certificate of authentication.

*Section 2.05. Form of Bonds; Temporary Bonds.* The Bonds shall be substantially in the form attached hereto as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this [Nineteenth] Supplemental Indenture.

Pending preparation of definitive Bonds, or by agreement with the purchasers of the Bonds, the City may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary printed or typewritten Bonds in Authorized Denominations of substantially the tenor recited above. Upon request of the City, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

*Section 2.06. Delivery of Bonds.* Upon the execution and delivery of this [Nineteenth] Supplemental Indenture, the City shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Bonds and deliver them to the purchasers as may be directed by the City as hereinafter in this Section provided.

Prior to the delivery by the Trustee of any of the Bonds there shall be filed with the Trustee:

- (1) a copy, duly certified by the City Clerk of the City, of the Ordinance;
- (2) original executed counterparts of the Indenture[,] [and] this [Nineteenth] Supplemental Indenture [and the Bond Insurance Policy];
- (3) an opinion of legal counsel to the effect that (i) the City had the right and power to adopt the Ordinance; (ii) the Ordinance has been duly and lawfully adopted by the City Council, is in full force and effect and is valid and binding upon the City and enforceable in accordance with its terms; (iii) the Indenture and this [Nineteenth] Supplemental Indenture have been duly and lawfully authorized by all necessary action on the part of the City, have been duly and lawfully executed by authorized officers of the City, are in full force and effect and are valid and binding upon the City and enforceable in accordance with their terms; (iv) the Indenture and this [Nineteenth] Supplemental Indenture create the valid pledge of Junior Lien Revenues, Second Lien Revenues and moneys and securities held thereunder for the benefit and security of the Bonds [and the Bond Insurer], subject to application thereof in the manner provided therein; and (v) upon the execution, authentication and delivery thereof, the Bonds will have been duly and validly authorized and issued in accordance with the Constitution and laws of the State, the Indenture and this [Nineteenth] Supplemental Indenture;
- (4) a Certificate stating that any required approval for the issuance of the Bonds has been obtained;
- (5) a written order as to the delivery of the Bonds, signed by an Authorized Officer and stating (i) the identity of the purchasers, the aggregate purchase price and the date and place of delivery, and (ii) that no Event of Default has occurred and is continuing under the Indenture or this [Nineteenth] Supplemental Indenture;
- (6) [(i) a Certificate of the Independent Airport Consultant stating that, based upon the reasonable assumptions set forth therein, Revenues and Other Available Moneys

are projected to be not less than that required to satisfy the rate covenant set forth in Section 404 of the Indenture (disregarding any First Lien Bonds or Second Lien Obligations that have been paid or discharged or that will be paid or discharged immediately after the issuance of the Bonds) for each of the next three Fiscal Years immediately following completion of the project or projects financed by the Bonds; *provided* that for purposes of such certificate, Other Available Moneys shall be projected only to the extent that such Other Available Moneys have been (x) paid over to the Trustee and deposited into the First Lien Revenue Fund, First Lien Debt Service Fund or a debt service fund for the Bonds or (y) irrevocably pledged to the payment of debt service on the First Lien Bonds or Second Lien Obligations; or (ii) a Certificate stating that Revenues and Other Available Moneys in the most recently completed Fiscal Year for which audited financial statements have been prepared satisfied the rate covenant set forth in Section 404 of the Indenture, assuming for such purpose that Aggregate Second Lien Debt Service for the Bond Year commencing during such Fiscal Year includes the maximum Annual Second Lien Debt Service on the Bonds [and the other Common Reserve Fund Bonds] proposed to be issued; and]

(7) a verification report of an Independent Accountant stating the amount of either (i) moneys in an amount sufficient to pay the Prior Airport Obligations to be refunded at the applicable Redemption Price of the Prior Airport Obligations together with accrued interest on such Prior Airport Obligations to the redemption date or dates; or (ii) Defeasance Obligations the principal of, and interest on, which when due (without reinvestment thereof), together with the moneys (including a portion of the proceeds of the Bonds to be issued), if any, are sufficient to pay when due the applicable Redemption Price of the Prior Airport Obligations to be refunded, together with accrued interest on such Prior Airport Obligations to the redemption date or dates or the dates or dates of maturity thereof.

*Section 2.07. Mutilated, Lost, Stolen or Destroyed Bonds.* In the event any Bond is mutilated, lost, stolen or destroyed, the City may execute and the Trustee may authenticate a new Bond of like date, maturity, interest rate and denomination as the Bond mutilated, lost, stolen or destroyed; *provided* that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of such loss, theft or destruction satisfactory to the City and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond the City may pay the same without surrender thereof. The City and the Trustee may charge the Registered Owner of such Bond with their reasonable fees and expenses in this connection. All Bonds so surrendered to the Trustee shall be cancelled and destroyed, and evidence of such destruction shall be given to the City. Upon the date of final maturity or redemption of all of the Bonds, the Trustee shall destroy any inventory of unissued certificates.

All duplicate Bonds issued and authenticated pursuant to this Section shall constitute original, contractual obligations of the City (whether or not, in the case of the first paragraph of this Section, lost, stolen or destroyed Bonds be at any time found by anyone), and shall be

entitled to equal and proportionate rights and benefits hereunder as all other outstanding Bonds issued hereunder.

All Bonds shall be owned upon the express condition that the foregoing provisions, to the extent permitted by law, are exclusive with respect to the replacement or payment of mutilated, destroyed, lost, stolen or purchased Bonds, and shall preclude any and all other rights or remedies.

*Section 2.08. Transfer and Exchange of Bonds; Persons Treated as Owners.* (a) Subject to the limitations contained in subsection (c) of this Section, upon surrender for registration of transfer of any Bond at the corporate trust office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the Bondholder or such Bondholder's attorney duly authorized in writing, the City shall execute, and the Trustee shall authenticate and deliver, in the name of the transferee or transferees a new Bond or Bonds of like date and tenor in Authorized Denominations of the same Maturity Date for the aggregate principal amount which the Registered Owner is entitled to receive bearing numbers not contemporaneously Outstanding. Subject to the limitations contained in subsection (c) of this Section, Bonds may be exchanged at such times at such corporate trust office of the Trustee upon surrender thereof together with an assignment duly executed by the Registered Owner thereof or such Registered Owner's attorney in such form and with guarantee of signature as shall be satisfactory to the Trustee for an equal aggregate principal amount of Bonds of like date and tenor of any Authorized Denomination as the Bonds surrendered for exchange bearing numbers not contemporaneously Outstanding. The execution by the City of any Bond of any Authorized Denomination shall constitute full and due authorization of such Authorized Denomination, and the Trustee shall thereby be authorized to authenticate and deliver such registered Bond.

(b) No service charge shall be imposed upon the Registered Owners for any exchange or transfer of Bonds. The City and the Trustee may, however, require payment by the person requesting an exchange or transfer of Bonds of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto; except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption in part.

(c) Subsequent to the Fixed Rate Conversion Date for any Bond, the Trustee shall not be required to transfer or exchange such Bond during the period commencing on the Record Date next preceding any Interest Payment Date of such Bond and ending on such Interest Payment Date, or to transfer or exchange such Bond after the mailing of notice calling such Bond for redemption has been made as herein provided or during the period of 15 days next preceding the giving of notice of redemption of Bonds of the same Maturity Date and interest rate which were converted on the same date. Prior to the Fixed Rate Conversion Date applicable to any Bonds, the Trustee shall not be required to exchange or register the transfer of such Bond after the mailing of notice calling such Bond for redemption has been made as herein provided, except that the City and the Trustee shall be required to issue or register the transfer of Tendered Bonds after such date of mailing of notice of redemption.

(d) Bonds delivered upon any registration of transfer or exchange as provided herein or as provided in Section 2.07 hereof shall be valid limited obligations of the City, evidencing the same debt as the Bonds surrendered, shall be secured by the Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

(e) The City, the Trustee, the Remarketing Agent, [the Bond Insurer,] the Bank and any Paying Agent may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary. All payments of or on account of the principal of, premium, if any, and interest on any such Bond as herein provided shall be made only to or upon the written order of the Registered Owner thereof or such Registered Owner's legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(f) In the event that sufficient moneys are on deposit with the Trustee to pay the applicable purchase price of any Tendered Bond as provided herein, such Tendered Bond shall be deemed to have been purchased whether or not delivered by the Registered Owner thereof on the date such Tendered Bond is to be purchased. In the event any such purchased Tendered Bond is not so delivered, the City shall execute and the Trustee shall authenticate and deliver a replacement Bond of like date, Maturity Date and denomination as the Tendered Bond and bearing a number not contemporaneously outstanding. In the event any such purchased Tendered Bond is so delivered, the Trustee shall register such Tendered Bond as provided in Section 3.09(b) hereof.

*Section 2.09. Required Information in Bond Form.* (a) On each date on which the Trustee or the Trustee's Agent authenticates and delivers a Bond, it shall complete the information required to be inserted by the Bond form and shall keep a record of such information.

(b) On each date on which the Trustee or the Trustee's Agent authenticates and delivers a Bond during a Flexible Mode or an Adjustable Long Mode applicable to such Bond as provided in Section 2.07 or 2.08 hereof, the Trustee or Trustee's Agent shall attach to each such Bond a copy of the notice in substantially the form set forth in the form of Bond attached as Exhibit A hereto for the purpose of maintaining an accurate record of the terms and provisions of the Adjustment Period then applicable to such Bond.

(c) On each date on which the Trustee authenticates and delivers Bonds bearing interest at a Fixed Rate from and after the Fixed Rate Conversion Date applicable to such Bonds, the Trustee shall issue Bonds with such information as is required pursuant to Section 4.03 hereof.

*Section 2.10. Cancellation.* Any Bond surrendered for the purpose of payment or retirement, or for exchange, transfer or replacement, shall be cancelled upon surrender thereof to the Trustee or any Paying Agent. If the City shall acquire any of the Bonds, the City shall deliver such Bonds to the Trustee for cancellation and the Trustee shall cancel the same. Any such Bonds cancelled by any Paying Agent other than the Trustee shall be promptly transmitted by such Paying Agent to the Trustee. Certification of Bonds cancelled by the Trustee and Bonds cancelled by a Paying Agent other than the Trustee which are transmitted to the Trustee shall be

made to the City. Cancelled Bonds may be destroyed by the Trustee unless instructions to the contrary are received from the City. Upon the date of final maturity or redemption of all Bonds, the Trustee shall destroy any inventory of unissued certificates.

*Section 2.11. Book-Entry Provisions.* The provisions of this Section shall apply as long as the Bonds are maintained in book-entry form with DTC or another Securities Depository, any provisions of this [Nineteenth] Supplemental Indenture to the contrary notwithstanding.

(a) The Bonds shall be payable to the Securities Depository, or its nominee, as the Registered Owner of the Bonds, in same day funds on each date on which the principal of, premium, if any, and interest on the Bonds is due as set forth in this [Nineteenth] Supplemental Indenture and the Bonds. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the City and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Bonds, the City and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set forth herein. If such different manner of payment is agreed upon, the City shall give the Trustee notice thereof, and the Trustee shall make payments with respect to the Bonds in the manner specified in such notice as set forth herein. Neither the City nor the Trustee shall have any obligation with respect to the transfer or crediting of the principal of, premium, if any, and interest on the Bonds to Participants or the beneficial owners of the Bonds or their nominees.

(b) If (i) the City determines, or (ii) the City receives notice that the Securities Depository has received notice from its Participants having interests in at least 50 percent in principal amount of the Bonds that the Securities Depository or its successor is incapable of discharging its responsibilities as a securities depository, or that it is in the best interests of the beneficial owners that they obtain certificated Bonds, the City may (or, in the case of clause (ii) above, the City shall) cause the Trustee to authenticate and deliver Bond certificates. The City shall have no obligation to make any investigation to determine the occurrence of any events that would permit the City to make any determination described in this paragraph.

(c) If, following a determination or event specified in paragraph (b) above, the City discontinues the maintenance of the Bonds in book-entry form with the then current Securities Depository, the City will issue replacement Bonds to the replacement Securities Depository, if any, or, if no replacement Securities Depository is selected for the Bonds, directly to the Participants as shown on the records of the former Securities Depository or, to the extent requested by any Participant, to the beneficial owners of the Bonds shown on the records of such Participant. Replacement Bonds shall be in fully registered form and in Authorized Denominations, be payable as to interest on the Interest Payment Dates of the Bonds by check mailed to each Registered Owner at the address of such Registered Owner as it appears on the Bond Register or, at the option of any Registered Owner of not less than \$1,000,000 principal amount of Bonds, by wire transfer to any address in the United States of America on such Interest Payment Date to such Registered Owner as of such Record Date, if such Registered Owner provides the Trustee with written notice of such wire transfer address not later than the Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice). Principal and



premium, if any, on the replacement Bonds are payable only upon presentation and surrender of such replacement Bond or Bonds at the corporate trust office of the Trustee.

(d) The Securities Depository and its Participants, and the beneficial owners of the Bonds, by their acceptance of the Bonds, agree that the City and the Trustee shall not have liability for the failure of such Securities Depository to perform its obligations to the Participants and the beneficial owners of the Bonds, nor shall the City or the Trustee be liable for the failure of any Participant or other nominee of the beneficial owners to perform any obligation of the Participant to a beneficial owner of the Bonds.

(e) As long as Cede & Co. is the Registered Owner of the Bonds, as nominee of DTC, references herein to the Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Bonds.

(f) As long as Cede & Co. is the Registered Owner of the Bonds:

(i) selection of Bonds to be redeemed upon partial redemption, presentation of Bonds to the Trustee upon partial redemption, delivery of Bonds to the Trustee in connection with an optional or mandatory tender, or redelivery of such Bonds by the Trustee to registered owners following a remarketing or failed conversion to the Fixed Rate shall be deemed made when the right to exercise ownership rights in such Bonds through DTC or DTC's Participants is transferred by DTC on its books;

(ii) notices of demand for purchase of Bonds shall be given by the beneficial owners of such Bonds exercising ownership rights to the Remarketing Agent (pursuant to DTC's Deliver Order procedures) by telephonic notice (confirmed in writing) or written notice;

(iii) any notices of the interest rate on the Bonds to be provided by the Trustee shall be provided to anyone identifying itself to the Trustee as a person entitled to exercise ownership rights with respect to such Bonds through DTC or its Participants;

(iv) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Registered Owners under the Indenture on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Bonds through DTC or its Participants; and

(v) beneficial interests in Bank Bonds shall be held for the account of the Bank (or its Participant) on the records of DTC.

*Section 2.12. Tax Covenant.* The City covenants to take any action required by the provisions of the Code and within its power to take in order to preserve the exemption from federal income taxation of interest on the Bonds (other than with respect to an alternative minimum tax imposed on interest on the Bonds), including, but not limited to, the provisions of Section 148 of the Code relating to "arbitrage bonds."

The City covenants to comply with the provisions of the Tax Agreement governing the use of Bond proceeds.

### ARTICLE III

#### PURCHASE AND REDEMPTION OF BONDS

*Section 3.01. Purchase on Demand of Registered Owner While Bonds Bear Weekly Rate.*

(a) While a Bond (other than a Bank Bond) bears interest at a Weekly Rate, such Bond (or portion thereof in an Authorized Denomination) shall be purchased on a Demand Date therefor upon the demand of the Registered Owner thereof, at a purchase price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to such Demand Date, upon irrevocable written notice (which may be given by telecopy) to the Trustee's Agent, which notice must be received by the Trustee's Agent not later than 4:00 p.m., Chicago time, on a Business Day in order to be effective on that day. Any notice received after 4:00 p.m., Chicago time, on a Business Day shall be deemed given on the next succeeding Business Day. Such notice must specify (i) the principal amount and number of such Bond, the name and the address of such owner and the taxpayer identification number, if any, of such owner, and (ii) the Demand Date on which such Bond is to be purchased. The Trustee's Agent shall give Immediate Notice (which notice shall be given no later than 4:30 p.m., Chicago time, on the Business Day on which it receives notice of tender) to the Trustee, the Remarketing Agent, the City and the Bank as to the contents of any such notices received by it.

(b) The determination of the Trustee's Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Registered Owner of such Bond. Any notice received by the Trustee's Agent pursuant to this Section from any person reasonably believed by the Trustee's Agent to be the Registered Owner of a Bond may be conclusively relied upon by the Trustee's Agent as a true, irrevocable notice of demand with respect to such Bond.

*Section 3.02. Purchase on Notice of Certain Events of Default Under Liquidity Agreement While Liquidity Facility is Required; Notice of Special Default.* During the period a Liquidity Facility is required by Section 6.02 of this [Nineteenth] Supplemental Indenture, the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) are subject to mandatory tender by the Registered Owners thereof to the Trustee when the Trustee gives Immediate Notice to the Registered Owners of such Bonds and the Remarketing Agent of the occurrence and continuation of a Liquidity Agreement Default. Upon the giving of such Immediate Notice, such Bonds shall be purchased, on a date designated by the Trustee, which date is no more than 15 days after the date of the Immediate Notice to the Bondholders, and in no event later than the Business Day prior to the last day on which funds will be available under the Liquidity Facility, at a purchase price equal to the principal amount thereof plus accrued interest, if any, to the purchase date. In such case, the Registered Owner of any such Bond required to be purchased may not elect to retain its Bond and by the acceptance of such Bond shall be deemed to have agreed to sell such Bond to the Trustee on the date specified pursuant to this Section.

The Trustee shall give such Immediate Notice upon receipt by the Trustee of a written notice from the Bank of the occurrence of a Liquidity Agreement Default.

Upon receipt by the Trustee of a written notice from the Bank of the occurrence of a Special Default under the Liquidity Agreement, the Trustee shall give Immediate Notice thereof to the Registered Owners of all the Bonds and the Remarketing Agent, which notice shall state that there will be no mandatory purchase of the Bonds as a result of such Special Default and that the Bonds will no longer be entitled to the benefits of a Liquidity Facility, or, in the case of an Unmatured Default, that the obligation of the Bank to provide funds thereunder is suspended but that the tender provisions in the other Sections of this Article will remain in effect, and that the Liquidity Agreement may terminate if such Unmatured Default is not cured within the time period specified in the Liquidity Agreement. If Immediate Notice of a mandatory tender has been given due to receipt by the Trustee of written notice from the Bank of the occurrence of a Liquidity Agreement Default but a Special Default occurs prior to the mandatory tender date, the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall remain subject to mandatory tender on such date, although the purchase price thereof will not be payable from amounts drawn under the Liquidity Agreement.

*Section 3.03. Purchase While Bonds Bear Flexible Rate.* While any Bond (other than a Bank Bond) bears interest at a Flexible Rate, such Bond shall be purchased pursuant to this Section on each Rate Change Date for such Bond, other than the Rate Change Date which is the first day of a Flexible Mode applicable to such Bond, and on the Adjustment Date immediately following the last day of the Flexible Mode at a purchase price equal to the principal amount thereof. The Registered Owner of such Bond may not elect to retain its Bond.

*Section 3.04. Purchase Prior to Stated Termination Date When Required Substitute Liquidity Facility Not in Place; Purchase Prior to Liquidity Substitution Date; Purchase Prior to Liquidity Facility Cancellation Date; Purchase Prior to Bond Insurance Substitution Date.* (a) If, during the period a Liquidity Facility is required pursuant to the terms of Section 6.02 of this [Nineteenth] Supplemental Indenture, by the 20th day preceding any Stated Termination Date of the Liquidity Facility the Trustee has not received notice of an extension of the then current Liquidity Facility or a Substitute Liquidity Facility in accordance with the terms of this [Nineteenth] Supplemental Indenture, all Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall be purchased on the Business Day prior to the Stated Termination Date of the Liquidity Facility pursuant to this Section. If a Liquidity Facility is required pursuant to the terms of this [Nineteenth] Supplemental Indenture, and the City gives notice to the Trustee that it will provide a Substitute Liquidity Facility pursuant to Section 6.01 of this [Nineteenth] Supplemental Indenture, Bonds shall be subject to purchase hereunder, unless each Rating Agency then providing a short-term rating on the Bonds confirms in writing that such short-term rating will not be withdrawn or reduced as a result of the delivery of such Substitute Liquidity Facility (a "Rating Exception Non-Tender"). In addition, if a Liquidity Facility is no longer required pursuant to Section 6.02 of this [Nineteenth] Supplemental Indenture, all Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall be purchased on the Business Day prior to the Liquidity Facility Cancellation Date pursuant to this Section. [In addition, all Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall be purchased on the Business Day prior to the Bond Insurance Substitution Date pursuant to this Section.] A

purchase of Bonds pursuant to this Section shall be at a purchase price for each such Bond equal to the principal amount thereof plus accrued interest, if any, to the purchase date.

(b) Not later than the 15th day preceding the Stated Termination Date of the Liquidity Facility, if no extension of such Liquidity Facility or Substitute Liquidity Facility has been delivered, the Trustee shall give Immediate Notice to the Registered Owners of the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) and the Bond Insurer stating (i) the Stated Termination Date, (ii) that no Substitute Liquidity Facility has been received as of the date of such notice, and (iii) that the Bonds are required to be purchased on the Business Day immediately preceding the Stated Termination Date.

(c) Not later than the 15th day preceding a Liquidity Substitution Date [or a Bond Insurance Substitution Date], the Trustee shall give Immediate Notice to the Registered Owners of the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) [and the Bond Insurer] stating (i) the Liquidity Substitution Date [or the Bond Insurance Substitution Date], and (ii) the Bonds are required to be purchased on the Business Day prior to the Liquidity Substitution Date [or the Bond Insurance Substitution Date].

(d) If pursuant to subsection (a) of this Section the Bonds are subject to mandatory tender and purchase, not later than the 15th day preceding the Liquidity Facility Cancellation Date, the Trustee shall give Immediate Notice to the Registered Owners of the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) [and the Bond Insurer] stating (i) that the existing Liquidity Facility is to be cancelled pursuant to Section 6.02 of this [Nineteenth] Supplemental Indenture, and (ii) the Bonds are required to be purchased on the Business Day prior to the Liquidity Facility Cancellation Date.

(e) In the event of a Rating Exception Non-Tender pursuant to subsection (a) of this Section, not later than the 15th day preceding the Liquidity Facility Cancellation Date, the Trustee shall give Immediate Notice to the Registered Owners of the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) [and the Bond Insurer] stating (i) that the existing Liquidity Facility is to be cancelled pursuant to Section 6.02 of this [Nineteenth] Supplemental Indenture, and (ii) the name of the Substitute Bank and the material terms of the Substitute Liquidity Agreement and Substitute Liquidity Facility proposed to be delivered.

*Section 3.05. Purchase While Bonds Bear Adjustable Long Rate.* While any Bond (other than a Bank Bond) bears interest at an Adjustable Long Rate, such Bond shall be purchased pursuant to this Section on each Rate Change Date within an Adjustable Long Mode for such Bond, other than the Rate Change Date which is the first day of an Adjustable Long Mode applicable to such Bond, and on the Adjustment Date immediately following the last day of such Adjustable Long Mode, at a purchase price equal to the principal amount thereof. The Registered Owner of such Bond may not elect to retain its Bond.

Not later than the 15th day next preceding such Rate Change Date for each Rate Period, the Trustee shall give notice by mail to the Registered Owners of the Bonds which bear interest at an Adjustable Long Rate stating (i) the last day of the Rate Period then ending, and (ii) that the Bonds are required to be purchased on such Rate Change Date. The foregoing notwithstanding,

the failure of the Trustee to give such notice or cause such notice to be given will not affect the requirement of such Registered Owners to tender their Bonds for purchase. If sufficient moneys are on deposit with the Trustee on the applicable Rate Change Date to purchase such Bonds at the purchase price therefor, such Bonds shall not after the applicable Rate Change Date bear interest, be protected by the Indenture or be deemed to be Outstanding.

*Section 3.06. Purchase on Adjustment Date.* On each Adjustment Date with respect to a Bond (other than a Bank Bond), including, without limitation, a proposed Fixed Rate Conversion Date or a Substitute Adjustment Date, such Bond shall be purchased pursuant to this Section at a purchase price equal to 100 percent of the principal amount thereof, except that (i) a Bond which is to be purchased on an Adjustment Date which immediately follows the last day of a Flexible Mode shall be purchased pursuant to Section 3.03 hereof, and (ii) a Bond which is to be purchased on an Adjustment Date which immediately follows the scheduled final day of an Adjustable Long Mode shall be purchased pursuant to Section 3.05 hereof. The Registered Owner of such Bond may not elect to retain its Bond.

Not later than the 15th day next preceding the Adjustment Date for any Bond bearing interest at a Weekly Rate, the Trustee shall give Immediate Notice to the Registered Owners of such Bonds stating (i) the last day of the Adjustment Period then ending, and (ii) that such Bond is required to be purchased on the Adjustment Date.

*Section 3.07. Purchase of Tendered Bonds Delivered to Trustee's Agent; Notices.* (a) Tendered Bonds shall be purchased from the Registered Owners thereof at a purchase price equal to the principal amount thereof, plus accrued interest thereon (unless purchased on an Interest Payment Date, in which event such accrued interest shall not be paid as part of the purchase price secured by the Liquidity Facility), but solely from the following sources in order of priority indicated, neither the City, the Trustee, the Trustee's Agent nor the Remarketing Agent having an obligation to use funds from any other source:

(i) proceeds of the sale of such Tendered Bonds (other than Tendered Bonds sold to the City in violation of Section 3.15(b) hereof) pursuant to Section 3.08 hereof;

(ii) moneys received from the underwriter or purchaser (other than the City) of Tendered Bonds upon the conversion of the interest rate thereon to a Fixed Rate;

(iii) proceeds of the Liquidity Facility, to the extent a Liquidity Facility is available; and

(iv) Eligible Moneys furnished by, and at the option of, the City to the Trustee for the purchase of Tendered Bonds, *provided* that the conditions of Section 3.15(b) hereof are satisfied.

(b) The Trustee or the Trustee's Agent shall pay the purchase price specified above from the sources specified above of each Tendered Bond to the Registered Owner thereof by 1:30 p.m., Chicago time, on the purchase date, *provided* that the Trustee's Agent shall have confirmed that such Registered Owner has delivered such Tendered Bond (with any necessary

endorsements) to the corporate trust office of the Trustee's Agent no later than 12:00 noon, Chicago time, on such date.

(c) If funds described in Section 3.07(a) shall not be available to purchase a Tendered Bond, the Registered Owner shall continue to hold such Bond and such Bond shall bear interest, commencing on the date on which such Bond was tendered for purchase, at an interest rate equal to the lesser of (i) the SIFMA Municipal Index or (ii) the Maximum Interest Rate.

*Section 3.08. Remarketing of Tendered Bonds by Remarketing Agent.* Upon the delivery or deemed delivery of Tendered Bonds by the Registered Owners thereof in accordance with the provisions hereof, the Remarketing Agent shall offer for sale and use its best efforts to remarket such Tendered Bonds pursuant to the Remarketing Agreement, any such remarketing to be made on the date on which such Tendered Bonds are to be purchased, at a price equal to the principal amount thereof plus accrued interest, if any.

If Bonds are delivered or deemed delivered for purchase under Section 3.01, 3.02, 3.03, 3.04, 3.05 or 3.06 hereof, the Remarketing Agent shall give telephonic notice to the Trustee, the Trustee's Agent, the City, [the Bond Insurer] and the Bank no later than 11:00 a.m., Chicago time, on the Business Day next preceding the date on which such Bonds are to be so delivered or deemed delivered, of the aggregate principal amount of such Bonds to be purchased on such date which it has reasonable grounds to expect will not be remarketed on such date.

The Remarketing Agent shall remarket Bank Bonds to the extent, and subject to the conditions, set forth herein and in the Remarketing Agreement; *provided, however*, that no Bank Bond may be remarketed unless the amount of funds which are available and may be loaned under the Liquidity Facility has been reinstated to the amount which was available prior to the purchase of such Bank Bonds, unless the Liquidity Facility has been reduced pursuant to Section 6.01 of this [Nineteenth] Supplemental Indenture or the Liquidity Facility is no longer required pursuant to Section 6.02 of this [Nineteenth] Supplemental Indenture. Bank Bonds shall be remarketed as provided in the Liquidity Agreement. Upon the remarketing of Bank Bonds, the Remarketing Agent shall immediately provide telephonic notice, promptly confirmed by telecopy, of such remarketing to the Trustee, the City and the Bank, and thereupon the Trustee shall, subject to Section 3.09(a)(ii) hereof, immediately deliver or provide for transfer of beneficial interest in such Bonds for delivery to the purchasers thereof upon payment to the Bank of the principal amount of such Bank Bonds.

*Section 3.09. Delivery of Bonds and Proceeds of Sale.* (a)(i) Subject to Section 3.10 hereof, Bonds remarketed by the Remarketing Agent pursuant to Section 3.08 hereof shall be delivered by the Trustee or the Trustee's Agent as directed by the Remarketing Agent by 11:00 a.m., Chicago time, on the date of purchase against payment therefor. The proceeds of sale by the Remarketing Agent shall be delivered to the Trustee by 11:00 a.m., Chicago time, on the date of purchase.

(ii) Bank Bonds shall be delivered to the Trustee or otherwise at the direction of the Bank, or for as long as the Bonds are in the Book-Entry-Only System described in Section 2.11 hereof, credited to the designated account of the Bank or its designee as beneficial owner of such

Bank Bonds by DTC (in its capacity as custodian) pursuant to the Liquidity Agreement or the Custody Agreement, if any. Notwithstanding anything herein to the contrary, if the Trustee holds Bank Bonds as custodian for the Bank pursuant to the Liquidity Agreement or the Custody Agreement, if any, the Trustee shall not release to the purchaser thereof Bank Bonds remarketed pursuant to Section 3.08 hereof unless the Bank shall have given written notification (which may be by facsimile communication) to the Trustee that it has reinstated the Liquidity Facility. The Trustee hereby agrees to follow the provisions of the Liquidity Agreement or the Custody Agreement, if any, as to registration and procedures for Bank Bonds during the effective period of the Liquidity Facility.

(b) Except as otherwise provided in the Liquidity Agreement or the Custody Agreement, if any, Tendered Bonds delivered as provided in this Section shall be registered in the manner directed by the purchaser thereof, except that Bank Bonds shall be registered in the name of the Bank, and beneficial interest therein shall be transferred as provided in paragraph (a)(ii) above.

(c) The Trustee's Agent shall notify the Trustee in writing (which may be delivered by telecopy) no later than 4:30 p.m., Chicago time, on the Business Day prior to the day on which Tendered Bonds are delivered or deemed delivered for purchase under Section 3.01, 3.02, 3.03, 3.04, 3.05 or 3.06 hereof of the aggregate principal amount of Tendered Bonds to be purchased on such date. The Trustee shall take such actions as are necessary to draw or obtain funds under the Liquidity Facility in accordance with its terms to pay the purchase price of all Tendered Bonds (other than Bank Bonds) on such date. If surplus moneys from the Bank remain after the payment in full of all Tendered Bonds, the Trustee shall provide Immediate Notice to the Bank of the amount of funds made available by the Bank on such date which are not required for the payment of Tendered Bonds and shall immediately return such excess funds to the Bank.

(d) If sufficient moneys are on deposit with the Trustee or the Trustee's Agent to pay the applicable purchase price of any Tendered Bond, such Tendered Bond shall be deemed to have been purchased whether or not delivered by the Registered Owner thereof on the date such Tendered Bond is to be purchased. If any such purchased Tendered Bond is not so delivered, the City shall execute, and the Trustee shall authenticate and deliver, a replacement Bond of like date, Maturity Date and denomination as the Tendered Bond and bearing a number not contemporaneously outstanding.

*Section 3.10. No Remarketing After Certain Defaults.* Anything in the Indenture to the contrary notwithstanding, (a) if during the period a Liquidity Facility is required pursuant to Section 6.02 of this [Nineteenth] Supplemental Indenture, there is no Liquidity Facility in effect, there shall be no remarketing of Tendered Bonds unless consented to in writing by the City, the Remarketing Agent[,] [and] the Bank [and the Bond Insurer], and (b) if there shall have occurred and be continuing an Event of Default under the Indenture of which an authorized officer in the principal office of the Remarketing Agent or an authorized officer in the corporate trust office of the Trustee has actual knowledge, there shall be no remarketing of Tendered Bonds pursuant to Section 3.08 hereof unless consented to in writing by the City, the Remarketing Agent[,] [and] the Bank [and the Bond Insurer]. In addition, the Remarketing Agent shall be under no obligation to remarket Bonds upon the occurrence and continuance of a Special Default or

Liquidity Agreement Default. In the event the Bonds are not remarketed as a result of an event specified in this Section 3.10, the interest rate on the Bonds shall be the rate as specified in Section 4.01(d) of this [Nineteenth] Supplemental Indenture.

*Section 3.11. Redemption Terms, Dates and Prices.* The Bonds shall be subject to redemption prior to their Maturity Date in the amounts, at the times and in the manner provided in this Section.

(a) *Optional Redemption.*

(i) Bonds in a Weekly Mode shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day during such Weekly Mode, at a Redemption Price equal to the principal amount thereof plus accrued interest, if any, to the redemption date.

(ii) Bonds in an Adjustable Long Mode shall be subject to redemption prior to their Maturity Date, during each Rate Period therein, at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day after the No-Call Period described below, at the following Redemption Prices (expressed as percentages of the principal amount of Bonds called for redemption) plus accrued interest, if any, to the redemption date:

<u>Length of Rate Period</u>	<u>No-Call Period</u>	<u>Redemption Price</u>
greater than 12 years	10 years from the Rate Change Date	100%
less than or equal to 12 years and greater than 4 years	until 2 years prior to end of Rate Period	100%
less than or equal to 4 years	length of Rate Period	not subject to optional redemption

The City may, upon delivery to the Trustee of a Favorable Opinion of Bond Counsel, deliver to the Trustee an alternative redemption schedule to the schedule shown above, *provided* that no Bond shall be subject to optional redemption at a Redemption Price exceeding 103 percent of the principal amount of the Bond to be redeemed. After the first Rate Change Date succeeding the delivery of such alternative schedule, Bonds in an Adjustable Long Mode shall be subject to redemption pursuant to the terms of such alternative schedule.

(iii) Bonds in the Fixed Mode shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any date after the No-Call Period described below, at the following Redemption Prices (expressed as percentages of the principal amount of the Bond called for redemption) plus accrued interest, if any, to the redemption date:



Term of Maturity	No-Call Period	Redemption Price
greater than 12 years	10 years from the Fixed Rate Conversion Date	100%
less than or equal to 12 years and greater than 4 years	until 2 years prior to end of Maturity Date	100%
less than or equal to 4 years	term to the Maturity Date	not subject to optional redemption

The City may, upon delivery to the Trustee of a Favorable Opinion of Bond Counsel, deliver to the Trustee an alternative redemption schedule to the schedule shown above, *provided* that no Bond shall be subject to optional redemption at a Redemption Price exceeding 103 percent of the principal amount of the Bond to be redeemed. Bonds that commence bearing interest at a Fixed Rate on or after the delivery of such alternative schedule shall be subject to redemption in accordance with the provisions of such alternative schedule.

(iv) Bonds bearing interest at a Flexible Rate or an Adjustable Long Rate shall be subject to optional redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Rate Change Date therefor, at a redemption price equal to the principal amount thereof plus accrued interest, if any, to the redemption date.

(b) *Optional Redemption of Bank Bonds.* Bank Bonds shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day at a Redemption Price equal to the principal amount thereof plus accrued interest, if any, to the redemption date.

(c) *Mandatory Sinking Fund Redemption.* The Bonds subject to mandatory redemption, in part by lot as provided in the Indenture from mandatory Sinking Fund Payments, on January 1 in each of the years and in the respective principal amounts set forth below, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the date of redemption:

YEAR PRINCIPAL  
AMOUNT

\$

If the City redeems Bonds pursuant to optional redemption or purchases (other than from amounts held in the Series 2014[ ] Dedicated Sub-Fund) such Bonds and cancels the same, then an amount equal to the principal amount of Bonds so redeemed or purchased shall be credited against the unsatisfied balance of future Sinking Fund Payments or the final maturity amount in such amount and against such Sinking Fund Payments or final maturity amount as shall be determined by the City in a Certificate of an Authorized Officer filed with the Trustee prior to the mailing of the notice of redemption of such Bonds or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable Sinking Fund Payments in inverse order of their payment dates.

Amounts accumulated in the Series 2014[ ] Dedicated Sub-Fund or other amounts delivered to the Trustee for such purpose may, and if so directed by the City shall, be applied by the Trustee, on or prior to the 45th day before the payment date of a Sinking Fund Payment, to the purchase of the Bonds in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of the Bonds from such Sinking Fund Payment on such payment date. The purchase price paid by the Trustee (excluding accrued interest but including any brokerage and other charges) for any Bond so purchased shall not exceed the Sinking Fund redemption price of such Bond applicable upon its redemption on such payment date. Any Bonds so purchased shall be canceled and the applicable Sinking Fund redemption price thereof shall be credited against the applicable Sinking Fund Payment due on the next payment date.

(d) *General Provisions Regarding Redemptions.* (i) No redemption of less than all of the Bonds outstanding shall be made pursuant to Section 3.11(a), (b) or (c) hereof unless (i) if such redemption is of Bonds bearing interest at a Short Rate or an Adjustable Long Rate, the aggregate principal amount of Bonds to be redeemed is equal to \$100,000 or integral multiples thereof and (ii) if such redemption is with respect to Bonds bearing interest at a Fixed Rate, the aggregate principal amount of Bonds to be redeemed is equal to \$100,000 or \$5,000 multiples in excess thereof. Any redemption of less than all of the Bonds outstanding shall be made in such a manner that (a) all Bank Bonds are redeemed prior to the optional redemption of any other Bond and (b) all Bonds outstanding after such redemption are in Authorized Denominations.

(ii) Bonds may be called for redemption by the Trustee pursuant to Section 3.11(a) hereof (A) in the case of Bonds bearing interest at a Short Rate, upon

receipt by the Trustee at least 35 days prior to the redemption date of a written request of the City requesting such redemption, or (B) in the case of Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, upon receipt by the Trustee at least 45 days prior to the redemption date of a written request of the City requesting such redemption.

(iii) Bonds may be called for redemption by the Trustee pursuant to Section 3.11(b) hereof upon receipt by the Trustee at least one Business Day prior to the redemption date of a written request of the City requesting such redemption. The Trustee or the Trustee's Agent shall give notice to the Bank one Business Day prior to any redemption of Bank Bonds pursuant to Section 3.11(b) hereof.

(iv) In lieu of redeeming Bonds pursuant to Section 3.11(a) hereof, the Trustee may, at the request of the City, use such funds available hereunder for redemption of Bonds to purchase Bonds in the open market at a price not exceeding the redemption price then applicable hereunder. Any Bond so purchased in lieu of redemption shall be delivered to the Trustee for cancellation and shall be cancelled, all as provided in Section 2.10 hereof.

(v) No notice from the City shall be required in connection with a mandatory sinking fund redemption pursuant to Section 3.11(c) hereof.

*Section 3.12. Notice of Redemption.* (a) Except as hereinafter provided, a copy of the notice of the call for any redemption identifying the Bonds to be redeemed shall be given by first class mail, postage prepaid, with respect to Bonds bearing interest at a Short Rate, not less than 30 or more than 45 days prior to the date fixed for redemption and shall be given by first class mail, postage prepaid, with respect to Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, not less than 30 or more than 60 days prior to the date fixed for redemption, to the Bank, [the Bond Insurer,] the Remarketing Agent and the Registered Owners of the Bonds to be redeemed at their addresses as shown on the Bond Register. Such notice shall specify the redemption date, the redemption price, the place and manner of payment, and that from the redemption date interest will cease to accrue on the Bonds which are the subject of such notice, and shall include such other information as the Trustee shall deem appropriate or necessary at the time such notice is given to comply with any applicable law, regulation or industry standard. Other than in connection with a mandatory sinking fund redemption pursuant to Section 3.11(c) hereof, prior to the date that the redemption notice is first given as aforesaid, funds shall be placed with the Trustee to pay such Bonds, any premium thereon, and accrued interest thereon to the redemption date, or such notice shall state that any redemption is conditional on such funds being deposited on the redemption date, and that failure to deposit such funds shall not constitute an Event of Default under the Indenture; any funds so deposited with the Trustee shall be invested solely in Federal Obligations maturing no later than the earlier of (i) 30 days after the date of placement with the Trustee, or (ii) the redemption date.

(b) Notwithstanding Section 3.12(a) hereof, if Bank Bonds are to be redeemed pursuant to Section 3.11(b) hereof, the Trustee shall give Immediate Notice of a redemption of Bank Bonds to the Bank at least one Business Day prior to the date fixed for redemption.

(c) In addition to the requirements of subsections (a) and (b), notice of the redemption of Bonds or any portion thereof identifying the Bonds or portions thereof to be redeemed shall specify (i) the series name and designation and certificate numbers of Bonds being redeemed, (ii) the CUSIP numbers of the Bonds being redeemed, (iii) the principal amount of Bonds being redeemed and the redeemed amount for each certificate (for partial calls), (iv) the redemption date, (v) the Redemption Price, (vi) the Date of Issuance, (vii) the interest rate and Maturity Date of the Bonds being redeemed, (viii) the date of mailing of notices to Registered Owners and information services, and (ix) the name of the employee of the Trustee which may be contacted with regard to such notice.

(d) Redemption notices shall also be forwarded by registered mail, telecopier or overnight delivery service to the Securities Depository with the intention that they be received at least two days prior to the date of mailing of notices to Registered Owners.

(e) Failure to give notice in the manner prescribed hereunder with respect to any Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Bonds to be redeemed and to pay interest due thereon and premium, if any, the Bonds thus called shall not, after the applicable redemption date, bear interest, be protected by the Indenture or be deemed to be outstanding under the provisions of the Indenture.

(f) If any Bond is transferred or exchanged on the Bond Register after notice has been given calling such Bond for redemption, the Trustee will attach a copy of such notice to the Bond issued in connection with such transfer or exchange.

*Section 3.13. No Partial Optional Redemption After Default.* Anything in this [Nineteenth] Supplemental Indenture to the contrary notwithstanding, if there shall have occurred and be continuing an Event of Default of which an officer of the Trustee has actual knowledge, there shall be no optional redemption of less than all of the Bonds at the time outstanding.

*Section 3.14. Selection of Bonds for Redemption.* If less than all the Bonds shall be called for redemption under any provision of this [Nineteenth] Supplemental Indenture permitting such partial redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the City, in the principal amount designated to the Trustee by the City, which designation shall include the Interest Mode and Maturity Date of the particular Bonds to be redeemed, or otherwise as required by this [Nineteenth] Supplemental Indenture; *provided, however,* that subject to the last sentence of this Section, (i) in the case of the redemption of less than all Bonds which bear interest in the same Interest Mode at the same rate for the same Rate Periods, and which, in the case of Bonds bearing interest at a Fixed Rate, were converted on the same date, such redemption shall be by lot in such manner as the Trustee may determine among such Bonds, and (ii) subject to other applicable provisions of the Indenture, the portion of any Bond to be redeemed shall be in a principal amount equal to an Authorized Denomination. In selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by the minimum Authorized

Denomination. If it is determined that one or more, but not all, of the integral multiples of the Authorized Denomination of principal amount represented by any Bond is to be called for redemption, then, upon notice of intention to redeem such integral multiple of an Authorized Denomination, the Registered Owner of such Bond shall forthwith surrender such Bond to the Trustee for (a) payment to such Registered Owner of the redemption price of the integral multiple of the Authorized Denomination of principal amount called for redemption, and (b) delivery to such Registered Owner of a new Bond or Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds representing the unredeemed balance of the principal amount of such Bond shall be issued to the Registered Owner thereof without charge therefor. Anything herein to the contrary notwithstanding, any redemption of less than all of the Bonds outstanding shall be made first from Bank Bonds.

*Section 3.15. Limit on Remarketing.* (a) Any Bond purchased pursuant to Section 3.01, 3.02, 3.03, 3.04, 3.05 or 3.06 hereof from the date notice is given of redemption of such Bond pursuant to Section 3.12 hereof through the date for such redemption, or from the date of notice of mandatory purchase of such Bond pursuant to Section 3.02, 3.03, 3.04, 3.05 or 3.06 hereof through the date for such mandatory purchase, shall not be remarketed except to a purchaser who has been notified at the time of such purchase of the requirement to deliver such Bond for redemption or purchase to the Trustee on the redemption or purchase date.

(b) Tendered Bonds shall not be remarketed to the City. The requirement of the preceding sentence shall not apply to a purchase of Tendered Bonds when there is either (a) a default under the Liquidity Facility then in effect with respect to the Bonds, terminating or suspending the obligation of the Bank to purchase Tendered Bonds, or (b) no Liquidity Facility in effect pursuant to Section 6.02 of this [Nineteenth] Supplemental Indenture[; in no event shall any Tendered Bonds so purchased by the City be remarketed without Bond Insurer Approval]. The Trustee shall not be required to monitor the actions of the Remarketing Agent to ensure that it will not remarket any Bonds to the City, and, for the purposes of Section 3.07(a)(i) hereof, the Trustee may, in the absence of actual notice to the contrary, assume that no funds furnished to the Trustee by the Remarketing Agent constitute proceeds of the remarketing of any Bonds to the City.

(c) Notwithstanding anything else herein to the contrary, in no event shall any Bond owned by the City be entitled to the benefit of the tender provisions hereof, and, consequently, in no event shall proceeds of the Liquidity Facility [or the Bond Insurance Policy] ever be applied to the payment of such City-owned Bonds (and, as such, the Trustee shall make no drawings under the Liquidity Facility [or claims under the Bond Insurance Policy] with respect thereto).

*Section 3.16. Deposit of Funds.* For the redemption of any of the Bonds, the City shall cause to be deposited in the Principal and Interest Account moneys sufficient to pay when due the principal of, and premium, if any, and interest on, the Bonds to be redeemed on the redemption date to be applied in accordance with the provisions hereof.

## ARTICLE IV

### MODE CONVERSION

*Section 4.01. Authority for and Conditions to Conversion to Adjustable Long Mode or Short Mode.* (a) If the City shall deliver to the Trustee [a Bond Insurer Approval and] a form of supplemental indenture responsive to the provisions of Section 11.01(b) hereof, it is not necessary that all of the Bonds operate in the same Interest Mode at the same time[; no Bond Insurer Approval is required in connection with a change of Interest Modes involving all of the Bonds.] The City may designate a different Interest Mode with respect to any Bond during a Flexible Mode or one or more Adjustable Long Modes on any Rate Change Date, and during a Weekly Mode on any Business Day, upon compliance with this Section. The City may select such subsequent Interest Mode and, within an Adjustable Long Mode or a Flexible Mode, the Remarketing Agent may designate such Rate Periods from time to time, upon the written request of the City in the case of the Adjustable Long Mode, as will, in its judgment, result in the lowest aggregate cost being payable by the City with respect to the Bonds bearing interest at a Flexible Rate or an Adjustable Long Rate, as the case may be, taking into account interest and any other determinable fees and expenses[, and taking into account any Qualified Swap Agreement relating to such Bonds.] The City may establish different Interest Modes and, within an Adjustable Long Mode or a Flexible Mode, the Remarketing Agent may from time to time, upon the request of the City in the case of the Adjustable Long Mode, establish different Rate Periods, for Bonds on the same Adjustment Date in order to achieve an average duration of Rate Periods that, in the judgment of the Remarketing Agent, is most likely to achieve the lowest total aggregate cost being payable by the City with respect to the Bonds, taking into account interest and any other determinable fees and expenses[, and taking into account any Qualified Swap Agreement relating to such Bonds.] The Remarketing Agent's determination shall be based upon the market for and the relative yields of the Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the judgment of the Remarketing Agent, are otherwise comparable to the Bonds, or any fact or circumstance relating to the Bonds or affecting the market for the Bonds, or affecting such other comparable securities, in a manner that, in the judgment of the Remarketing Agent, will affect the market for the Bonds. The Remarketing Agent, in its discretion, may consider such information and resources as it deems appropriate in making the determinations required by this Section, but the Remarketing Agent's determination shall be based solely upon the Remarketing Agent's judgment, and the Remarketing Agent's determination shall be conclusive and binding upon all parties. The foregoing notwithstanding, the City may select any Interest Mode and, within an Adjustable Long Mode or a Flexible Mode, the Remarketing Agent may designate any Rate Period which does not meet the foregoing standards if the conditions of Section 4.01(f)(ii) hereof are satisfied. The City shall select such a principal amount of Bonds for conversion from one Interest Mode to another as will allow Bonds after conversion to be sold in the minimum Authorized Denominations applicable to such Interest Mode.

(b) The City shall evidence each designation of a subsequent Interest Mode and Adjustment Date for Bonds pursuant to Section 4.01(a) hereof by giving written notice to the Trustee, the Trustee's Agent, the Remarketing Agent, the Bank[, the Bond Insurer] and each rating agency then maintaining a rating on the Bonds, which written notice shall be received by

each such party not less than 20 days prior to the Adjustment Date with respect to the new Adjustment Period, specifying (i) the Interest Mode or Modes in which such Bonds shall operate during such Adjustment Period and the commencement date of such Adjustment Period, and (ii) if such Interest Mode is to be an Adjustable Long Mode, the duration of such Adjustment Period for each Bond affected thereby, the Rate Determination Date or Dates, the Rate Change Date or Dates therefor and the applicable optional redemption provisions determined in accordance with Section 3.11(a)(ii) hereof; *provided, however*, that (A) if such Adjustment Period is an Adjustable Long Mode or a Flexible Mode, the first day following each Rate Period therein shall be a Business Day, and (B) not later than the 20th day prior to the Adjustment Date with respect to the new Adjustment Period, the Trustee must have received written evidence from each rating agency then maintaining a rating on the Bonds that the then current rating on the Bonds will not be reduced or withdrawn due to the conversion of the Bonds to the Adjustable Long Mode or the Flexible Mode. In addition, the Liquidity Facility must provide enough days of interest coverage after the Adjustment Date as may be required by any rating agency then maintaining a rating on the Bonds to continue its unenhanced rating, if any, unless no Liquidity Facility is required pursuant to Section 6.02 of this [Nineteenth] Supplemental Indenture.

(c) No later than 10:00 a.m., Chicago time, on an Adjustment Date which is the first day of a Flexible Mode, the Remarketing Agent shall give telephonic notice (confirmed by telecopy) to the City[, the Bond Insurer] and the Trustee of (i) the initial Rate Period and initial Flexible Rate to be borne by each Bond designated to operate in a Flexible Mode, and (ii) the Rate Change Date which immediately succeeds such initial Rate Period. No later than 10:00 a.m., Chicago time, on the Rate Determination Date preceding an Adjustment Date which is the first day of a Weekly Mode, the Remarketing Agent shall give telephonic notice (confirmed by telecopy) to the City[, the Bond Insurer] and the Trustee of the initial Weekly Rate to be borne by the Bonds designated to operate in a Weekly Mode. No later than 10:00 a.m., Chicago time, on the Rate Determination Date preceding an Adjustment Date which is the first day of an Adjustable Long Mode, the Remarketing Agent shall give telephonic notice (confirmed by telecopy) to the Trustee[, the Bond Insurer] and the City of the initial Adjustable Long Rate to be borne by each Bond designated to operate in an Adjustable Long Mode.

(d) In the event the Remarketing Agent does not determine the interest rate applicable to the initial Rate Period during a new Interest Mode with respect to any Bond all as provided in Section 4.01(a) hereof, the immediately succeeding Interest Mode with respect to the Bonds in the Interest Mode then ending shall be (A) a Weekly Mode if the preceding Mode was a Short Mode, with a Weekly Rate established by the Remarketing Agent, or if the Remarketing Agent fails to set such Rate, such Weekly Rate shall be equal to 110% of the most recently announced rate for "AA" Financial Commercial Paper as shown in the Federal Reserve Composite Index of Rates for commercial paper having a duration to maturity that is closest to seven days, or (B) an Adjustable Long Mode with an Adjustment Period of 367 days if the preceding Mode was an Adjustable Long Mode, with an Adjustable Long Rate established by the Remarketing Agent, or, if the Remarketing Agent fails to set such rate, such Adjustable Long Rate shall be equal to 105% of the yield to maturity on United States Treasury fixed rate obligations having a maturity that is closest to the date that is 367 days after the Rate Determination Date, as most recently published in *The Wall Street Journal* preceding the Adjustment Date.

So long as a Liquidity Facility is in effect, any mandatory tender in connection with a conversion pursuant to this Section 4.01 shall occur notwithstanding that the Remarketing Agent shall have failed to set the initial rate as described in the preceding paragraph. If no Liquidity Facility is then in effect and the Remarketing Agent shall have failed to set the initial rate as described in the preceding paragraph any mandatory tender in connection with a conversion pursuant to this Section 4.01 shall be cancelled.

(e) Upon receipt of notice from the City as provided in Section 4.01(b) hereof, the Trustee, at least 15 days prior to each succeeding Adjustment Date, shall give the Immediate Notice described in Section 3.06 hereof to each Registered Owner of Bonds thereby affected bearing interest at a Weekly Rate of the mandatory tender for purchase of the affected Bonds on the Adjustment Date.

(f) Any designation pursuant to Section 4.01(a) of a subsequent Adjustment Period shall be accompanied by (i) a written statement from the Remarketing Agent, addressed to the City, the Bank[, the Bond Insurer] and the Trustee, to the effect that the Remarketing Agent has determined that such change satisfies the standards provided in Section 4.01(a) hereof, or (ii) an approval in writing of such change by a duly authorized officer of the City.

(g) During such time as a Liquidity Facility is required under Section 6.02 of this [Nineteenth] Supplemental Indenture, no conversion of Interest Modes shall be effective unless the City has certified to the Trustee that the Liquidity Agreement in effect on and after such Interest Mode change permits requests to be made and funds to be made available to the Trustee's Agent so the Trustee's Agent can comply with Section 3.07 hereof in a timely manner.

(h) A change from an Interest Mode to another Interest Mode must comply with this paragraph (h). Any notice of a proposed change in Interest Modes must be accompanied by a Favorable Opinion of Bond Counsel, except as described below. Except in the case of the rescission of such Favorable Opinion of Bond Counsel as described in paragraph (i) below, if the City's notice complies with this subsection (h) and the other provisions hereof relating to such change in Interest Modes, the interest rate on the Bonds shall be determined in accordance with the method specified therein. Notwithstanding anything in this [Nineteenth] Supplemental Indenture to the contrary, the City must deliver a Favorable Opinion of Bond Counsel whenever there is a change from a method during which the period between tender dates (optional or mandatory) on the Bonds is one year or less to a method during which the period between tender dates (optional or mandatory) on the Bonds is in excess of one year, or vice versa.

(i) Notwithstanding any other provision of this Section 4.01, no change shall be made in the method of determining the interest rate on the Bonds at the direction of the City, and the Bonds shall continue to bear interest in accordance with the then current method, if the Trustee shall receive written notice prior to the effective date of such change that (i) the Favorable Opinion of Bond Counsel required by 4.01(h)(1) has been rescinded or (ii) that the City has revoked its election. If the Trustee shall have sent notice to the Bondholders regarding such change the Trustee shall promptly notify the Bondholders of such rescission.



Notwithstanding the foregoing and except when there is no Liquidity Facility in effect, if notice of mandatory purchase has been given to the Bondholders, the Bonds shall be subject to mandatory purchase as specified in such notice.

*Section 4.02. Designation of Substitute Adjustment Date.* (a) The City may designate a Substitute Adjustment Date (i) for any Bank Bonds (*provided* that such Bank Bonds shall continue to bear interest at the Bank Rate as long as they remain Bank Bonds), with Bank Approval, on any Business Day, and (ii) for any Bonds in an Adjustable Long Mode, on any Business Day on which such Bonds can be optionally redeemed at a price of par plus accrued interest as set forth in Section 3.11(a)(ii) hereof. The Substitute Adjustment Date shall be the next succeeding Adjustment Date for such Bonds for all purposes of this [Nineteenth] Supplemental Indenture.

(b) The City shall evidence each such designation of a Substitute Adjustment Date by giving written notice to the Remarketing Agent, the Bank[, the Bond Insurer] and the Trustee, which written notice shall be received by the Remarketing Agent and the Trustee not less than one day prior to each such Substitute Adjustment Date for Bank Bonds and not less than 20 days prior to each Liquidity Substitution Date for Bonds in an Adjustable Long Mode, specifying (i) the Interest Mode in which such Bonds shall operate commencing with such Substitute Adjustment Date, and (ii) if such Adjustment Period is to be an Adjustable Long Mode, the duration of the immediately succeeding Adjustment Period for each Bond affected thereby, the Rate Periods therein, the Rate Change Dates and Rate Determination Dates therefor, and the applicable optional redemption provisions determined in accordance with Section 3.11(a)(ii) hereof; *provided, however*, that clauses (A) and (B) of the proviso of Section 4.01(b) hereof shall apply to the designation by the City of a Substitute Adjustment Date and the selection of the Rate Change Date or Dates applicable thereto. In addition, if the succeeding Adjustment Period is to be an Adjustable Long Mode, the Remarketing Agent shall give telephonic notice (confirmed by telecopy) to the Trustee no later than 10:00 a.m., Chicago time, on the Business Day immediately preceding the Substitute Adjustment Date, specifying the interest rate which will be effective commencing on such Substitute Adjustment Date. If the succeeding Adjustment Period is to be a Flexible Mode, the Remarketing Agent shall give telephonic notice (confirmed by telecopy) to the Trustee, no later than 10:00 a.m., Chicago time, on the Adjustment Date which is the first day of a Flexible Mode, of (i) the duration of the initial Rate Periods during such Flexible Mode and the initial Flexible Rates to be borne by the Bonds designated to operate in a Flexible Mode during such Rate Periods, and (ii) the Rate Change Dates upon which such Rate Periods shall terminate. If the succeeding Adjustment Period is to be a Weekly Mode, the Remarketing Agent shall give telephonic notice (confirmed by telecopy) to the City and the Trustee, no later than 10:00 a.m., Chicago time, on the Business Day immediately preceding the Substitute Adjustment Date, specifying the interest rate which will be effective commencing on such Substitute Adjustment Date. If the succeeding Adjustment Period is to be a Fixed Mode, the City shall satisfy the requirements of Section 4.03.

(c) Any designation by the City pursuant to Section 4.02(a) of a Substitute Adjustment Date shall be accompanied by (i) a written statement from the Remarketing Agent, addressed to the City[, the Bond Insurer] and the Trustee, to the effect that the Remarketing Agent has determined that such change satisfies the standards provided in Section 4.01(a) hereof.

*Section 4.03. Authority for and Conditions to Conversion to Fixed Rate.* (a) On any Rate Change Date during a Flexible Mode or an Adjustable Long Mode, or on any Business Day during a Weekly Mode, the interest rate to be borne by all or any portion of the Bonds in such Interest Mode shall be converted to a Fixed Rate, and such Bonds so converted shall thereafter bear interest at such Fixed Rate until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions hereof, whether at the Maturity Date, upon redemption or otherwise, upon receipt by the Trustee of (i) a direction from a duly authorized officer of the City specifying a Fixed Rate Conversion Date and the principal amount of Bonds to be converted, and (ii) a firm underwriting or purchase contract from a recognized firm of bond underwriters or recognized institutional investors to underwrite or purchase all Bonds which are to be converted on such Fixed Rate Conversion Date at a price equal to the principal amount thereof. The certificate and contract shall be received not less than 20 days prior to the Fixed Rate Conversion Date.

(b) At least 15 days prior to the Fixed Rate Conversion Date, the Trustee shall give or cause the Remarketing Agent to give written notice of such election by the City to the Registered Owners of all Bonds to be converted bearing interest at a Weekly Rate, which notice shall state (i) the Fixed Rate Conversion Date, and (ii) that such Bonds shall be subject to mandatory purchase on such Fixed Rate Conversion Date. The Trustee shall give written notice by first class mail to the Remarketing Agent, the Bond Insurer and the Bank of the foregoing information.

(c) The City, at the direction of the Trustee, shall deliver replacement Bonds bearing the Fixed Rate for converted Bonds surrendered or deemed surrendered by the Registered Owner thereof. Any such replacement Bonds shall be executed and authenticated as provided in Section 2.08 hereof; *provided, however*, that, unless the form of the Bonds is revised pursuant to Section 2.05 hereof, the Trustee shall affix a legend on the face of each Bond authenticated on or after the Fixed Rate Conversion Date therefor in substantially the following form:

This Bond bears interest at the Fixed Rate, as defined in this Bond, of \_\_\_\_\_ percent per annum from and after \_\_\_\_\_. This Bond is not secured by a Liquidity Facility. This Bond matures on \_\_\_\_\_.

(d) From the date notice of the proposed establishment of a Fixed Rate with respect to any Bond is received by the Trustee as provided in subsection (a) of this Section 4.03 through the Fixed Rate Conversion Date therefor, such Bond shall not be remarketed by the Remarketing Agent except to a buyer who is notified in writing of the mandatory purchase of such Bond on such Fixed Rate Conversion Date.

(e) No Liquidity Facility is required for Bonds bearing interest at a Fixed Rate, so the amount of the Liquidity Facility, if any, may be reduced on or after the Fixed Rate Conversion Date with respect to such Bonds as provided in the Liquidity Agreement. The determination of the Fixed Rate for any Bonds shall be conclusive and binding upon the Registered Owners of such Bonds, the City[, the Bond Insurer] and the Trustee.

(f) After the Fixed Rate Conversion Date for any Bonds, interest on such Bonds shall be payable semiannually on each January 1 and July 1 until all of such Bonds shall have been paid or payment shall have been duly provided for. The interest payable on the January 1 or July 1, as the case may be, next following the Fixed Rate Conversion Date for such Bonds shall be for the period, which may be less than six months, commencing on such Fixed Rate Conversion Date until such January 1 or July 1.

(g) If the conversion of the interest rate on any Bond does not occur for any reason, including in the event that any condition precedent to the conversion shall not occur, the provisions of Section 4.01(d) shall apply.

(h) The provisions of Sections 4.01(h) and 4.01(i) shall apply to such conversion.

*Section 4.04. Effect of Notices.* Any notice mailed as provided in this Article IV shall be conclusively presumed to have been given, whether or not the Registered Owners of the Bonds receive the same.

## ARTICLE V

### REVENUES AND FUNDS

*Section 5.01. Source of Payment of Bonds.* The Bonds, the Section 208 Obligations and the Section 209 Obligations are not general obligations of the City but are limited obligations as described in Section 2.03 hereof and as provided herein and in the Indenture.

*Section 5.02. Creation of Sub-Fund and Accounts in Second Lien Revenue Fund; Creation of Bond Purchase Fund.*

(a) *Creation of Series 2014[ ] Dedicated Sub-Fund.* There is hereby created by the City and ordered established with the Trustee a separate and segregated sub-fund within the Second Lien Revenue Fund, such sub-fund to be designated the "Chicago Midway Airport Series 2014[ ] Second Lien Bonds Dedicated Sub-Fund" (the "*Series 2014[ ] Dedicated Sub-Fund*"). Moneys on deposit in the Series 2014[ ] Dedicated Sub-Fund, and in each Account established therein as hereinafter provided, shall be held in trust by the Trustee for the sole and exclusive benefit of the Registered Owners of the Bonds[,] [and] the Bank and [the Bond Insurer][; *provided* that moneys in the Debt Service Reserve Account may be used to pay debt service on Common Reserve Bonds as provided in Section 5.08 hereof].

(b) *Creation of Accounts and Sub-Account.* There are hereby created by the City and ordered established with the Trustee separate Accounts within the Series 2014[ ] Dedicated Sub-Fund, designated as follows:

(1) Project Account: an Account to be designated the "Chicago Midway Airport Series 2014[ ] Project Account" (the "*Project Account*");

(2) a Capitalized Interest Account: an Account to be designated the “Chicago Midway Airport Series 2014[ ] Capitalized Interest Account (the “*Capitalized Interest Account*”);

(3) Costs of Issuance Account: an Account to be designated the “Chicago Midway Airport Series 2014[ ] Costs of Issuance Account” (the “*Costs of Issuance Account*”);

(4) Program Fee Account: an Account to be designated the “Chicago Midway Airport Series 2014[ ] Program Fee Account” (the “*Program Fee Account*”);

(5) Debt Service Reserve Account: an Account to be designated the “Chicago Midway Airport Series 2014[ ] Common Debt Service Reserve Account” (the “*Debt Service Reserve Account*”); and

(6) Principal and Interest Account: an Account to be designated the “Chicago Midway Airport Series 2014[ ] Principal and Interest Account” (the “*Principal and Interest Account*”).

(c) *Creation of Bond Purchase Fund.* The Trustee shall establish and maintain (but shall not have a lien on as part of the Trust Estate), as long as any Bonds are outstanding which have not been converted to a Fixed Rate, a separate fund to be known as the “Chicago Midway Airport Series 2014[ ] Bond Purchase Fund” (the “*Bond Purchase Fund*”). There shall be deposited into the Bond Purchase Fund from time to time the following:

(i) the moneys received upon the remarketing of Tendered Bonds to any person pursuant to the Remarketing Agreement (other than Tendered Bonds sold to the City in violation of Section 3.15(b) hereof);

(ii) the moneys received from the underwriter or purchaser (other than the City) of Tendered Bonds upon the conversion of the interest rate thereon to a Fixed Rate;

(iii) the moneys obtained by the Trustee pursuant to the Liquidity Facility, if any, then in effect to be applied to pay the purchase price of Tendered Bonds; and

(iv) at the option of the City, Eligible Moneys from the City to the extent that moneys obtained pursuant to (i), (ii) or (iii) above are insufficient on any date to pay the purchase price of Tendered Bonds, *provided* that the conditions of Section 3.15(b) hereof are satisfied.

Moneys in the Bond Purchase Fund shall be held in trust exclusively for the payment of the purchase price of Tendered Bonds; *provided, however*, that under no circumstances shall proceeds of a loan made pursuant to the Liquidity Facility be used to purchase Bank Bonds. Moneys obtained by the Trustee pursuant to the Liquidity Facility in excess of the amount needed for the payment of the purchase price of Tendered Bonds shall be promptly paid to the Bank. Moneys on deposit in the Bond Purchase Fund shall be invested only in Federal

Obligations with a term not exceeding the earlier of 30 days from the date of investment of such moneys or the date or dates that moneys therefrom are anticipated to be required. Amounts held to pay the purchase price shall be applied in the same manner as provided under the Indenture with respect to unclaimed payments of principal and interest.

*Section 5.03. Application of Bond Proceeds.* The proceeds received by the City from the sale of the Bonds shall be applied as follows:

(a) *Principal and Interest Account.* The Trustee shall deposit into the Principal and Interest Account any accrued interest received upon the sale of the Bonds;

(b) *Capitalized Interest Account.* The Trustee shall deposit into the Capitalized Interest Account the amount of \$[\_\_\_\_\_];

(c) *[Payment to Initial Bond Insurer.* The premium for the Initial Bond Insurance Policy, in the amount of \$[\_\_\_\_\_], shall be paid to the Initial Bond Insurer by [UNDERWRITER], as a condition to the delivery of the Bonds under Section 2.06 hereof];

(d) *Debt Service Reserve Account.* The Trustee shall deposit into the Debt Service Reserve Account the amount of the Reserve Requirement;

(e) *Project Account.* The Trustee shall deposit into the Project Account the account of \$[\_\_\_\_\_];

(f) *Payment of Prior Airport Obligations.* The Trustee shall transfer to the Escrow Agent (as defined in the Tax Agreement) the amount of \$[\_\_\_\_\_] to be applied in accordance with the City's letter of instructions to payment of the Prior Airport Obligations;

(g) *Payment of Swap Agreement Payment.* To satisfy the Swap Agreement Payments, the Trustee shall make the following transfers: (i) [\_\_\_\_\_] and (ii) [\_\_\_\_\_]; and

(h) *Costs of Issuance Account.* The balance of the proceeds of the Bonds in the amount of \$[\_\_\_\_\_] shall be deposited in the Costs of Issuance Account and applied by the City to the payment of Costs of Issuance of the Bonds.

*Section 5.04. Deposits into Series 2014[ ] Dedicated Sub-Fund and Accounts Therein.* The City covenants to file with the First Lien Trustee the certificate required in Section 503(b) of the First Lien Indenture and Section 3.02(c) of the Indenture which certificate shall set forth the Series 2014[ ] Deposit Requirement (as defined in this Section 5.04) in order to provide for transfer of sufficient amounts into the Junior Lien Obligation Debt Service Fund to satisfy the Series 2014[ ] Deposit Requirement and shall request that the First Lien Trustee promptly transfer such amounts to the Second Lien Revenue Fund. On January 1 and July 1 of each year, commencing [July 1, 2014] (each such date referred to herein as the "Deposit Date") there shall

be deposited into the Series 2014[ ] Dedicated Sub-Fund from amounts on deposit in the Second Lien Revenue Fund an amount equal to the aggregate of the following amounts, which amounts shall have been calculated by the Trustee on the next preceding December 5 or June 5, in the case of each January 1 or July 1, respectively (such aggregate amount with respect to any Deposit Date being referred to herein as the "Series 2014[ ] Deposit Requirement"):

(a) for deposit into the Principal and Interest Account, the amount, projected to be required as of the close of business on the applicable January 1 or July 1 next succeeding such date of calculation to restore the Principal and Interest Account to an amount equal to the Principal and Interest Account Requirement, treating for purposes of such calculation any balance projected to be on deposit in the Capitalized Interest Account as of the close of business on such date as amounts credited to the Principal and Interest Account;

(b) for deposit into the Debt Service Reserve Account, the amount, if any, projected to be required as of the close of business on the applicable January 1 or July 1 next succeeding such date of calculation to restore the Debt Service Reserve Account to an amount equal to the Reserve Requirement; and

(c) for deposit into the Program Fee Account, the amount estimated by the City to be required as of the close of business on the related Deposit Date to pay all Program Fees payable from amounts in the Program Fee Account during the semi-annual period commencing on such related Deposit Date.

Upon calculation by the Trustee of each Series 2014[ ] Deposit Requirement under this Section, the Trustee shall notify the City of the Series 2014[ ] Deposit Requirement and the Deposit Date to which it relates, and shall provide the City with such supporting documentation and calculations as the City may reasonably request.

[If by the third Business Day preceding any Interest Payment Date the Trustee determines that there is not enough money in the Principal and Interest Account to make the payments of principal or interest due on the Bonds then the Trustee agrees to give notice of that fact to the Insurer as provided in Section 12.02 of this [Nineteenth] Supplemental Indenture. Amounts paid under the Initial Bond Insurance Policy shall only be used to pay scheduled principal and interest on the Bonds.]

In addition to the Series 2014[ ] Deposit Requirement, there shall be deposited into the Series 2014[ ] Dedicated Sub-Fund any other moneys received by the Trustee under and pursuant to the Indenture or this [Nineteenth] Supplemental Indenture, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Series 2014[ ] Dedicated Sub-Fund and to one or more accounts therein.

*Section 5.05. Use of Moneys in Certain Accounts for Payment of Bonds, Section 208 Obligations and Section 209 Obligations.* (a) Moneys in the Principal and Interest Account and the Debt Service Reserve Account shall be used solely for the payment of the principal of, premium, if any, and interest on the Bonds [(and the Common Reserve Bonds with respect to

moneys in the Debt Service Reserve Account as provided in Section 5.08 hereof)], for the redemption of the Bonds prior to their Maturity Date and for the payment of Section 208 Obligations and Section 209 Obligations, but only to the extent that such Section 208 Obligations or Section 209 Obligations relate to the Bonds. Funds for such payments shall be derived from the following source or sources but only in the following order of priority:

(i) for payment of interest on the Bonds on each Interest Payment Date with respect to the Bonds, from moneys held in the Capitalized Interest Account;

(ii) for payment of interest on or principal of the Bonds on each Interest Payment Date, from moneys transferred from the Project Account and held in the Principal and Interest Account;

(iii) from moneys held in the Principal and Interest Account, ratably, without preference or priority of any kind (1) for payment of principal of, premium, if any, and interest due on each Interest Payment Date with respect to the Bonds and not otherwise provided for, and (2) for payment of principal of, premium, if any, and interest due with respect to Section 208 Obligations (but only to the extent that such Section 208 Obligations relate to the Bonds) on any date that payment is due [and (3) for payment of net payments due from the City with respect to interest under any Qualified Swap Agreement (but only to the extent that it relates to the Bonds) on any date that payment is due];

(iv) for payment of principal of, premium, if any, and interest due on each Interest Payment Date with respect to the Bonds [and the Common Reserve Bonds] and not otherwise provided for, from amounts held in the Debt Service Reserve Account, ratably, without preference or priority of any kind; and

(v) [on any date that payment is due from moneys held in the Principal and Interest Account, ratably, without preference or priority of any kind, for payment of any payments due from the City (1) under a Qualified Swap Agreement (but only to the extent that it relates to the Bonds) that do not constitute net payments due from the City with respect to interest or (2) under any Section 209 Obligation that is not a Qualified Swap Agreement (but only to the extent that it relates to the Bonds).]

[In connection with any partial redemption or defeasance prior to maturity of any Common Reserve Bonds, the Trustee may, at the request of the City, use any amounts to be on deposit in the Debt Service Reserve Account in excess of the Reserve Requirement after giving effect to such redemption or defeasance to pay principal of, or the principal portion of the redemption price of, the Common Reserve Bonds to be redeemed or defeased.]

(b) [The City hereby finds that the Swap Agreement was entered into for the purpose of providing substitute interest payments for the Bonds in a principal amount equal to the notional amount of the Swap Agreement and that the Swap Agreement is a Qualified Swap Agreement under the Indenture.]

*Section 5.06. Use of Moneys in Costs of Issuance Account and Program Fee Account.* Moneys deposited into the Costs of Issuance Account pursuant to Section 5.03(f) shall be used solely for the payment of Costs of Issuance of the Bonds as directed in a certificate of the City filed with the Trustee. If after the payment of all Costs of Issuance, as specified in a certificate of the City filed with the Trustee, there shall be any balance remaining in the Costs of Issuance Account, such balance shall be transferred to the Program Fee Account at the direction of the City. Moneys deposited into the Program Fee Account pursuant to Section 5.03(c) hereof shall be used solely for the payment of Program Fees payable by the City to third parties, including [the Bond Insurer and] the Bank, with respect to the Bonds as set forth in a Certificate of the City filed with the Trustee.

*Section 5.07. Use of Moneys in Project Account.* Except as otherwise provided in this [Nineteenth] Supplemental Indenture, moneys in the Project Account shall be disbursed and applied to pay, or to reimburse the payment of, the cost of 2014 Airport Projects.

*Section 5.08. Debt Service Reserve Account.* (a) The City shall maintain the Debt Service Reserve Account in an amount equal to the Reserve Requirement, which requirement may be satisfied, in whole or in part, by one or more Qualified Reserve Account Credit Instruments [approved by the Bond Insurer and] meeting the requirements of Section 413 of the Indenture. Any Qualified Investments held to the credit of the Debt Service Reserve Account shall be valued in accordance with Section 305 of the Indenture.

(b) The moneys in the Debt Service Reserve Account are held for the benefit of all Bonds [and the other Common Reserve Bonds]. Anything herein to the contrary notwithstanding, moneys in the Debt Service Reserve Account shall be held and disbursed for the benefit of [the Bonds] [all Common Reserve Bonds] and such moneys are hereby pledged and assigned for that purpose. So long as any Bonds remain outstanding the City covenants that the Trustee shall hold and disburse the Debt Service Reserve Account for the benefit of Bonds [and the other Common Reserve Bonds].

*Section 5.09. Non-presentment of Bonds.* In the event any Bond shall not be presented for payment when the principal thereof becomes due, whether at maturity, at the date fixed for redemption or otherwise, if moneys sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the Registered Owner thereof, subject to the provisions of the immediately following paragraph, all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine 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 Registered Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his or her part under the Indenture or on, or with respect to, such Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within two years after the date on which the same shall have become due shall be repaid by the Trustee to the City, and thereafter the Registered Owners of such Bonds shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and all liability of the Trustee with respect to such moneys shall thereupon cease, and the City shall not



be liable for any interest thereon and shall not be regarded as a trustee of such moneys. The obligation of the Trustee under this Section to pay any such funds to the City shall be subject, however, to any provisions of law applicable to the Trustee or to such funds providing other requirements for disposition of unclaimed property.

*Section 5.10. Moneys Held in Trust.* All moneys required to be deposited with or paid to the Trustee for the account of any Fund or Account referred to in any provision of this [Nineteenth] Supplemental Indenture shall be held by the Trustee in trust as provided in Section 1003 of the Indenture, and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created hereby. Payments under the Liquidity Facility and moneys in the Bond Purchase Fund shall be used solely and only to pay the purchase price of Tendered Bonds. [Payments under and the Bond Insurance Policy shall be used solely and only to pay scheduled principal and interest on the Bonds as provided in the Bond Insurance Policy.]

*Section 5.11. Costs of Airport Projects.* For the purposes of this [Nineteenth] Supplemental Indenture the costs of Airport Projects, including the 201\_ Airport Projects, shall include to the extent applicable:

(a) Obligations incurred for labor and to contractors, builders, and materialmen in connection with the construction, installation and acquisition of the Airport Projects or any part thereof, and obligations incurred for the installation and acquisition of machinery and equipment;

(b) Payment to owners and others for real property including payments for options, easements or other contractual rights;

(c) All expenses incurred in the acquisition of real property, including all costs and expenses of whatever kind in connection with the exercise of the power of eminent domain, and including the cost of title searches and reports, abstracts of title, title certificates and opinions, title guarantees, title insurance policies, appraisals, negotiations and surveys;

(d) The amount of any damages incident to or consequent upon the construction, installation and acquisition of the Airport Projects;

(e) The cost of any indemnity, fidelity and surety bonds, the fees and expenses of the Trustee during construction, installation and acquisition of Airport Projects, and premiums on insurance, if any, in connection with such Airport Projects during construction, installation and acquisition, including builders' risk insurance;

(f) The cost of engineering and architectural services which includes borings and other preliminary investigations to determine foundation or other conditions, expenses necessary or incident to the development of contract documents and supervising construction, as well as for the performance of all other duties of engineers and architects set forth herein in relation to the construction, installation and acquisition of such Airport Projects or the issuance of Bonds therefor;

(g) Costs of Issuance;

(h) Any cost properly chargeable to such Airport Projects prior to and during construction, installation and acquisition;

(i) The cost of restoring, repairing and placing in its original condition, as nearly as practicable, all public or private property damaged or destroyed in the construction of such Airport Projects and the cost thereof, or the amount required to be paid by the City as adequate compensation for such damage or destruction, and all costs lawfully incurred or damages lawfully payable, with respect to the restoration, relocation, removal, reconstruction or duplication of property made necessary or caused by the construction and installation of such Airport Projects and the cost thereof,

(j) Any obligation or expense incurred by the City for moneys advanced in connection with the construction, installation and acquisition of Airport Projects and the cost thereof; and

(k) All other items of cost and expense not elsewhere in this Section specified, incident to the construction, installation and acquisition of Airport Projects and the financing thereof, including, without limiting the generality of the foregoing, capitalized interest on the Bonds and, upon receipt by the Trustee of a Favorable Opinion of Bond Counsel, capitalized interest on other Airport Obligations.

*Section 5.12. Disbursements from Project Account.* (a) All disbursements from the Project Account shall be made in accordance with requisitions signed by the an Authorized Officer, as to the following:

(i) Item number of the payment;

(ii) The amount to be paid;

(iii) The purpose, by general classification, for which payment is to be made;

(iv) That the obligations in stated amounts have been incurred by the City, and that each item thereof is a proper charge against the Project Account and is due and has not been included in any prior requisition which has been paid; and

(v) That there has not been filed with or served upon the City any notice of any lien, right to lien, or attachment upon or claim affecting the right to receive payment of any of the moneys payable to any of the persons, firms or corporations named which have not been released or will not be released simultaneously with the payment of such obligations, and in the event that any assignment of right to receive payment has been made and notice thereof has been given to the City and the City has accepted such assignment, the order directing payment shall recite that fact and direct the payment to be made to the assignee thereof as shown by the records of the City.

(b) Disbursements from the Project Account may be made directly to the firm or corporation to whom payment is due or to the City in reimbursement for payments made or to be made by the City.

(c) Upon receipt of any such orders the Trustee shall make payments from the Project Account and the Trustee shall make disbursements in accordance with the directions from the City Comptroller.

*Section 5.13. Permitted Transfers.* (a) Moneys in the Project Account may be transferred or withdrawn as shall be specified by the City pursuant to paragraph (b) of this Section for any one or more of the following purposes: (i) to make transfers to one or more other Project Accounts maintained under the First Lien Indenture or the Indenture to pay the costs of other Airport Projects, (ii) to make transfers into the Debt Service Reserve Account to make up any deficiency therein, (iii) to make transfers to the Principal and Interest Account or the Capitalized Interest Account, or (iv) to redeem Bonds in accordance with the provisions of this [Nineteenth] Supplemental Indenture and the Indenture.

(b) Before any such transfer or withdrawal shall be made, the City shall file with the Trustee:

(i) its requisition therefor, stating the amount of the transfer or withdrawal and directing the Trustee as to the application of such amount;

(ii) A Counsel's Opinion stating that in the opinion of the signer, such transfer or withdrawal will not constitute a breach or default on the part of the City of any of the covenants or agreements contained in this [Nineteenth] Supplemental Indenture or the Indenture; and

(iii) a Favorable Opinion of Bond Counsel.

## ARTICLE VI

### CREDIT FACILITIES

*Section 6.01. Liquidity Facility.* (a) The City covenants and agrees that at all times while any Bonds are outstanding which bear interest at a rate other than the Fixed Rate, it will maintain a Liquidity Facility in full force and effect with respect to all such Bonds bearing interest at other than a Fixed Rate, except as otherwise provided in Section 6.02 of this [Nineteenth] Supplemental Indenture. In addition, the City covenants and agrees that at all times while any Bonds are outstanding which bear interest at other than a Fixed Rate, if the rating of the Bank shall be lowered by Moody's below "VMIG-1" or "P-1", as applicable, or by S&P below "A-1", then the City shall[, upon receipt of a written request of the Bond Insurer,] obtain a Substitute Liquidity Facility.

(b) Upon the receipt by the Trustee of a written request of the City [and Bond Insurer Approval] stating that the amount available under the Liquidity Facility may be reduced in

compliance with Section 6.02 of this [Nineteenth] Supplemental Indenture, the Trustee shall direct or send appropriate notice to the Bank requesting or directing that such amount be reduced and specifying the amount that shall thereafter be available under the Liquidity Facility, subject to any requirements of the Liquidity Agreement. In no event shall the Liquidity Facility be reduced to an amount less than the principal amount of the Bonds outstanding which bear interest at other than a Fixed Rate, plus an amount equal to interest thereon at the Interest Coverage Rate then required by any rating agency then rating the Bonds for the number of days then required by any rating agency then rating the Bonds, unless the City has deposited a Substitute Liquidity Facility with the Trustee in accordance with the terms of this Section, or unless the requirements set forth in Section 6.02 of this [Nineteenth] Supplemental Indenture are satisfied; in no event shall any Substitute Liquidity Facility replace only in part any then current Liquidity Facility. Notwithstanding the foregoing, immediately after payment in full has been made on any Bond, either at its Maturity Date, by optional redemption or otherwise, the Trustee shall direct or send appropriate notice to the Bank requesting or directing that the amount available under the Liquidity Facility be reduced by an amount equal to such principal so paid plus the amount of interest theretofore provided for under the Liquidity Facility on such principal amount. No direction or consent of the City [or the Bond Insurer] shall be required for the Trustee to take the action required by the preceding sentence.

(c) Prior to the Fixed Rate Conversion Date, a Substitute Liquidity Facility may become effective on any Business Day, which shall be a Liquidity Substitution Date. The City shall cause a draft of any Substitute Liquidity Facility in substantially final form and a commitment letter with respect thereto, together with written evidence from each rating agency rating the Bonds prior to the Liquidity Substitution Date of the rating on the Bonds after the Liquidity Substitution Date, to be delivered to each Bondholder, the Trustee, the Trustee's Agent[,] [and] the Remarketing Agent [and the Bond Insurer], not less than 15 days prior to the proposed Liquidity Substitution Date. On each Liquidity Substitution Date the City, [the Bond Insurer,] the Remarketing Agent, the Trustee and the Trustee's Agent shall also receive (i) an opinion of counsel for the Substitute Bank regarding the enforceability of the Substitute Liquidity Facility in substantially the form delivered to the Trustee upon execution and delivery of the Liquidity Facility then in effect[,] [and] (ii) a Favorable Opinion of Bond Counsel[, and (iii) Bond Insurer Approval]. No Substitute Liquidity Facility shall become effective unless the then current Bank certifies to the City, [the Bond Insurer,] the Trustee's Agent and the Trustee that all obligations owing to such Bank under the Liquidity Agreement have been paid in full.

(d) Prior to the Fixed Rate Conversion Date, the City shall deliver the initial Liquidity Facility if it is required to do so hereunder. The City shall cause a draft of the initial Liquidity Facility in substantially final form and a commitment letter with respect thereto, together with written evidence from each rating agency rating the Bonds of the rating on the Bonds after the initial Liquidity Facility is to be delivered, to be delivered to the Trustee[,] [and] the Remarketing Agent [and the Bond Insurer], not less than 15 days prior to the propose effective date. On the effective date, the City, [the Bond Insurer,] the Remarketing Agent, the Trustee and the Trustee's Agent shall also receive (i) an opinion of counsel for the Bank regarding the enforceability of the initial Liquidity Facility in substantially the form delivered to the Trustee upon execution and delivery of the Liquidity Facility then in effect[,] [and] (ii) a Favorable Opinion of Bond Counsel[, and (iii) Bond Insurer Approval].

(e) On any Liquidity Substitution Date on which a Substitute Liquidity Facility becomes effective in accordance with the provisions of this Section, the Trustee shall take such action, if any, as is required under the Liquidity Agreement to cause the cancellation of the Liquidity Facility then in effect provided that all drawings requested thereunder have been honored.

(f) Immediate Notice shall be given by the Trustee to the Bank, the City, [the Bond Insurer,] the Remarketing Agent, the Trustee's Agent and each rating agency then maintaining a rating on the Bonds if no satisfactory Substitute Liquidity Facility shall be furnished to the Trustee in accordance with this Section on or prior to the Stated Termination Date of the then current Liquidity Facility, unless the requirements of Section 6.02 of this [Nineteenth] Supplemental Indenture are satisfied.

(g) Each Substitute Liquidity Facility shall provide for the submission of draws thereunder, and the payment of properly submitted draws, on the same timing as that of the Liquidity Facility being substituted for, unless the Rating Agency shall agree to some other timing.

*Section 6.02. Liquidity Facility Not Required in Certain Circumstances.* (a) Prior to the Fixed Rate Conversion Date therefor, Bonds are not required to have the benefit of a Liquidity Facility if, prior to the expiration or termination of the Liquidity Facility then in effect, there is delivered to the City, the Remarketing Agent, [the Bond Insurer,] the Trustee and the Trustee's Agent [(i)] [unless waived by the Bond Insurer,] written evidence from each rating agency then maintaining a rating on the Bonds that the long term ratings on the Bonds (other than Bonds in the Fixed Mode) following the expiration or termination of the Liquidity Facility will not be reduced or withdrawn from the ratings on the Bonds immediately prior to such expiration or termination[, and (ii) Bond Insurer Approval]. Bonds bearing interest at a Fixed Rate shall not be required to have the benefit of a Liquidity Facility after the Fixed Rate Conversion Date applicable to such Bonds.

(b) Upon satisfaction of the requirements described in subparagraph (a) above, (i) the Trustee, upon receipt of a written request of the City [and Bond Insurer Approval], shall direct or send appropriate notice to the Bank requesting or directing the cancellation of the Liquidity Facility then in effect on the date (the "*Liquidity Facility Cancellation Date*") requested by the City in such written request, which date may not be less than 30 days, or such longer period as is required by the Liquidity Agreement for its termination at the request of the City, from the date the Trustee receives such written request, and (ii) following the date of such cancellation, all Tendered Bonds may be remarketed by the Remarketing Agent pursuant to the Remarketing Agreement without the benefit of a Liquidity Facility until such time, if any, as the Bonds are thereafter entitled to the benefits of a Liquidity Facility pursuant to the provisions of Section 6.01 of this [Nineteenth] Supplemental Indenture. In the event of a Liquidity Facility Cancellation Date, the Bonds shall be subject to mandatory tender pursuant to Section 3.04 hereof. If at any time no Liquidity Facility is required on the Bonds, the Trustee shall affix a legend on the face of each Bond which does not bear interest at a Fixed Rate authenticated on or, after the date on which a Liquidity Facility is no longer required in substantially the following form:

A Liquidity Facility is not required with respect to this Bond. If a Liquidity Facility is currently provided, it may be discontinued at any time without prior notice to, or a right to tender by, the Bondholder.

*Section 6.03. [Substitution of Bond Insurance Policy.* If the rating of the Bond Insurer shall be lowered by any two of Fitch, Moody's and S&P below the two top rating categories assigned by such rating agencies (without giving effect to numeric or other qualifiers), then the City may, at its option, but only with the Bank Approval, and shall, upon receipt of a written request from the Bank, obtain a Substitute Bond Insurance Policy. On or prior to the date of the delivery of the Substitute Bond Insurance Policy, the City shall furnish to the Trustee (i) written evidence from Fitch, S&P and Moody's, if the Bonds are then rated by each such rating agency, to the effect that each such rating agency has reviewed the proposed Substitute Bond Insurance Policy, and that, taking into account the substitution of the proposed Substitute Bond Insurance Policy for the current Bond Insurance Policy, the Bonds will be given a rating which is not lower than the then current rating (for purposes of this clause (ii), the withdrawal of a rating on the Bonds, due to the failure of a Rating Agency to rate the Substitute Bond Insurer, shall be deemed an impermissible lowering of the rating assigned to the Bonds), and (ii) Bank Approval, unless the City also provides a Substitute Liquidity Facility in accordance with the terms of the Indenture and all obligations owing to the Bank under the Liquidity Agreement have been paid in full, effective on the date of delivery of the Substitute Bond Insurance Policy, in which case such substitution shall not be subject to Bank Approval. If the Bank has directed the City to obtain a Substitute Bond Insurance Policy, the Bank may require that the rating on the Bonds, taking into account the Substitute Bond Insurance Policy, be no lower than the top two rating categories assigned by Fitch, Moody's and S&P. The Trustee shall not consent to any surrender, cancellation, termination, amendment or modification of the Bond Insurance Policy except in accordance with the provisions of this Section.

Each Substitute Bond Insurance Policy shall provide for the submission of claims thereunder, and the payment of properly submitted claims, on the same timing as that of the Bond Insurance Policy being substituted for, unless the Rating Agency shall agree to some other timing.]

*Section 6.04. [Voting Rights of Bond Insurer.* The Bond Insurer shall be deemed to be the sole owner of the Bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the owners of the Bonds insured by it are entitled to take pursuant to Article IX of the Indenture upon the occurrence of a default. The maturity of the Bonds insured by the Bond Insurer shall not be subject to acceleration.]

*Section 6.05. [Subrogation Rights.* Amounts paid by the Bond Insurer under the Bond Insurance Policy shall not be deemed paid for purposes of the Indenture and shall remain Outstanding and continue to be due and owing until paid by the City in accordance with the Indenture. The Bond Insurer shall, to the extent it makes any payment of principal of or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy.]

*Section 6.06. [Termination of Rights of Bond Insurer.* All rights given to the Bond Insurer under this [Nineteenth] Supplemental Indenture with respect to the giving of consents or approvals and the direction of proceedings or otherwise shall cease and terminate upon the occurrence of any of the events and circumstances set forth in Section 1104 of the Indenture.]

*Section 6.07. Consent of Bank Required.* No consent of or notice to the Bank shall be required under any provision of the Indenture, nor shall the Bank have any right to receive notice of, consent to, direct or control any actions, restrictions, rights, remedies, waivers or accelerations pursuant to any provision of the Indenture, during any time which:

(i) the Bank is in default in its obligation to make loans under and in compliance with the terms of the Liquidity Facility;

(ii) the Liquidity Facility for any reason ceases to be valid and binding on the Bank or is declared to be null and void by a court or other governmental agency having appropriate jurisdiction, or the validity or enforceability of any provision of the Liquidity Facility is denied by an executive officer of the Bank or any governmental agency or authority, or the Bank is denying further liability or obligation under the Liquidity Facility, in all of the above cases contrary to the terms of the Liquidity Facility;

(iii) a petition has been filed and is pending against the Bank under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and has not been dismissed within 30 days after such filing;

(iv) the Bank has filed a petition, which is pending, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law, of any jurisdiction, whether now or hereafter in effect, or has consented to the filing of any petition against it under such law; or

(v) the Bank is dissolved or confiscated by action of government due to war or peace time emergency or the United States government declares a moratorium on the Bank's activities.

*Section 6.08. Additional Notices.* The Trustee agrees to give notices to the Bank in accordance with the Liquidity Agreement.

## ARTICLE VII

### INVESTMENT OF MONEYS

*Section 7.01. Investment of Moneys.* Moneys held in the funds, accounts and sub-accounts established hereunder shall be invested and reinvested in accordance with the provisions governing investments contained in the Indenture; *provided, however,* that proceeds of the Liquidity Facility [or the Bond Insurance Policy] shall only be invested in Federal

Obligations maturing no later than the date upon which such moneys will be required to be used in accordance herewith. All such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund, account or sub-account for which they were made.

*Section 7.02. Investment Income.* The interest earned on any investment of moneys held hereunder, any profit realized from such investment and any loss resulting from such investment shall be credited or charged to the fund, account or sub-account for which such investment was made; *provided, however,* that any interest earned on, and any profit resulting from, the investment of moneys on deposit in the Debt Service Reserve Account shall be transferred by the Trustee to the Second Lien Revenue Fund.

## ARTICLE VIII

### DISCHARGE OF LIEN

*Section 8.01. Defeasance.* If the City shall pay to the Registered Owners of the Bonds, or provide for the payment of, the principal, premium, if any, and interest to become due on the Bonds, and satisfy in full [the Bond Insurer Obligations and] the Bank Obligations, then this [Nineteenth] Supplemental Indenture shall be fully discharged and satisfied; *provided, however,* that unless the interest rate on the Bonds has been converted to a Fixed Rate, this [Nineteenth] Supplemental Indenture may not be satisfied and discharged pursuant to Section 1101(b) of the Indenture. Upon the satisfaction and discharge of this [Nineteenth] Supplemental Indenture, the Trustee shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction, and all fiduciaries shall pay over or deliver to the City all funds, accounts and other moneys or securities held by them pursuant to this [Nineteenth] Supplemental Indenture which are not required for the payment or redemption of the Bonds[, the Bond Insurer Obligations] or the Bank Obligations. [The Bond Insurer shall be provided with a copy of each legal opinion and accountant's verification report prepared pursuant to Section 1101 of the Indenture.]

If the City shall pay and discharge a portion of the Bonds as aforesaid, and such portion shall cease to be entitled to any lien, benefit or security under the Indenture, and if the City shall so direct, the Trustee shall take such actions as may be necessary to reduce the Liquidity Facility in an amount related to such portion of the Bonds which have been paid and discharged in accordance with Section 6.01 hereof. The liability of the City with respect to such Bonds shall continue, but the Registered Owners thereof shall thereafter be entitled to payment (to the exclusion of all other Bondholders) only out of the moneys or Federal Obligations deposited with the Trustee under Article XI of the Indenture.



## ARTICLE IX

### DEFAULT PROVISIONS; REMEDIES

*Section 9.01. Defaults.* In addition to the Events of Default set forth in Section 901 of the Indenture, each of the following events is hereby declared to be an “Event of Default”:

(a) default in the due and punctual payment of the purchase price of any Tendered Bond; or

(b) receipt by the Trustee of notice from the Bank that an Event of Default has occurred under the Liquidity Agreement and that the Liquidity Facility is being terminated pursuant to its terms by the Bank.

For purposes of Section 902 of the Indenture, the foregoing events of default shall be treated in the same manner as events of default under subsections (a) and (b) of Section 901 of the Indenture.

[A payment made by the Bond Insurer pursuant to the Bond Insurance Policy shall not be considered a payment by the City for purposes of Section 901 of the Indenture.]

*Section 9.02. Remedies.* The provisions of Article IX of the Indenture shall be applicable to any Event of Default which shall have occurred and be continuing hereunder.

Under no circumstance may the Trustee declare the principal of or interest on the Bonds to be due and payable prior to the Maturity Date following the occurrence of an Event of Default under the Indenture or this [Nineteenth] Supplemental Indenture.

Notwithstanding anything in the Indenture or this [Nineteenth] Supplemental Indenture to the contrary, the Trustee and the Bondholders shall have the absolute right at all times to enforce the provisions of the Liquidity Facility [and the Bond Insurance Policy] in accordance with their respective terms without any requirement of consent from either the Bank [or the Bond Insurer].

## ARTICLE X

### TRUSTEE, REMARKETING AGENT AND PAYING AGENT

*Section 10.01. Acceptance of Trusts.* The Trustee hereby accepts the trusts imposed upon it by this [Nineteenth] Supplemental Indenture, and agrees to perform said trusts, but only upon and subject to the express terms and conditions set forth herein and in the Indenture. Except as otherwise expressly set forth in this [Nineteenth] Supplemental Indenture, the Trustee assumes no duties, responsibilities or liabilities by reason of its execution of this [Nineteenth] Supplemental Indenture other than as set forth in the Indenture and this [Nineteenth] Supplemental Indenture, and this [Nineteenth] Supplemental Indenture is executed and accepted by the Trustee subject to all the terms and conditions of its acceptance of the trust under the

Indenture, as fully as if said terms and conditions were herein set forth at length. Notwithstanding the provisions of Section 1004 or 1005 of the Indenture, the Trustee shall have no lien or security interest in and to the proceeds of the Liquidity Facility [or the Bond Insurance Policy], or the proceeds of remarketed Bonds, for the purpose of paying the fees or expenses of the Trustee. The Trustee shall draw on the Liquidity Facility [and make claims against the Bond Insurance Policy], when required, whether or not its fees and expenses have been fully paid. Notwithstanding any provision of the Indenture to the contrary, the Trustee may not resign or be removed until a successor Trustee shall have been appointed as herein provided, and the Liquidity Facility [and the Bond Insurance Policy] duly and effectively transferred to such successor Trustee.

*Section 10.02. Dealing in Bonds.* The Trustee and the Remarketing Agent, in its individual capacity, may buy, sell, own, hold and deal in any of the Bonds, and may join in any action which the Registered Owner of any Bond may be entitled to take with like effect as if it did not act in any capacity hereunder. The Trustee or the Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City, and may act as depositary, trustee or agent for any committee or body of the Registered Owners of Bonds secured hereby or other obligations of the City as freely as if it did not act in any capacity hereunder. It is expressly understood that the Trustee in carrying out its duties under this [Nineteenth] Supplemental Indenture shall be acting as a conduit with respect to deliveries of Bonds for purchase and purchases pursuant to Article III of this [Nineteenth] Supplemental Indenture.

*Section 10.03. Remarketing Agent.* The City shall designate the Remarketing Agent for the purpose of determining the interest rate on the Bonds, subject to the conditions set forth in Section 10.04 hereof, and for the purpose of remarketing the Bonds as provided herein. The Remarketing Agent shall designate to the Trustee its Delivery Office and signify its acceptance of the duties and obligations imposed upon it hereunder by written instruments of acceptance delivered to the City and the Trustee.

*Section 10.04. Qualifications of Remarketing Agent.* The Remarketing Agent shall be (i) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$15,000,000, and (ii) authorized by law to perform all the duties imposed upon it by this [Nineteenth] Supplemental Indenture and the Remarketing Agreement.

*Section 10.05. Removal of Remarketing Agent.* The Remarketing Agent may be removed at the discretion of the City at any time. [The Remarketing Agent may be removed at the discretion of the Bond Insurer upon the failure by the Remarketing Agent to perform its obligations and the continuation of such failure for 30 days after the Bond Insurer shall have filed with the City notice of such failure.] In the event of the resignation or removal of the Remarketing Agent, the Remarketing Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor or, if there be no successor, to the Trustee.

*Section 10.06. Paying Agent.* The Trustee may, and, if the Bonds bear interest at a Short Rate and are no longer registered in the name of a nominee of a Securities Depository, shall, appoint a Paying Agent with power to act on its behalf and subject to its direction (i) in the

authentication, registration and delivery of Bonds in connection with transfers and exchanges hereunder, as fully to all intents and purposes as though such Paying Agent had been expressly authorized by this [Nineteenth] Supplemental Indenture to authenticate, register and deliver Bonds, (ii) for effecting purchases and sales of Bonds pursuant hereto and accepting deliveries of Bonds, making deliveries of Bonds and holding Bonds pursuant hereto, and (iii) in the making of draws and accepting notice of reinstatements under the Liquidity Facility, including in the case of clauses (ii) and (iii) the establishment of required trust accounts in the name and on behalf of the Trustee.

The foregoing notwithstanding, the Trustee need not appoint a Paying Agent for as long as the Trustee shall have an office in New York, New York capable of handling the duties of Paying Agent hereunder. Any Paying Agent appointed pursuant to this Section shall evidence its acceptance by a certificate filed with the Trustee, the Bank and the City. For all purposes of this [Nineteenth] Supplemental Indenture, the authentication, registration and delivery of Bonds by or to any Paying Agent pursuant to this Section shall be deemed to be the authentication, registration and delivery of Bonds "by or to the Trustee." Such Paying Agent shall at all times be a commercial bank having an office in New York, New York, and shall at all times be a corporation organized and doing business under the laws of the United States or of any state with combined capital and surplus of at least \$30,000,000 and authorized under such laws to exercise corporate trust powers and subject to supervision or examination by Federal or state authority. If such corporation publishes reports of condition at least annually pursuant to law or the requirements of such authority, then for the purposes of this Section the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any corporation into which such Paying Agent may be merged or converted, or with which it may be consolidated, or any corporation resulting from any merger, consolidation or conversion to which such Paying Agent shall be a party, or any corporation succeeding to the corporate trust business of such Paying Agent, shall be a successor of such Paying Agent hereunder, if such successor corporation is otherwise eligible under this Section, without the execution or filing or any further act on the part of the parties hereto or such Paying Agent or such successor corporation.

Any Paying Agent may at any time resign by giving written notice of resignation to the Trustee, the Remarketing Agent, the Bank[, the Bond Insurer] and the City, and such resignation shall take effect at the appointment by the Trustee of a successor Paying Agent pursuant to the succeeding provisions of this Section and the acceptance by the successor Paying Agent of such appointment. The Trustee may at any time terminate the agency of any Paying Agent by giving written notice of termination to such Paying Agent, the Remarketing Agent, the Bank[, the Bond Insurer] and the City. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Paying Agent shall cease to be eligible under this Section, the Trustee shall promptly appoint a successor Paying Agent, shall give written notice of such appointment to the City, the Remarketing Agent and the Bank, and shall mail notice of such appointment to all registered owners of Bonds.

Notwithstanding anything herein to the contrary, any Paying Agent shall be entitled to rely on information furnished to it orally or in writing by the Trustee and the Remarketing Agent, and shall be protected hereunder in relying thereon.

The Trustee agrees to pay to any Paying Agent from time to time its fees and expenses for its services, and the Trustee shall be entitled to be reimbursed for such payments pursuant to Section 1005 of the Indenture.

*Section 10.07. Notice to Rating Agencies.* The Trustee hereby agrees that if at any time (a) there is a default in the payment of the principal of or the interest on any Bond, (b) the City redeems any portion of the Bonds outstanding hereunder prior to their Maturity Date, (c) the City provides for the payment of any portion of the Bonds pursuant to Article XI of the Indenture, (d) a successor Trustee is appointed, (e) any supplement to the Indenture, [the Bond Insurance Policy,] the Liquidity Agreement or the Custody Agreement, if any, shall become effective, or any party thereto shall waive any provision of the Indenture, (f) any change in the Remarketing Agent occurs, (g) any Fixed Rate Conversion Date occurs, (h) an Adjustable Long Mode or a Flexible Mode is established, (i) the Liquidity Facility then in effect expires or terminates or a Substitute Liquidity Facility is delivered, (j) the Stated Termination Date of the Liquidity Facility is changed[,] [or] (k) [a Substitute Bond Insurance Policy is delivered, then, in each case, the Trustee shall give notice thereof to each rating agency then maintaining a rating on the Bonds, or (l)] any mandatory tender of the Bonds.

## ARTICLE XI

### SUPPLEMENTAL INDENTURES; AMENDMENT TO INDENTURE

*Section 11.01. Supplements and Amendments to [Nineteenth] Supplemental Indenture.* This [Nineteenth] Supplemental Indenture may be supplemented and amended in the manner set forth in Articles VII and VIII, respectively, of the Indenture.

Additionally, this [Nineteenth] Supplemental Indenture may, without the consent of, or notice to, any of the Bondholders, be supplemented and amended, in such manner as shall not be inconsistent with the terms and provisions hereof or of the Indenture, for any one or more of the following purposes:

- (a) to provide for certificated Bonds;
- (b) to implement a conversion of the interest rate, on all or any portion of the Bonds to a Fixed Rate, an Adjustable Long Rate or a Short Rate, all as provided herein, including, but not limited to, modifying, amending or supplementing the form of Bond to reflect, among other things, a change in the designated title of the Bonds, the fixing of an annual rate of interest, the termination of the rights of any Registered Owner of Bonds to tender such Bonds for purchase, and the fact that the purchase price of, or interest on, the Bonds is no longer payable out of moneys drawn under the Liquidity Facility;

(c) to evidence or give effect to, or facilitate, the delivery and administration under this [Nineteenth] Supplemental Indenture of a Substitute Liquidity Agreement and/or a Substitute Liquidity Facility, including, but not limited to, such provisions as are necessary to permit the issuer of such a Substitute Liquidity Agreement to provide credit support relating to payment of principal of and interest on the Bonds and a separate issuer of another Substitute Liquidity Agreement to provide liquidity support relating to payment of the purchase, price of Bonds delivered or deemed delivered hereunder for purchase;

(d) [to evidence or give effect to, or facilitate, the delivery and administration under this [Nineteenth] Supplemental Indenture of a Substitute Bond Insurance Policy or a new swap agreement or the termination of a swap agreement];

(e) to evidence or give effect to or facilitate the delivery and administration under this [Nineteenth] Supplemental Indenture of a letter of credit, a line of credit, a bond purchase agreement, an insurance policy or any other credit or liquidity device to secure the Bonds;

(f) to secure or maintain ratings from any rating agency in the highest short-term or commercial paper debt rating category, and the highest long-term debt rating category, of such rating agency which are available for the Bonds, whether or not a Liquidity Facility secures the Bonds, which changes will not restrict, limit or reduce the obligation of the City to pay the principal of, premium, if any, and interest on the Bonds as provided in the Indenture or otherwise adversely affect the Registered Owners of the Bonds under the Indenture; and

(g) to effect a change in the optional redemption schedule for Bonds in a Fixed Mode or an Adjustable Long Mode pursuant to Section 3.11(a)(ii) or (iii) hereof, or to effect a change in redemption price in accordance with Section 3.11(d) hereof.

*Section 11.02. Consent of Bank [and Bond Insurer] Required.* (a) As long as (i) a Liquidity Facility is in effect or any Bank Bonds are outstanding, or (ii) the Bank Obligations remain unsatisfied, a supplemental indenture under this Article shall not become effective unless and until the Trustee shall have received Bank Approval. In this regard, the Trustee shall cause notice of the proposed execution of any such supplemental indenture, together with a copy of the proposed supplemental indenture, to be mailed to the Bank at least fifteen Business Days prior to the proposed date of execution and delivery of such supplemental indenture. The Bank shall be deemed to have denied consent to the execution and delivery of such supplemental indenture if the Trustee does not receive a letter of approval thereto signed by or on behalf of the Bank on or before the fifteenth Business Day after the mailing of said notice.

[(b) As long as (i) a Bond Insurance Policy is in effect, or (ii) the Bond Insurer Obligations remain unsatisfied, a supplemental indenture under this Article shall not become effective unless and until the Trustee shall have received Bond Insurer Approval. In this regard, the Trustee shall cause notice of the proposed execution of any such supplemental indenture, together with a copy of the proposed supplemental indenture, to be mailed to, the Bond Insurer at

least fifteen Business Days prior to the proposed date of execution and delivery of such supplemental indenture. The Bond Insurer shall be deemed to have denied consent to the execution and delivery of such supplemental indenture if the Trustee does not receive a letter of approval thereto signed by or on behalf of the Bond Insurer on or before the fifteenth Business Day after the mailing of said notice.]

*Section 11.03. [Amendment of [\_\_\_\_\_] of Indenture.* In a [Ninth] Supplemental Trust Indenture dated as of [\_\_\_\_\_] , 2014 amending the Indenture, [\_\_\_\_\_] was amended to read as follows:

The amendment of the Indenture described above is to be effective only upon compliance with Articles VII and VIII of the Indenture.

By purchasing the Bonds, the purchasers and Owners of the Bonds are deemed to have consented to such amendment to the Indenture and, notwithstanding any other provisions of the Indenture, such consent shall be deemed to be a continuing consent by such Owners and registered assigns so long as such Bonds are Outstanding.

*Section 11.04. Inapplicability of Section 506 of the Indenture.* By purchasing the Bonds, the purchasers and Owners of the Bonds are deemed to have consented to the inapplicability of the terms of Section 506 of the Indenture to the Bonds and, notwithstanding any other provisions of the Indenture, such consent shall be deemed to be a continuing consent by such Owners and registered assigns so long as such Bonds are Outstanding.

## [ARTICLE XII

### BOND INSURANCE

*Section 12.01. General Provisions.* The following covenants shall apply only to the Bonds and shall only be applicable during the period in which any Bonds are Outstanding or any amounts are due to the Initial Bond Insurer under the Initial Bond Insurance Policy, and the Initial Bond Insurer has not lost its rights pursuant to Section 1104 of the Indenture. The covenants contained in this Article XII may only be enforced by the Initial Bond Insurer and may be modified, amended or waived at any time with the prior written consent of the Initial Bond Insurer and without the consent of the Trustee (so long as such modification or amendment imposes no additional duties on the Trustee) or any holder of the Bonds.

The City hereby covenants with the Initial Bond Insurer as follows:

(a) Any provision of the Indenture expressly recognizing or granting rights in or to the Initial Bond Insurer may not be amended in any manner which affects the rights of the Initial Bond Insurer without the prior written consent of the Initial Bond Insurer. The Initial Bond Insurer reserves the right to charge the City a fee for any consent or amendment to the Indenture while the Initial Bond Insurance Policy is outstanding.

(b) As long as the Initial Bond Insurance Policy is in effect and the Initial Bond Insurer shall have satisfied its obligations thereunder, the Initial Bond Insurer shall be entitled to exercise all of the rights to direct proceedings granted to the Owners of Bonds under the Indenture and in such event shall be further entitled to direct the Trustee with respect to the use and disposition of moneys on deposit in the Principal and Interest Account of the Series 2014[ ] Dedicated Sub-Fund (including, without limitation, the right to direct the Trustee to pay over all or any part of such moneys to the Initial Bond Insurer) until all of the obligations to the Initial Bond Insurer under the Indenture shall have been satisfied in full. As long as the Initial Bond Insurance Policy shall be in effect, and the Initial Bond Insurer shall have satisfied its obligations thereunder, the Owners of the Bonds shall not exercise any remedies without the consent of the Initial Bond Insurer.

(c) Anything in the Indenture to the contrary notwithstanding, in determining whether the rights of the Owners of the Bonds will be adversely affected by any action taken pursuant to the terms and provisions of the Indenture, the Trustee shall consider the effect on the Owners of the Bonds as if there were no Initial Bond Insurance Policy.

*Section 12.02. Payment Procedure Pursuant to the Initial Bond Insurance Policy.* As long as the Initial Bond Insurance Policy shall be in full force and effect, the City and the Trustee agree to comply with the following provisions:

(a) At least one business day prior to all Interest Payment Dates, the Trustee will determine whether there will be sufficient funds in the funds and accounts to pay the principal of or interest on the Bonds on such Interest Payment Date. If the Trustee determines that there will be insufficient funds in such funds or accounts, the Trustee shall so notify the Initial Bond Insurer. Such notice shall specify the amount of the anticipated deficiency, the Bonds to which such deficiency is applicable and whether such Bonds will be deficient as to principal or interest, or both. If the Trustee has not so notified the Initial Bond Insurer at least one business day prior to an Interest Payment Date, the Initial Bond Insurer will make payments of principal or interest due on the Bonds on or before the first business day next following the date on which the Initial Bond Insurer shall have received notice of nonpayment from the Trustee.

(b) The Trustee shall, after giving notice to the Initial Bond Insurer as provided in (a) above, make available to the Initial Bond Insurer and, at the Initial Bond Insurer's direction, to The Bank of New York, in New York, New York, as insurance trustee for the Initial Bond Insurer or any successor insurance trustee (the "*Insurance Trustee*"), the registration books of the City maintained by the Trustee and all records relating to the funds and accounts maintained under this [Nineteenth] Supplemental Indenture.

(c) The Trustee shall provide the Initial Bond Insurer and the Insurance Trustee with a list of registered owners of Bonds entitled to receive principal or interest payments from the Initial Bond Insurer under the terms of the Bond Insurance Initial Bond Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of the Bonds entitled to receive full or

partial interest payments from the Initial Bond Insurer and (ii) to pay principal upon the Bonds surrendered to the Insurance Trustee by the registered owners of the Bonds entitled to receive full or partial principal payments from the Initial Bond Insurer.

(d) The Trustee shall, at the time it provides notice to the Initial Bond Insurer pursuant to (a) above, notify registered owners of Bonds entitled to receive the payment of principal or interest thereon from the Initial Bond Insurer (i) as to the fact of such entitlement, (ii) that the Initial Bond Insurer will remit to them all or a part of the interest payments next coming due upon proof of Bondholder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from the Initial Bond Insurer, they must surrender their Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to permit ownership of such Bonds to be registered in the name of the Initial Bond Insurer) for payment to the Insurance Trustee, and not the Trustee, and (iv) that should they be entitled to receive partial payment of principal from the Initial Bond Insurer, they must surrender their Bonds for payment thereon first to the Trustee, who shall note on such Bonds the portion of the principal paid by the Trustee, and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Trustee has notice that any payment of principal of or interest on a Bond which has become Due for Payment and which is made to a Bondholder by or on behalf of the City has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, non-appealable order of a court having competent jurisdiction, the Trustee shall, at the time the Initial Bond Insurer is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from the Initial Bond Insurer to the extent of such recovery if sufficient funds are not otherwise available, and the Trustee shall furnish to the Initial Bond Insurer its records evidencing the payments of principal of and interest on the Bonds which have been made by the Trustee and subsequently recovered from registered owners and the dates on which such payments were made.

(f) In addition to those rights granted the Initial Bond Insurer under this [Nineteenth] Supplemental Indenture, the Initial Bond Insurer shall, to the extent it makes payment of principal of or interest on Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Initial Bond Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note the Initial Bond Insurer's rights as subrogee on the registration books of the City maintained by the Trustee, upon receipt from the Initial Bond Insurer of proof of the payment of interest thereon to the registered owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note the Initial Bond Insurer's rights as subrogee on the registration books of the



City maintained by the Trustee upon surrender of the Bonds by the registered owners thereof together with proof of the payment of principal thereof.

*Section 12.03. The Initial Bond Insurer as Third Party Beneficiary.* To the extent that the Indenture confers upon or gives or grants to the Initial Bond Insurer, any right, remedy or claim under or by reason of the Indenture, the Initial Bond Insurer is hereby explicitly recognized as being a third-party beneficiary under the Indenture and may enforce any such right, remedy or claim conferred, given or granted under the Indenture.

*Section 12.04. Notices and Other Information to Be Given to the Initial Bond Insurer.*  
(a) While the Initial Bond Insurance Policy is in effect, the City shall furnish upon request the following to the Initial Bond Insurer (to the attention of the Surveillance Department):

(i) as soon as practicable after the filing thereof, a copy of any financial statement of the City and a copy of any audit and annual report of the City;

(ii) a copy of any notice to be given to the Owners of the Bonds, including, without limitation, notice of any redemption of or defeasance of the Bonds, and any certificate rendered pursuant to the Indenture relating to the security for the Bonds, at no cost to the Initial Bond Insurer;

(iii) the Initial Bond Insurer will receive written notice of the resignation of the Trustee;

(iv) such additional information it may reasonably request; and

(v) all information delivered pursuant to the Continuing Disclosure Undertaking executed in connection with the issuance of the Bonds.

(b) The City shall notify the Initial Bond Insurer (to the attention of the General Counsel Office) of the following:

(i) any failure of the City to provide relevant notices, certificates, etc.; and

(ii) notwithstanding any other provision of the Indenture, immediately if at any time there are insufficient moneys to make any payments of principal and/or interest as required and immediately upon the occurrence of any event of default under the Indenture.

(c) The City will permit the Initial Bond Insurer to discuss the affairs, finances and accounts of the City or any information the Initial Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City. The City will permit the Initial Bond Insurer to have access to and to make copies of all books and records relating to the Bonds at any reasonable time.

*Section 12.05. Payment of Bonds by Initial Bond Insurer.* Notwithstanding anything in the Indenture to the contrary, in the event that the principal and/or interest due on the Bonds shall be paid by the Initial Bond Insurer pursuant to the Initial Bond Insurance Policy, the Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, and the assignment and pledge described in Granting Clauses of the Indenture and all covenants, agreements and other obligations of the City to the registered owners of the Bonds shall continue to exist and shall run to the benefit of the Initial Bond Insurer, and shall be subrogated to the rights of the registered owners of the Bonds.]

## ARTICLE XIII

### MISCELLANEOUS

*Section 13.01. [Nineteenth] Supplemental Indenture as Part of Indenture.* This [Nineteenth] Supplemental Indenture shall be construed in connection with, and as a part of, the Indenture, and all terms, conditions and covenants contained in the Indenture, except as herein modified and except as restricted in the Indenture to Second Lien Obligations of another Series, shall apply and be deemed to be for the equal benefit, security and protection of the Bondholders[,] [and] the Bank [and the Bond Insurer].

*Section 13.02. Severability.* If any provision of this [Nineteenth] Supplemental Indenture shall be held or deemed to be, or shall, in fact, be, illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

*Section 13.03. Payments Due on Saturdays, Sundays and Holidays.* If the date for making any payment, or the last date for the performance of any act or the exercise of any right, as provided in this [Nineteenth] Supplemental Indenture, shall not be a Business Day, such payment may be made, act performed or right exercised on the next Business Day with the same force and effect as if done on the nominal date provided in this [Nineteenth] Supplemental Indenture, and no interest shall accrue for the period after such nominal date; *provided, however,* that nothing herein shall be deemed to [(a)] extend the Stated Termination Date or otherwise affect the obligations of the Bank under the Liquidity Agreement[, or (b) affect the obligations of the Bond Insurer under the Bond Insurance Policy].

*Section 13.04. Trustee Representation.* Neither the Trustee nor any Affiliate (defined below) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in this Section "*Affiliate*," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person

or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

*Section 13.05. Counterparts.* This [Nineteenth] Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

*Section 13.06. Rules of Interpretation.* Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this [Nineteenth] Supplemental Indenture and not solely to the particular portion in which any such word is used.

*Section 13.07. Captions.* The captions and headings in this [Nineteenth] Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this [Nineteenth] Supplemental Indenture.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, City has caused these presents to be executed in its name and with its official seal hereunto affixed and attested by its duly authorized officials; and to evidence its acceptance of the trusts hereby created, and Trustee has caused these presents to be executed in its corporate name and with its corporate seal hereunto affixed and attested by its duly authorized officers, as of the date first above written.

[SEAL]

CITY OF CHICAGO

Attest:

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Chief Financial Officer

[SEAL]

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO),  
as Trustee

Attest:

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

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

[Financial Guaranty Insurance Policy No. \_\_\_\_\_ (the "Policy") with respect to payments due for principal of and interest on this Bond has been issued by \_\_\_\_\_. The Policy has been delivered to The Bank of New York Mellon, New York, New York, as the Insurance Trustee under said Policy and will be held by such Insurance Trustee or any successor insurance trustee. The Policy is on file and available for inspection at the principal office of the Insurance Trustee and a copy thereof may be secured from Ambac Assurance or the Insurance Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of \_\_\_\_\_ as more fully set forth in the Policy.]

**EXHIBIT A**

**FORM OF BOND**

No. R-1

\$[\_\_\_\_\_]

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
CITY OF CHICAGO  
Chicago Midway Airport Second Lien Revenue Bond,  
Series 2014[\_\_\_\_\_]**

MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
January 1, [_____]	[_____], 2014	

CURRENT MODE:

(If the current Interest Mode is a Flexible Mode or an Adjustable Long Mode, additional information is set forth in the Notice of Rate Period attached hereto.)

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: [\_\_\_\_\_] Dollars

AS HEREINAFTER DESCRIBED, UNDER CERTAIN CIRCUMSTANCES ON CERTAIN DATES THIS BOND IS PERMITTED TO BE, OR IS REQUIRED TO BE, TENDERED FOR PURCHASE TO THE TRUSTEE OR THE TRUSTEE'S AGENT AT THE PURCHASE PRICE SPECIFIED HEREIN. THE REGISTERED OWNER HEREOF WHO ELECTS TO TENDER THIS BOND, OR IS REQUIRED TO TENDER THIS BOND, FOR PURCHASE SHALL BE ENTITLED SOLELY TO THE PAYMENT OF SUCH PURCHASE PRICE ON THE APPLICABLE PURCHASE DATE, AND SHALL NOT BE ENTITLED TO THE PAYMENT OF ANY PRINCIPAL HEREOF OR ANY INTEREST ACCRUED HEREON ON OR AFTER SUCH DATE.

CITY OF CHICAGO (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value

received, hereby promises to pay (but only out of the sources hereinafter provided) to the registered owner identified above, or registered assigns, on the maturity date specified above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal sum specified above, and to pay (but only out of the sources hereinafter provided) interest on the balance of said principal sum from time to time remaining unpaid from and including the original issue date specified above, or from and including the most recent Interest Payment Date (as defined in the hereinafter-defined [Nineteenth] Supplemental Indenture) with respect to which interest has been paid or duly provided for, until payment of said principal sum has been made or duly provided for.

The Bonds are limited obligations of the City and shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision thereof is pledged to the payment of the principal of the Bonds, or the interest or any premium thereon. The Bonds are payable solely from the Trust Estate (as defined in the hereinafter-defined [Nineteenth] Supplemental Indenture) pledged to such payment under the Indenture and certain other moneys held by or on behalf of the Trustee, and no registered owner or owners of the Bonds shall have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof.

Reference is hereby made to the further provisions of this Bond set forth below, and such further provisions shall for all purposes have the same effect as if set forth at this place.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture unless and until the certificate of authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and the manual or facsimile of its corporate seal to be printed hereon and attested by the manual or facsimile signature of its City Clerk.

CITY OF CHICAGO

Attest:

By: \_\_\_\_\_  
City Clerk

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

## CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: \_\_\_\_\_

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO), as Trustee

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

### DTC LEGEND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("*DTC*"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

*Payments.* The principal of and premium, if any, on Bonds bearing interest at a Bank Rate, a Short Rate or an Adjustable Long Rate shall be payable at the corporate trust office of the Trustee, upon presentation and surrender of such Bonds. The principal of and premium, if any, on Bonds bearing interest at a Fixed Rate shall be payable at the corporate trust office of the Trustee or, at the option of the registered owner, at the corporate trust office of any Paying Agent, if any, named in any such Bond, upon presentation and surrender of such Bonds. Any payment of the purchase price of a Tendered Bond shall be payable at the corporate trust office of the Trustee's Agent (or at such other office as may be designated by the Trustee), upon presentation and surrender of such Tendered Bond as hereinafter described.

Interest on Bonds bearing interest at a Weekly Rate, an Adjustable Long Rate or a Fixed Rate shall be paid by check mailed on the Interest Payment Date to the persons appearing on the Bond Register as the registered owners thereof as of the close of business of the Trustee on the Record Date at the address of such registered owners as they appear on the Bond Register or at such other addresses as are furnished to the Trustee in writing by such registered owners not later than the Record Date. Payment of interest on Bonds bearing interest at a Flexible Rate shall be made to the persons appearing on the Bond Register as the registered owners thereof as of the close of business of the Trustee on the Record Date, upon presentation and surrender of such



Bonds at the corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on any Bond shall be made to registered owner of \$1,000,000 or more in aggregate principal amount of Bonds as of the close of business of the Trustee on the Record Date for a particular Interest Payment Date by wire transfer to such registered owner on such Interest Payment Date upon written notice from such registered owner containing the wire transfer address within the United States to which such registered owner wishes to have such wire directed, which written notice is received not later than the Business Day next preceding the Record Date; *provided* that such wire transfer shall only be made for Bonds bearing interest at a Flexible Rate upon presentation and surrender of such Bonds at the corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on Bank Bonds shall be made to the Bank by wire transfer on each Interest Payment Date at the wire transfer address specified in the Liquidity Facility (or such other wire transfer address as is specified by the Bank in writing from time to time).

Interest accrued on the Bonds during each Rate Period shall be paid in arrears on each Interest Payment Date. Interest on the Bonds shall be computed (i) during any Short Mode upon the basis of a 365- or 366-day year, as applicable, for the number of days actually elapsed, (ii) during any Adjustable Long Mode or a Fixed Mode, upon the basis of a 360-day year consisting of twelve 30-day months, and (iii) with respect to Bank Bonds, upon the basis of a 360 day year and the actual number of days elapsed.

*General.* This Bond is one of an authorized series of bonds limited in aggregate principal amount to \$[\_\_\_\_\_] (the “*Bonds*”) issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and an ordinance of the City Council of the City, and executed under a Master Indenture of Trust Securing Chicago Midway Second Lien Obligations, dated as of September 1, 1998 (the “*Master Indenture*”), as supplemented by a [Nineteenth] Supplemental Indenture Securing Chicago Midway Airport Second Lien Bonds, Series 2014[\_\_\_], dated as of December 1, 2004 (the “[Nineteenth] *Supplemental Indenture*” and, together with the Master Indenture, the “*Indenture*”), from the City to The Bank of New York Mellon Trust Company, N.A. (as successor in trust to American National Bank and Trust Company of Chicago), Chicago, Illinois, as trustee (the “*Trustee*”), for the purpose of refunding prior to maturity certain Prior Airport Obligations (as defined in the Indenture), funding certain Swap Agreement Payments (as defined in the Indenture), funding a debt service reserve account and paying costs and expenses incidental thereto and to the issuance of the Bonds.

The Bonds and the interest thereon are payable from Second Lien Revenues (as defined in the Indenture) deposited into the Series 2014[\_\_\_] Dedicated Sub-Fund and pledged to the payment thereof under the Indenture and certain other moneys held by or on behalf of the Trustee.

As provided in the Indenture, additional bonds may be issued from time to time pursuant to supplemental indentures in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Master Indenture. The aggregate principal amount of bonds that may be issued pursuant to the Indenture is not limited and all bonds issued and to be issued pursuant to the Indenture, including

the Bonds, are and will be equally secured by the pledges and covenants made therein, except as otherwise provided or permitted in the Master Indenture.

Copies of the Indenture are on file at the corporate trust office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof is made for a description of the pledge and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Bonds, and the limitations on such rights and remedies.

*Definitions.* Terms used in this Bond shall have the same meanings as set forth in the Indenture.

*Interest Rates.* The Bonds shall initially bear interest at [a Weekly Rate] as provided in the Indenture until and unless any portion thereof is converted to a different Interest Mode as provided in the Indenture.

*Weekly Mode.* The Remarketing Agent will determine, and is required to give telephonic notice (confirmed by telecopy) to the Trustee of, the Weekly Rate in the manner set forth in the Indenture. Except on an Adjustment Date, in the event that the Weekly Rate for any Rate Period is not determined by the Remarketing Agent on a Rate Determination Date, the rate of interest borne by the Bonds bearing interest at a Weekly Rate shall be equal to the last determined Weekly Rate until the Remarketing Agent next determines the Weekly Rate as required under the Indenture.

*Flexible Mode.* The Remarketing Agent will determine, and is required to give telephonic notice (confirmed by telecopy) to the Trustee of, the duration of the Rate Period and the Flexible Rate in the manner set forth in the Indenture. Except on an Adjustment Date, in the event that the Flexible Rate for any Bond is not determined by the Remarketing Agent on any Rate Determination Date, (a) if the new Rate Period has been established, then such Bond shall bear interest at a Flexible Rate equal to 110% of the most recently announced rate for "AA" Financial Commercial Paper as shown in the Federal Reserve Composite Index of Rates for commercial paper having a duration to maturity that is closest to the duration of the new Rate Period or (b) if no new Rate Period has been established, such Bond shall bear interest at a Flexible Rate equal to 110% of the most recently announced rate for 30 day "AA" Financial Commercial Paper as shown in the Federal Reserve Composite Index of Rates for a Rate Period of the shortest possible duration.

*Adjustable Long Mode.* The Remarketing Agent will determine, and is required to give telephonic notice (confirmed by telecopy) to the Trustee of, the Adjustable Long Rate in the manner set forth in the Indenture. In the event that the Adjustable Long Rate for any Bond is not determined by the Remarketing Agent for the initial Rate Period, the rate of interest borne by such Bonds shall be determined pursuant to the Indenture. Except on an Adjustment Date, if the Remarketing Agent shall fail to determine an Adjustable Long Rate on a Rate Determination Date for a Rate Period within an Adjustable Long Mode, the Bonds shall automatically convert to a Rate Period of 367 days and shall bear interest at an Adjustable Long Rate equal to 105 % of the yield to maturity on United States Treasury fixed rate obligations having a maturity that is

closest to the date that is 367 days after the Rate Determination Date, as most recently published in the *Wall Street Journal* prior to the Adjustment Date.

*Fixed Mode.* From and after the Fixed Rate Conversion Date for a Bond, such Bond shall bear interest at the Fixed Rate with respect thereto established as provided below under “*Conversion to a Fixed Rate.*”

*Bank Rate.* Each Bank Bond shall bear interest at the Bank Rate.

*Maximum Interest Rate.* At no time shall the Bonds (including Bank Bonds) bear interest at a rate higher than the Maximum Interest Rate, and at no time shall Bonds entitled to the benefit of the Liquidity Facility bear interest at a rate higher than the Interest Coverage Rate.

*Purchase on Demand Date.* While a Bond (other than a Bank Bond) bears interest at a Weekly Rate, such Bond (or portion thereof in an Authorized Denomination) shall be purchased on a Demand Date therefor upon the demand of the registered owner thereof, at a purchase price equal to the principal amount thereof plus accrued interest, if any, to such Demand Date, upon irrevocable written notice (which may be given by telecopy) to the Trustee’s Agent and the Remarketing Agent, which notice must be received by the Trustee’s Agent and the Remarketing Agent not later than 4:00 p.m., Chicago time, on a Business Day in order to be effective on that day (any notice received after 4:00 p.m., Chicago time, on a Business Day shall be deemed given on the next succeeding Business Day). Such notice must specify (i) the principal amount and number of such Bond, the name and the address of such registered owner and the taxpayer identification number, if any, of such registered owner, and (ii) the Demand Date on which such Bond is to be purchased.

*Purchase on Notice of Certain Events of Default under Liquidity Agreement While Liquidity Facility is Required; Notice of Special Default.* During the period a Liquidity Facility is required by the Indenture, the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) are subject to mandatory tender by the registered owners thereof to the Trustee when the Trustee gives Immediate Notice to the registered owners of such Bonds and the Remarketing Agent of the occurrence and continuation of a Liquidity Agreement Default. In such case, the registered owner of any such Bond required to be purchased may not elect to retain its Bond, and by the acceptance of such Bond shall be deemed to have agreed to sell such Bond to the Trustee on the date specified pursuant to the Indenture.

Upon receipt by the Trustee of a written notice from the Bank of the occurrence of a Special Default under the Liquidity Agreement, the Trustee shall give Immediate Notice thereof to the registered owners of all the Bonds and the Remarketing Agent, which notice shall state that there will be no mandatory purchase of the Bonds as a result of such Special Default and that the Bonds will no longer be entitled to the benefits of a Liquidity Facility or, in the case of an Unmatured Default, that the obligation of the Bank to provide funds thereunder is suspended but that the other tender provisions of the Indenture will remain in effect, and that the Liquidity Agreement may terminate if such Unmatured Default is not cured within the time period specified in the Liquidity Agreement. If Immediate Notice of a mandatory tender has been given due to receipt by the Trustee of written notice from the Bank of the occurrence of a Liquidity

Agreement Default but a Special Default occurs prior to the mandatory tender date, the Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall remain subject to mandatory tender on such date, although the purchase price thereof will not be payable from amounts drawn under the Liquidity Agreement.

*Purchase While Bonds Bear Flexible Rate.* While any Bond (other than a Bank Bond) bears interest at a Flexible Rate, such Bond shall be purchased on each Rate Change Date for such Bond, other than the Rate Change Date which is the first day of a Flexible Mode applicable to such Bond, and on the Adjustment Date immediately following the last day of the Flexible Mode at a purchase price equal to the principal amount thereof. The registered owner of such Bond may not elect to retain its Bond.

*Purchase Prior to Stated Termination Date When Required Substitute Liquidity Facility Not in Place; Purchase Prior to Liquidity Substitution Date; Purchase Prior to Liquidity Facility Cancellation Date; [Purchase Prior to Bond Insurance Substitution Date].* During the period a Liquidity Facility is required under the Indenture, all Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall be purchased (a) on the Business Day prior to each Stated Termination Date of the Liquidity Agreement, and (b) on the Business Day immediately preceding each Liquidity Substitution Date, unless each Rating Agency then providing a short-term rating on the Bonds confirms that such short-term rating will not be withdrawn or reduced as a result of the delivery of such Substitute Liquidity Facility. If a Liquidity Facility is no longer required pursuant to the Indenture, all Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall be purchased on the Business Day prior to the Liquidity Facility Cancellation Date. [All Bonds (other than Bank Bonds and Bonds bearing interest at a Fixed Rate) shall be purchased on the Business Day prior to the Bond Insurance Substitution Date.] A purchase of Bonds pursuant to this paragraph shall be at a purchase price for each such Bond equal to the principal amount thereof plus accrued interest, if any, to the purchase date. The registered owner of such Bond may not elect to retain its Bond.

*Purchase While Bonds Bear Adjustable Long Rate.* While any Bond (other than a Bank Bond) bears interest at an Adjustable Long Rate, such Bond shall be purchased on each Rate Change Date within an Adjustable Long Mode for such Bond, other than the Rate Change Date which is the first day of an Adjustable Long Mode applicable to such Bond, and on the Adjustment Date immediately following the last day of such Adjustable Long Mode, at a purchase price equal to 100 percent of the principal amount thereof. The registered owner of such Bond may not elect to retain its Bond.

*Purchase on Adjustment Date.* On each Adjustment Date with respect to a Bond (other than a Bank Bond), such Bond shall be purchased as provided in the Indenture at a purchase price equal to the principal amount thereof, except that (i) a Bond which is to be purchased on an Adjustment Date which immediately follows the last day of a Flexible Mode shall be purchased as described under "Purchase While Bonds Bear Flexible Rate" above, and (ii) a Bond which is to be purchased on an Adjustment Date which immediately follows the scheduled final day of an Adjustable Long Mode shall be purchased as described under "Purchase While Bonds Bear Adjustable Long Rate" above. The registered owner of such Bond may not elect to retain its Bond.

*Payment of Purchase Price.* Bonds remarketed by the Remarketing Agent shall be delivered by the Trustee or the Trustee's Agent as directed by the Remarketing Agent by 11:00 a.m., Chicago time, on the date of purchase against payment therefor. The proceeds of sale by the Remarketing Agent shall be delivered to the Trustee by 11:00 a.m., Chicago time, on the date of purchase. The Trustee's Agent shall pay the purchase price of each Tendered Bond from the sources specified in the Indenture, to the registered owner thereof by 1:30 p.m., Chicago time, on the purchase date; *provided* that the Trustee's Agent shall have confirmed that such registered owner has delivered such Tendered Bond (with any necessary endorsements) to the Principal Office of the Trustee's Agent no later than 12:00 noon, Chicago time, on such date.

In the event that sufficient moneys are on deposit with the Trustee to pay the applicable purchase price of any Tendered Bond, such Tendered Bond will be deemed to have been purchased whether or not delivered by the registered owner thereof on the date such Tendered Bond is to be purchased. In the event any such purchased Tendered Bond is not so delivered, the City will execute and the Trustee will authenticate and deliver a replacement Bond of like date, Maturity Date and denomination as the Tendered Bond and bearing a number not contemporaneously outstanding.

*No Remarketing After Certain Defaults.* Unless consented to in writing by the City, the Remarketing Agent[,] [and] the Bank [and the Bond Insurer], (a) if during the period a Liquidity Facility is required pursuant to the Indenture, there is no Liquidity Facility in effect, there shall be no remarketing of Tendered Bonds, and (b) if there shall have occurred and be continuing an Event of Default under the Indenture of which an authorized officer in the principal office of the Remarketing Agent or an authorized officer in the corporate trust office of the Trustee has actual knowledge. In addition, the Remarketing Agent shall be under no obligation to remarket Bonds upon the occurrence and continuance of a Special Default or a Liquidity Agreement Default under the Indenture.

*Conversion to an Adjustable Long Mode or Short Mode.* The City may designate a different Interest Mode with respect to any Bond during a Flexible Mode or one or more Adjustable Long Modes on any Rate Change Date, during a Weekly Mode on any Business Day, upon compliance with the Indenture.

In the event that the Remarketing Agent does not determine the interest rate applicable to the initial Rate Period during a new Interest Mode with respect to any Bond or if any relevant opinion required is not delivered, the immediately succeeding Interest Mode with respect to the Bonds in the Interest Mode then ending shall be determined as provided in the Indenture.

*Designation of Substitute Adjustment Date.* The City may designate a Substitute Adjustment Date (i) for any Bank Bonds (*provided* that such Bank Bonds shall continue to bear interest at the Bank Rate as long as they remain Bank Bonds), with Bank Approval, on any Business Day, and (ii) for any Bonds in an Adjustable Long Mode, on any Business Day on which such Bonds can be optionally redeemed at a price of par plus accrued interest as set forth in the Indenture. The Substitute Adjustment Date shall be the next succeeding Adjustment Date for such Bonds for all purposes of the Indenture.

*Fixed Rate Conversion.* Subject to the conditions set forth in the [Nineteenth] Supplemental Indenture, on any Rate Change Date during a Flexible Mode or an Adjustable Long Mode, or on any Business Day during a Weekly Mode, the interest rate to be borne by all or any portion of the Bonds in such Interest Mode shall be converted to a Fixed Rate, and such Bonds so converted shall thereafter bear interest at such Fixed Rate until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions of the Indenture.

If the conversion of the interest rate of any Bond does not occur for any reason, including in the event that any condition precedent to the Fixed Rate Conversion shall not occur, such Bonds shall bear interest from and after the proposed Fixed Rate Conversion Date as provided in the Indenture.

*Effect of Notices.* Any notice mailed as provided herein shall be conclusively presumed to have been given, whether or not the registered owner of Bonds receives the notice.

*Redemption.* The Bonds shall be subject to redemption prior to their Maturity Date in the amounts, at the times and in the manner provided below.

(a) *Optional Redemption.* (i) Bonds in a Weekly Mode shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day during such Weekly Mode, at a Redemption Price equal to the principal amount thereof plus accrued interest, if any, to the redemption date.

(ii) Bonds in an Adjustable Long Mode shall be subject to redemption prior to their Maturity Date, during each Rate Period therein, at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day after the No-Call Period described below, at the following Redemption Prices (expressed as percentages of the principal amount of Bonds called for redemption) plus accrued interest, if any, to the redemption date:

LENGTH OF RATE PERIOD	NO-CALL PERIOD	REDEMPTION PRICE
greater than 12 years	10 years from the Rate Change Date	100%
less than or equal to 12 years and greater than 4 years	until 2 years prior to end of Rate Period	100%
less than or equal to 4 years	length of Rate Period	not subject to optional redemption

The City may, upon delivery to the Trustee of a Favorable Opinion of Bond Counsel, deliver to the Trustee an alternative redemption schedule to the schedule shown above, *provided* that no Bond shall be subject to optional redemption at a Redemption Price exceeding 103 percent of the principal amount of the Bond to be redeemed. After the first Rate Change Date succeeding the delivery of such alternative schedule, Bonds in an Adjustable Long Mode shall be subject to redemption pursuant to the terms of such alternative schedule.

(iii) Bonds in the Fixed Mode shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any date after the No-Call Period described below, at the following Redemption Prices (expressed as percentages of the principal amount of the Bond called for redemption) plus accrued interest, if any, to the redemption date:

TERM OF MATURITY	NO-CALL PERIOD	REDEMPTION PRICE
greater than 12 years	10 years from the Fixed Rate Conversion Date	100%
less than or equal to 12 years and greater than 4 years	until 2 years prior to the Maturity Date	100%
less than or equal to 4 years	term to the Maturity Date	not subject to optional redemption

The City may, upon delivery to the Trustee of a Favorable Opinion of Bond Counsel, deliver to the Trustee an alternative redemption schedule to the schedule shown above, *provided* that no Bond shall be subject to optional redemption at a Redemption Price exceeding 103 percent of the principal amount of the Bond to be redeemed. Bonds which commence bearing interest at a Fixed Rate on or after the delivery of such alternative schedule shall be subject to redemption in accordance with the provisions of such alternative schedule.

(iv) Bonds bearing interest at a Flexible Rate or an Adjustable Long Rate shall be subject to optional redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Rate Change Date therefor, at a Redemption Price equal to the principal amount thereof plus accrued interest, if any, to the redemption date.

(b) *Optional Redemption of Bank Bonds.* Bank Bonds shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day at a Redemption Price equal to the principal amount thereof plus accrued interest, if any, to the redemption date.

(c) The Bonds are also subject to mandatory sinking fund redemption at the times, in the amounts, at the price and in the manner set forth in Section 3.11(c) of the [Nineteenth] Supplemental Indenture.

*General Provisions Regarding Redemptions.* (i) No redemption of less than all of the Bonds outstanding shall be made pursuant to (a), (b) or (c) above unless (i) if such redemption is of Bonds bearing interest at a Short Rate or an Adjustable Long Rate, the aggregate principal amount of Bonds to be redeemed is equal to \$100,000 or integral multiples thereof and (ii) if such redemption is with respect to Bonds bearing interest at a Fixed Rate, the aggregate principal amount of Bonds to be redeemed is equal to \$100,000 or \$5,000 multiples in excess thereof. Any redemption of less than all of the Bonds outstanding shall be made in such a manner that all Bonds outstanding after such redemption are in Authorized Denominations.

(ii) Bonds may be called for redemption by the Trustee pursuant to (a) above (A) in the case of Bonds bearing interest at a Short Rate, upon receipt by the Trustee at least 35 days prior to the redemption date of a written request of the City requesting such redemption, or (B) in the case of Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, upon receipt by the Trustee at least 45 days prior to the redemption date of a written request of the City requesting such redemption.

(iii) Bonds may be called for redemption by the Trustee pursuant to (b) above upon receipt by the Trustee at least one Business Day prior to the redemption date of a written request of the City requesting such redemption. The Trustee or the Trustee's Agent shall give notice to the Bank one Business Day prior to any redemption of Bank Bonds pursuant to (b) or (c) above.

*Notice of Redemption.* Except as otherwise provided with respect to Bank Bonds in the Indenture, notice of the call for any redemption identifying the Bonds to be redeemed shall be given by first class mail, postage prepaid, with respect to Bonds bearing interest at a Short Rate, not less than 30 or more than 45 days prior to the date fixed for redemption, and shall be given by first class mail, postage prepaid, with respect to Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, not less than 30 or more than 60 days prior to the date fixed for redemption, to the registered owners of Bonds to be redeemed at their addresses as shown on the Bond Register. Failure to give notice in the manner prescribed with respect to any Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Bonds to be redeemed and to pay interest due thereon and premium, if any, the Bonds thus called shall not after the applicable redemption date bear interest, be protected by the Indenture or be deemed to be outstanding under the provisions of the Indenture.

*Selection of Bonds to be Redeemed.* If less than all the Bonds shall be called for redemption under any provision of the Indenture permitting such partial redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the City and designated to the Trustee; *provided, however,* that (i) in the case of the redemption of less than all Bonds which bear interest in the same Interest Mode at the same rates for the same Rate Periods and which in the case of Bonds bearing interest at a Fixed Rate were converted on the same date, such redemption shall be by lot in such manner as the Trustee may determine among such Bonds, (ii) in the case of the redemption of less than all Bonds which bear interest at the same rates for the same Rate Periods, such redemption shall be by lot in such manner as the Trustee may determine among such Bonds, and (iii) subject to other applicable provisions of the Indenture, the portion of any Bond to be redeemed shall be in a principal amount equal to an Authorized Denomination. Any redemption of less than all of the Bonds outstanding shall be made first from Bank Bonds.

*Liquidity Facility.* The City covenants and agrees that at all times while any Bonds are outstanding which bear interest at a rate other than the Fixed Rate, the City will maintain a Liquidity Facility in full force and effect with respect to all Bonds bearing interest at other than a Fixed Rate except as otherwise provided in the Indenture. In addition, the City covenants and agrees that at all times while any Bonds are outstanding which bear interest at other than a Fixed



Rate, if the rating of the Bank shall be lowered by either Moody's below "VMIG-1" or "P-1," as applicable, or by S&P below "A-1," then the City shall[, upon receipt of a written request of the Bond Insurer,] obtain a Substitute Liquidity Facility. In the event of a Liquidity Substitution Date, the Bonds shall be subject to mandatory purchase pursuant to the Indenture.

*Liquidity Facility Not Required in Certain Circumstances.* Prior to the Fixed Rate Conversion Date therefor, under the circumstances provided in the Indenture, the Bonds are not required to have the benefit of a Liquidity Facility. Bonds bearing interest at a Fixed Rate shall not be required to have the benefit of a Liquidity Facility after the Fixed Rate Conversion Date applicable to such Bonds. In the event of a Liquidity Facility Cancellation Date, the Bonds shall be subject to mandatory tender pursuant to the Indenture.

[*Substitution of Bond Insurance Policy.* Under the circumstances described in the Indenture the City may, at its option, with Bank Approval, and shall, upon receipt of a request from the Bank, obtain a Substitute Bond Insurance Policy. In the event of a Bond Insurance Substitution Date, the Bonds shall be subject to mandatory purchase pursuant to the Indenture.]

*Limited Obligation.* The Bonds are issued pursuant to an ordinance adopted by the City Council of the City, which ordinance authorizes the execution and delivery of the Indenture. The Bonds are limited obligations of the City payable solely from the Trust Estate pledged therefor under the Indenture.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained, against any past, present or future officer, employee or agent, or member of the City Council, of the City, or any successor to the City, as such, either directly or through the City, or any successor to the City, 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 officer, employee or agent, or member of the City Council, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

*Registration.* This Bond is transferable by the registered owner hereof in person or by such registered owner's attorney duly authorized in writing at the corporate trust office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture.

*Defeasance.* Provision for payment of all or any portion of the Bonds may be made, and the Indenture may be discharged, prior to payment of the Bonds in the manner provided in the Indenture.

*Miscellaneous.* The registered owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

**ASSIGNMENT**

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

UNIF GIFT MIN ACT—

TEN COM	– as tenants in common	_____ Custodian _____
TEN ENT	– as tenants by the entireties	(Cust) _____ (Minor)
JT TEN	– as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors

Act \_\_\_\_\_  
(State)

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

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

\_\_\_\_\_  
(Name and Address of Assignee)

this Bond of the City of Chicago and does hereby irrevocably constitute and appoint \_\_\_\_\_  
to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

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

Signature: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

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

**NOTICE OF RATE PERIOD**

Rate Change Date on which Current Rate Period Commences:

Next Rate Change Date:

Applicable Interest Rate during Current Rate Period:

Applicable Optional Redemption Provisions during Current Rate Period (if Adjustable Long Mode):

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A. (as successor in trust to  
AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO),  
as Trustee

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

**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT**

**SECTION I -- GENERAL INFORMATION**

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Miller, Canfield, Paddock and Stone, P.L.C.

**Check ONE of the following three boxes:**

Indicate whether the Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: \_\_\_\_\_

OR

3.  a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: \_\_\_\_\_

B. Business address of the Disclosing Party: 225 West Washington Street, Suite 2600  
Chicago, Illinois 60606

C. Telephone: 312 460-4211 Fax: 312 460-4201 Email: durbin@millercanfield.com

D. Name of contact person: **Paul Durbin**

E. Federal Employer Identification No. (if you have one): \_\_\_\_\_

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Serve as Disclosure Counsel to the City of Chicago in connection with the Midway 2014 Second Lien Revenue Bonds and Revenue Refunding Bonds, Series 2014.

G. Which City agency or department is requesting this EDS? **City of Chicago Department of Law**

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # \_\_\_\_\_ and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF THE DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- |   |  |
|---|--|
| <input type="checkbox"/> Person                                   | <input type="checkbox"/> Limited liability company         |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership     |
| <input type="checkbox"/> Privately held business corporation      | <input type="checkbox"/> Joint venture                     |
| <input type="checkbox"/> Sole proprietorship                      | <input type="checkbox"/> Not-for-profit corporation        |
| <input type="checkbox"/> General partnership                      | (Is the not-for-profit corporation also a 501(c)(3))?      |
| <input type="checkbox"/> Limited partnership                      | <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| <input type="checkbox"/> Trust                                    | <input checked="" type="checkbox"/> Other (please specify) |
|   | <b><u>Professional Limited Liability Company</u></b>       |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

**State of Michigan**

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes  No  N/A

**B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:**

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
<b><u>Michael P. McGee</u></b>	<b><u>Chief Executive Officer</u></b>
<b><u>Thomas Cranmer</u></b>	<b><u>Managing Director</u></b>
<b><u>Joseph Fazio</u></b>	<b><u>Managing Director</u></b>
<b><u>Douglas M. Kilbourne</u></b>	<b><u>Managing Director</u></b>
<b><u>Megan P. Norris</u></b>	<b><u>Managing Director</u></b>
<b><u>John Senica</u></b>	<b><u>Resident Director, Chicago</u></b>

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
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**None**

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### **SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS**

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes                       No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

### **SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) <b>NOTE:</b> "hourly rate" or "t.b.d." is not an acceptable response.
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**None**

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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

**SECTION V – CERTIFICATIONS**

**A. COURT-ORDERED CHILD SUPPORT COMPLIANCE**

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract’s term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes             No             No person directly or indirectly owns 10% or more of the Disclosing Party.

If “Yes,” has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes             No

**B. FURTHER CERTIFICATIONS**

1. Pursuant to Municipal Code Chapter 1-23, Article I (“Article I”)(which the Applicant should consult for defined terms (e.g., “doing business”) and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").



Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

**None**

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9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

**None**

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### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is                     is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

**D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS**

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes  No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes  No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

**E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS**

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

\_\_\_ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

**SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS**

**NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.**

**A. CERTIFICATION REGARDING LOBBYING**

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

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(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

#### B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question 1. or 2. above, please provide an explanation:

**We are not required to file an affirmative action plan under the OFCCP regulations as we do not meet the criteria of "government contractor."**

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**SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE**

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

**CERTIFICATION**

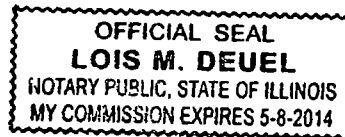
Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Miller, Canfield, Paddock and Stone, P.L.C.  
(Print or type name of Disclosing Party)

By: *Paul Durbin*  
(Sign here)

Paul Durbin  
(Print or type name of person signing)

Senior Counsel  
(Print or type title of person signing)



Signed and sworn to before me on (date) 01-08-14,  
at Cook County, ILL (state).

*Lois M. Deuel* Notary Public.

Commission expires: 05-08-14.

**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT  
APPENDIX A  
FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS**

**This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.**

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

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CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Charity & Associates, P.C.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: \_\_\_\_\_

OR

3.  a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: \_\_\_\_\_

B. Business address of the Disclosing Party: 20 N. Clark Street, Suite 1150

Chicago, Illinois 60602

C. Telephone: (312) 849-9000 Fax: (312) 849-9001 Email: elvin.charity@charity-associates.com

D. Name of contact person: Elvin E. Charity

E. Federal Employer Identification No. (if you have one): \_\_\_\_\_

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):  
Co-Disclosure Counsel in connection with Midway 2014 Second Lien Revenue Bonds and Revenue Refunding Bonds, Series 2014.

G. Which City agency or department is requesting this EDS? Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # \_\_\_\_\_ and Contract # \_\_\_\_\_

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation
- Privately held business corporation
- Sole proprietorship
- General partnership
- Limited partnership
- Trust
- Limited liability company
- Limited liability partnership
- Joint venture
- Not-for-profit corporation
- (Is the not-for-profit corporation also a 501(c)(3))?  
 Yes                       No
- Other (please specify)  
Professional Corporation

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes                       No                       N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Elvin E. Charity	President
Alan M. Bell	Secretary

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Elvin E. Charity	20 N. Clark Street, #1150, Chicago, IL 60602	100%

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### SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes                       No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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### SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes       No       No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes       No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

In August 2006, Elvin E. Charity was appointed by Mayor Richard M. Daley as Chairman of the Chicago Gary Regional Airport Authority and he continues to serve in that capacity.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"): As to any gift listed below, please also list the name of the City recipient.

N/A

### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is  is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

**D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS**

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes                       No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes                       No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

**E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS**

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to



comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

  X   1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

       2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

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## SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

### A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

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(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

#### B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes                       No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes                       No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes                       No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes                       No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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## SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

### CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Charity & Associates, P.C.

(Print or type name of Disclosing Party)

By: 

(Sign here)

Elvin E. Charity

(Print or type name of person signing)

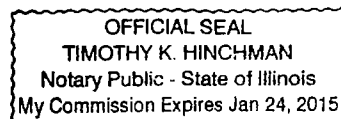
President

(Print or type title of person signing)

Signed and sworn to before me on (date) January 7, 2014,  
at Clark County, Illinois (state).

 Notary Public.

Commission expires: 01/24/2015



CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT  
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

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**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT**

**SECTION I -- GENERAL INFORMATION**

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

SANCHEZ DANIELS & HOFFMAN LLP

**Check ONE of the following three boxes:**

Indicate whether the Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: \_\_\_\_\_

OR

3.  a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: \_\_\_\_\_

B. Business address of the Disclosing Party: 333 W. Wacker Drive, Suite 500

Chicago, IL 60606

C. Telephone: (312) 641-1555 Fax: (312) 641-3004 Email: msanchez@sanchezdh.com

D. Name of contact person: Manuel Sanchez

E. Federal Employer Identification No. (if you have one): \_\_\_\_\_

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Midway 2014 Second Lien Revenue Bonds and Revenue Refunding Bonds, Series 2014.

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # \_\_\_\_\_ and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF THE DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation
- Privately held business corporation
- Sole proprietorship
- General partnership
- Limited partnership
- Trust
- Limited liability company
- Limited liability partnership
- Joint venture
- Not-for-profit corporation  
(Is the not-for-profit corporation also a 501(c)(3))?  
 Yes  No
- Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes  No  N/A

**B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:**

1. List below the full names and titles of all executive officers and all directors of the entity.

**NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

**NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Manuel Sanchez	Founder and Managing Partner
Timothy V. Hoffman	Partner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Manuel Sanchez,	333 W. Wacker, Suite 500, Chicago, IL 60606	65 Percent
Timothy V. Hoffman	(same address as above)	35 Percent

**SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS**

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes                       No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

**SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.



Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) <b>NOTE:</b> "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

**SECTION V -- CERTIFICATIONS**

**A. COURT-ORDERED CHILD SUPPORT COMPLIANCE**

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrears on any child support obligations by any Illinois court of competent jurisdiction?

Yes       No       No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes       No

**B. FURTHER CERTIFICATIONS**

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
  - b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
  - c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
  - d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
  - e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.
3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;
  - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
  - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
  - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

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9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

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### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is                       is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

**D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS**

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes                       No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes                       No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

**E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS**

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

   <sup>x</sup> 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

   2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

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**SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS**

**NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.**

**A. CERTIFICATION REGARDING LOBBYING**

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

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(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

#### B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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## SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:



F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

**CERTIFICATION**

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

SANCHEZ DANIELS & HOFFMAN LLP

(Print or type name of Disclosing Party)

By: Manuel Sanchez  
(Sign here)

Manuel Sanchez

(Print or type name of person signing)

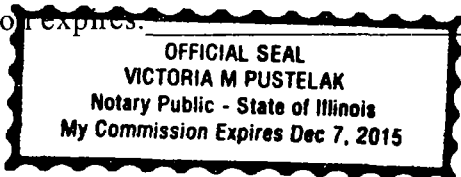
Founder and Managing Partner

(Print or type title of person signing)

Signed and sworn to before me on (date) January 9, 2014,  
at Cook County, Illinois (state).

Victoria M Pustelak Notary Public.

Commission expires.



**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT  
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS**

**This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.**

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof currently has a “familial relationship” with any elected city official or department head. A “familial relationship” exists if, as of the date this EDS is signed, the Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

“Applicable Party” means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. “Principal officers” means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof currently have a “familial relationship” with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

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**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT**

**SECTION I -- GENERAL INFORMATION**

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Mayer Brown LLP

**Check ONE of the following three boxes:**

Indicate whether the Disclosing Party submitting this EDS is:

1.  the Applicant

OR

2.  a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: \_\_\_\_\_

OR

3.  a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: \_\_\_\_\_

B. Business address of the Disclosing Party: 71 South Wacker Drive

Chicago, IL 60606

C. Telephone: (312) 701-7303 Fax: (312) 706-9136 Email: dnarefsky@mayerbrown.com

D. Name of contact person: David Narefsky

E. Federal Employer Identification No. (if you have one): \_\_\_\_\_

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Midway 2014 Second Lien Revenue Bonds and Revenue Refunding Bods, Series 2014

G. Which City agency or department is requesting this EDS? Law Department; Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF THE DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- |   |   |
|---|---|
| <input type="checkbox"/> Person                                   | <input type="checkbox"/> Limited liability company                |
| <input type="checkbox"/> Publicly registered business corporation | <input checked="" type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation      | <input type="checkbox"/> Joint venture                            |
| <input type="checkbox"/> Sole proprietorship                      | <input type="checkbox"/> Not-for-profit corporation               |
| <input type="checkbox"/> General partnership                      | (Is the not-for-profit corporation also a 501(c)(3))?             |
| <input type="checkbox"/> Limited partnership                      | <input type="checkbox"/> Yes <input type="checkbox"/> No          |
| <input type="checkbox"/> Trust                                    | <input type="checkbox"/> Other (please specify)                   |
- 

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes  No  N/A

**B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:**

1. List below the full names and titles of all executive officers and all directors of the entity.

**NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

**NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
<u>Jeremy Clay, Paul A. Jorissen, Y.M. Elaine Lo, T. Mark McLaughlin, Mark Russell Uhrynuk, Dr. Jorg Wulfken (Members);</u>	
<u>Alan S. Cohen, Evan L. Merberg (Ex Officio Members); Julian C. D'Esposito (Secretary); Kenneth S. Geller (Managing Partner);</u>	
<u>Paul W. Theiss (Chairman)</u>	

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2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

**SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS**

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes                       No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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**SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES**

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) <b>NOTE:</b> "hourly rate" or "t.b.d." is not an acceptable response.
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N/A

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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

**SECTION V -- CERTIFICATIONS**

**A. COURT-ORDERED CHILD SUPPORT COMPLIANCE**

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes       No       No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes       No

**B. FURTHER CERTIFICATIONS**

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I") (which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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N/A  
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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

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9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

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### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is  is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

**D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS**

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes  No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes  No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
<hr/>		
N/A		
<hr/>		
<hr/>		

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

**E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS**

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

  X   1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

       2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

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## SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

**NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII.** For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

### A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

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(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

#### B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes                       No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (Sec 41 CFR Part 60-2.)

Yes                       No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes                       No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes                       No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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## SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

**CERTIFICATION**

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Mayer Brown LLP

(Print or type name of Disclosing Party)

By:

*David Narefsky*  
(Sign here)

David Narefsky

(Print or type name of person signing)

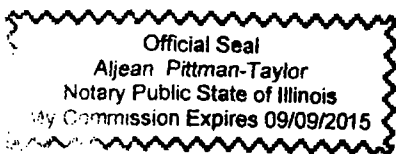
Partner

(Print or type title of person signing)

Signed and sworn to before me on (date) January 8, 2014  
at Cook County, Illinois (state).

*[Signature]* Notary Public.

Commission expires: September 9, 2015.



**CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT  
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS**

**This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.**

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

In connection with the response above, the Disclosing Party conducted an email survey of all Applicable Parties.

No responses indicated that any Applicable Party or Applicable Party's Spouse or Domestic Partner has a "familial relationship" with an elected city official or department head.