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SUBSTITUTE ORDINANCE AUTHORIZING THE ISSUANCE OF SECOND LIEN WATER REVENUE BONDS, SERIES 2016A IN AN AMOUNT NOT TO EXCEED $200,000,000

Table of Contents

PART A INTRODUCTION

ARTICLE I AUTHORITY AND FINDINGS

Section 1.01. Authority 1
Section 1.02. Findings 1

PART B
DEFINITIONS; 2016A SECOND LIEN BONDS; WATER FUND AND ACCOUNTS

ARTICLE I DEFINITIONS

Section 1.01. Definitions 4

ARTICLE II
DETAILS OF THE 2016A SECOND LIEN BONDS

Section 2.01. Principal Amount, Designation, Sources of Payment 16
Section 2.02. Purposes 16
Section 2.03. Approval of Ninth Supplemental Indenture and Additional Supplemental Indentures for the 2016A Second Lien Bonds, Bond

Provisions 17
Section 2.04. Sale of 2016A Second Lien Bonds 19
Section 2.05. Additional Authorization 21

ARTICLE III WATER FUND AND ACCOUNTS

Section 3.01. Revenue Obligation 21
Section 3.02. Water Fund 22
Section 3.03. Application of Net Revenues Available for Bonds 22
Section 3.04. Deficiencies, Excess 27
Section 3.05. Investments 28

ARTICLE IV
BOND PROCEEDS ACCOUNT: 2016A SECOND LIEN BONDS;
OPERATION OF WATER FUND ACCOUNTS WHEN NO SENIOR LIEN BONDS ARE OUTSTANDING

Section 4.01. Bond Proceeds Account: 2016A Second Lien Bonds - Establishment, Deposit of Funds, Uses 28
Section 4.02. Operation of Water Fund When No Senior Lien Bonds are Outstanding 29

ARTICLE V
AMENDMENT OF PART B OF THIS ORDINANCE

PART C
GENERAL

ARTICLE I GENERAL PROVISIONS

Section 1.01. Authority 30
Section 1.02. Authorized Signatures 30
Section 1.03. Conflict 31
Section 1.04. Severability 31
Section 1.05. Registered Owner Remedy 31
Section 1.06. Contract 31
Section 1.07. Appropriation 31
Section 1.08. Continuing Disclosure Undertaking 32
Section 1.09. Taxable Bonds 32
Section 1.10. Escrow Restructuring 32
Section 1.11. Book-Entry 32
Section 1.12. Headings 33

Section 1.13. Effectiveness '. 33

SUBSTITUTE ORDINANCE AUTHORIZING THE ISSUANCE OF SECOND LIEN WATER REVENUE BONDS, SERIES 2016A IN AN AMOUNT NOT TO EXCEED $200,000,000

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

PART A INTRODUCTION

ARTICLE I AUTHORITY AND FINDINGS

Section 1.01. Authority. This Ordinance is adopted pursuant to Section 6(a) of Article VII of the Constitution. This Ordinance authorizes the issuance of Second Lien Water Revenue Bonds, Series 2016A (the "2016A Second Lien Bonds") as follows: (i) Part B of this Ordinance authorizes the issuance, from time to time, of 2016A Second Lien Bonds in one or more series, in such principal amounts and with such terms and provisions as are set forth in Part B, in the Second Lien Bonds Master Indenture previously approved by the City and in the Ninth Supplemental Indenture approved in Part B; and (ii) Part C of this Ordinance sets forth provisions generally applicable to the 2016A Second Lien Bonds.

Section 1.02. Findings. It is found and declared as follows:

a) The City is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the Constitution, and is a "home rule unit" under Section 6(a) of Article VII of the Constitution.

b) The City has constructed and is maintaining and operating the Water System to meet the needs of the City's inhabitants and other users of the Water System and for fire protection. The Water System is operated under the supervision and control of the Department of Water Management of the City.

c) The City (i) has issued and has outstanding its Outstanding Senior Lien Bonds, Outstanding

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Second Lien Bonds and Outstanding Subordinate Lien Obligations; (ii) has executed and delivered, in connection with the 2004 Second Lien Bonds, (A) the Novation Agreement dated as of May 19, 2015 entered into by and among Barclays Bank PLC ("Barclays"), as Transferee, the City, as Remaining Party and UBS AG ("UBS"), as Transferor and the related Muni Swap Confirmation by and between Barclays and the City dated May 19, 2015, the ISDA Master Agreement and the Schedule, each dated as of May 19, 2015, between the City and Barclays; and (B) the ISDA Master Agreement, the Schedule and the Credit Annex to the Schedule, each dated as of August 5, 2004, and the related Confirmation, all as amended, between the City and Royal Bank of Canada (collectively, the "Series 2004 Second Lien Bonds Swap"); (iii) has executed and delivered, in connection with the 2000 Second Lien Bonds, the Novation Agreement dated as of May 15, 2015 entered into by and among Barclays, as Transferee, the City, as Remaining Party and UBS, as Transferor and the related Muni Swap

Confirmation by and between Barclays and the City dated May 15, 2015, the ISDA Master Agreement and the Schedule, each dated as of May 15, 2015, between the City and Barclays (collectively, the "Series 2000 Second Lien Bonds Swap"); and (iv) has executed and delivered certain agreements providing for credit or liquidity support with respect to obligations described in clause (i) above.

d) The City has issued its 2000 Second Lien Bonds pursuant to the terms of the Series 2000 Bond Ordinance, the Second Lien Bonds Master Indenture and the First Supplemental Indenture.

e) The terms of the Series 2000 Bond Ordinance, the Second Lien Bonds Master Indenture and the First Supplemental Indenture authorize the City to restructure the 2000 Second Lien Bonds by converting those Bonds to fixed interest rates.

f) The City has issued its 2004 Second Lien Bonds pursuant to the terms of the Series 2004 Second Lien Bond Ordinance, the Second Lien Bonds Master Indenture and the Third Supplemental Indenture.

g) The terms of the Series 2004 Second Lien Bond Ordinance, the Second Lien Bonds Master Indenture and the Third Supplemental Indenture authorize the City to restructure the 2004 Second Lien Bonds by converting those Bonds to fixed interest rates.

h) Authority is granted to the Chief Financial Officer and the City Clerk and the Deputy City Clerk, respectively, to execute and to attesi and affix the corporate seal of the City or a facsimile of such corporate seal, to one or more Supplemental Indentures (i) amending the terms of the First Supplemental Indenture in connection with the converting the 2000 Second Lien Bonds to fixed interest rates, and (ii) amending the terms of the Third Supplemental Indenture in connection with converting the 2004 Second Lien Bonds to fixed interest rates.

(i) The City has determined that it is advisable and in the best interests of the City to authorize the issuance from time to time of its Second Lien Water Revenue Bonds, Series 2016A (the "2016A Second Lien Bonds"), subject to the authorization limits specified in this Ordinance, in one or more series, for any one or more of the purposes of (1) paying the costs of restructuring the Outstanding 2000 Second Lien Bonds by converting those Bonds to fixed interest rates, (2) paying the costs of terminating the Series 2000 Second Lien Bonds Swap and other related costs; (3) paying the costs of restructuring the Outstanding 2004 Second Lien Bonds by converting those Bonds to fixed interest rates, (4) paying the costs of terminating the Series 2004 Second

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Lien Bonds Swap and other related costs, (5) paying Costs of Issuance of the 2016A Second Lien Bonds, (6) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2000 Second Lien Bonds or making a deposit to the 2000 Second Lien Bonds Dedicated Subaccount in the amount required by the First Supplemental Indenture or a Supplemental Indenture, (7) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2004 Second Lien Bonds or making a deposit to the 2004 Second Lien Bonds Dedicated Subaccount in the amount required by the Third Supplemental Indenture or a Supplemental Indenture, (8) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2016A Second Lien Bonds or making a deposit to the 2016A Second Lien Bonds Dedicated

Subaccount in the amount required by the Ninth Supplemental Indenture or a Supplemental Indenture, and (9) providing for any discount on the 2016A Second Lien Bonds. .

0) The proceeds of the 2016A Second Lien Bonds incurred for the costs described in clause (i), (1) - (9) above (the "Project Costs") will not exceed the amount required to pay such costs.

(k) In accordance with the covenants of the City in the Second Lien Bonds Master Indenture, concurrent with the issuance, sale and delivery of the 2016A Second Lien Bonds, all the conditions and requirements in Section 4.06 of the Second Lien Bonds Master Indenture shall have been fully satisfied and complied with and, based upon such satisfaction and compliance, if the City shall issue 2016A Second Lien Bonds pursuant to this Ordinance, such 2016A Second Lien Bonds will have a claim for payment from Second Lien Bond Revenues on an equal and ratable basis with the 2000 Second Lien Bonds, the 2001 Second Lien Bonds, the 2004 Second . Lien Bonds, the 2006 Second Lien Bonds, the Series 2008 Second Lien Bonds, the Series 2010 Second Lien Bonds, the 2012 Second Lien Bonds and the 2014 Second Lien Bonds.

(1) The City proposes to issue and sell the 2016A Second Lien Bonds for one or more of the purposes described in subsection (i) above in the manner authorized in this Ordinance in an aggregate principal amount not to exceed $200,000,000 plus an amount equal to the amount of any original issue discount used in marketing the 2016A Second Lien Bonds, as determined by the Chief Financial Officer in accordance with the terms of this Ordinance. The limit on the authorized amount of 2016A Second Lien Bonds under this Ordinance shall be exclusive of any premium received upon the issuance of the 2016A Second Lien Bonds.

(m) The borrowing authorized by this Ordinance and the issuance of the 2016A Second Lien Bonds are for proper public purposes and are in the public interest. The City has the power to borrow for the purposes set forth in this Ordinance and to issue the 2016A Second Lien Bonds.

(n) The City's ability to issue 2016A Second Lien Bonds, from time to time without further action by the City Council at various times, in various principal amounts and with various interest rates and interest rate determination methods, maturities, redemption provisions and other terms will enhance the City's opportunities to obtain financing upon the most favorable terms available at such time of issuance.

(o) Authority is granted to the Chief Financial Officer to determine to sell from time to time the 2016A Second Lien Bonds in one or more series, at such time as the Chief Financial Officer determines that such sale or sales is desirable and in the best financial interest of the Water System.

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(p) This Ordinance is adopted pursuant to the City's constitutional home rule powers.

PART B
DEFINITIONS; 2016A SECOND LIEN BONDS; WATER FUND AND ACCOUNTS

ARTICLE I
DEFINITIONS

Section 1.01. Definitions, (a) Except as provided in this Article I, all capitalized terms used and not otherwise defined in this Ordinance shall have the meanings ascribed to them in the preambles set forth in Part A of this Ordinance or in the Second Lien Bonds Master Indenture or the Ninth Supplemental Indenture.

(b) As used in this Ordinance, the following terms shall have the following meanings, unless the context clearly indicates a different meaning:

"Bond Proceeds Account: 2016A Second Lien Bonds" means the separate account of that name in the Water Fund established pursuant to Section 3.02 of this Part B.

"Bond Registrar" means such banking institution as may be appointed by the Chief Financial Officer as bond registrar for the 2016A Second Lien Bonds, or any successor to it in that capacity appointed by the Chief Financial Officer and any co-bond registrar separately appointed by the Chief Financial Officer.

"Chief Financial Officer" means the Chief Financial Officer of the City appointed by the Mayor or, in the event no person is at the time then so appointed and acting, the City Comptroller of the City.

"City" means the City of Chicago.

"City Clerk" means the duly elected and qualified person serving as the City Clerk of the City.

"City Council" means the City Council of the City.

"Constitution" means the 1970 Constitution of the State of Illinois.

"Costs of Issuance" means all fees and costs incurred by the City relating to the issuance of the 2016A Second Lien Bonds, including, without limitation, printing costs, Authenticating Agent's initial fees and charges, Bond Registrar's fees and charges, Paying Agent's fees and , charges, financial advisory fees, costs of credit ratings, engineering fees, legal fees, accounting fees, the cost of any premiums for municipal bond insurance to insure the 2016A Second Lien Bonds, and the cost of any related services with respect to the 2016A Second Lien Bonds.

"CP Notes" means obligations commonly described as "commercial paper" issued by the City from time to time, payable from the Commercial Paper Account described in Section 3.03(f) of this Part B including

the Series 2004 Commercial Paper Program Notes.

"Defeasance Obligations" means (i) cash, (ii) Governmental Obligations, (iii) securities that are described in clause (c) of the definition of Permitted Investments; (iv) securities that are obligations described in clause (f) of the definition of Permitted Investments (A) that have been refunded in advance of their maturity and are, at the time of purchase, rated by at least two Rating Agencies in their highest respective long-term rating categories for comparable types of debt obligations or (B) that have been refunded in advance of their maturity with cash, direct U.S. or U.S. guaranteed obligations, or rated pre-refunded municipals and are, at the time of purchase, rated by a single Rating Agency in its highest long-term rating category for comparable types of debt obligations, (iv) the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form, or (v) obligations issued by the following agencies which arc backed by the full faith and credit of the U.S.: Farmers Home Administration (FmHA) (certificates of beneficial ownership), Federal Financing Bank, General Services Administration (participation certificates), U.S. Maritime Administration (guaranteed Title XI financing), U.S. Department of Housing and Urban Development (HUD) (Project Notes, Local Authority Bonds, New Communities Debentures - U.S. government guaranteed debentures), and U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds.

"Deputy City Clerk" means the duly appointed and qualified person serving as the Deputy City Clerk of the City.

"Fiscal Year" means the period beginning January 1 and ending December 31 of any year.

"Governmental Obligations" means securities which are obligations described in clauses (a) and (b) of the definition of Permitted Investments in this Section 1.01.

"Gross Revenues" means all income and receipts from any source, which under generally accepted accounting principles are properly recognized as being derived from the operation of the Water System, including without limitation (i) charges imposed for water service and usage, (ii) charges imposed for sales of water to municipalities (other than the City) and other users of water service, (iii) charges imposed for inspections and permits for connection to the Water System, (iv) grants (excluding grants received for capital projects) and (v) Investment Earnings. Gross Revenues do not include amounts credited to customers on their bills, such as for payment of the price of purchasing from them capital assets of the Water System.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, or any successor act and the regulations promulgated thereunder.

"Investment Earnings" means interest plus net profits and less net losses derived from investments made with any portion of the Gross Revenues or with any money in the Accounts in the Water Fund (other than the Senior Lien Rebate Accounts) specified in Section 3.03 of this Part B. Investment Earnings do not include interest or earnings on investments of the Bond Proceeds Account: 2016A Second Lien Bonds, or any Second Lien Rebate Accounts established pursuant to Section 3.01 of the Second Lien Bonds Master Indenture.

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"ISDA" means the International Swaps and Derivatives Association, Inc. "Mayor" means

the Mayor of the City.

"Municipal Code" means the Municipal Code of Chicago, as amended.

"Net Revenues" means that portion of the Gross Revenues remaining in any period after providing sufficient funds for Operation and Maintenance Costs.

"Net Revenues Available for Bonds" means that portion of the Net Revenues remaining in any period, minus any amounts deposited during that period in the Water Rate Stabilization Account as provided in Section 3.03(g) of this Part B (other than amounts deposited to that Account upon the issuance of the Series 1993 Bonds or upon the issuance of any Senior Lien Parity Bonds) and plus the amounts withdrawn during that period from that Account.

"Ninth Supplemental Indenture" means the Ninth Supplemental Indenture respecting the initial series of 2016A Second Lien Bonds approved in Section 2.03 of Part B of this Ordinance, as the same may be amended in accordance with its terms.

"Operation and Maintenance Costs" means all expenses reasonably incurred by the City in connection with the operation, maintenance, renewal, replacement and repair of the Water System, which under generally accepted accounting principles are properly chargeable to the Water System and not capitalized, including, without limitation, salaries, wages, taxes, contracts for services, costs of materials and supplies, purchase of power, fuel, insurance, reasonable repairs and extensions necessary to render efficient service, the costs related to any agreements or other arrangements entered into pursuant to this Part B, Paying Agent's fees, and all incidental expenses, but excluding any provision for depreciation or for interest on Senior Lien Bonds, Second Lien Bonds, Subordinate Lien Obligations, CP Notes, Water System Line of Credit Notes or other obligations for borrowed money payable from the Net Revenues, Net Revenues Available for Bonds, Second Lien Bond Revenues or Subordinate Lien Obligation Revenues and, from and after the earlier to occur of (i) the date all Senior Lien Bonds issued prior to the date of issuance of the 2000 Senior Lien Bonds are no longer Outstanding or (ii) the effective date of amendments to the ordinances authorizing Outstanding Senior Lien Bonds issued prior to the date of issuance of the 2000 Senior Lien Bonds which permit the following to be included in the definition of Operation and Maintenance Costs, the fees of the trustee and any remarketing agent, paying agent or bond registrar for the Second Lien Bonds, and the paying agent, if any, for Subordinate Lien Obligations, the costs related to any agreements or other arrangements entered into pursuant to Section 2.05 of Part B of this Ordinance or the Second Lien Bonds Master Indenture.

"Ordinance" means this Ordinance as it may be modified or amended from time to time.

"Outstanding" means, (i) with reference to any series of Senior Lien Bonds, all of such obligations that are outstanding and unpaid, provided that such term does not include obligations:

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a) which have been paid or redeemed in full both as to principal, redemption premium, if any, and interest, or

b) which have matured or which have been duly called for redemption and for the payment of which money is on deposit with the designated paying agents for such Senior Lien Bonds, or are otherwise properly available, sufficient to pay the principal of, redemption premium, if any, and interest on such Senior Lien Bonds, or

c) for which the City has provided for payment by depositing in an irrevocable trust or escrow, cash or Defeasance Obligations, in each case the maturing principal of and interest on which will be sufficient to pay at maturity, or if called for redemption on the applicable redemption date, the principal of, redemption premium, if any, and interest on such Senior Lien Bonds, or

d) which are owned by the City; and

(ii) with reference to any Second Lien Bonds, has the meaning ascribed to such term in the Second Lien Bonds Master Indenture; and with reference to any Subordinate Lien Obligations, has the meaning ascribed to such term in the ordinances authorizing such Subordinate Lien Obligations; with reference to any CP Notes, has the meaning ascribed to such term in the ordinances and related indentures authorizing such CP Notes; and with reference to any Water System Line of Credit Notes, has the meaning ascribed to such term in the ordinances and related Water System Line of Credit Agreements pursuant to which such Water System Line of Credit Notes are issued.

"Paying Agent" means such banking institution as may be appointed by the Chief Financial Officer as paying agent for the 2016A Second Lien Bonds, or any successor to it in that capacity appointed by the Chief Financial Officer and any co-paying agent separately appointed by the Chief Financial Officer.

"Permitted Investments" means any of the following, to the extent permitted by law and by the Second Lien Bonds Master Indenture at the time of such investment:

a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America;

b) trust receipts or other certificates of ownership evidencing an ownership interest in the principal of or interest on, or both principal of and interest on, obligations described in clause (a) of this definition, which obligations are held in trust by a bank described in clause (d) of this definition, provided that such bank holds such obligations separate and segregated from all other funds and accounts of the City and of such bank and that a perfected first security interest under the Illinois Uniform Commercial Code, or under book entry procedures prescribed at 31 C.F.R. 306.0 et seq. or 31 C.F.R. 350.0 etseq. (or other similar book entry procedures similarly prescribed by federal law or regulations adopted after the date of adoption of this Ordinance), has been created in such obligations for the benefit of the applicable account in the Water Fund or, to the extent permitted, in any irrevocable trust or escrow established to make provision for the payment and discharge of the indebtedness on all 2016A Second Lien Bonds or other obligations which are payable from Net Revenues Available for Bonds;

c) obligations of Fannie Mae or of any agency or instrumentality of the United States of America now existing or created after the issuance and delivery of the 2016A Second Lien Bonds, including but not limited to the Federal Home Loan Mortgage Corporation, the United States Postal Service, the Government

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National Mortgage Association and the Federal Financing Bank;

d) negotiable or non-negotiable time deposits evidenced (i) by certificates of deposit issued by any bank, trust company, national banking association or savings and loan association which has capital of not less than $250,000,000 or (ii) by certificates of deposit which are continuously and fully insured by (A) any federal agency or (B) an insurer that at the time of issuance of the policy securing such deposits has been assigned a credit rating on its long-term unsecured debt within one of the two highest rating categories, without regard to any refinement or gradation of rating category by numerical modifier or otherwise, from at least two Rating Agencies;

e) repurchase agreements with banks described in clause (d) of this definition or with government bond dealers reporting to, trading with, and recognized as primary dealers by a Federal Reserve Bank, provided (i) that the underlying securities are obligations described in clauses (a) or (c) of this definition and are required to be continuously maintained at a market value not less than the amount so invested, (ii) the City has received an opinion of counsel to the effect that a custodian for the City has possession of the underlying securities as collateral and has a perfected first security interest in the collateral, and (iii) the collateral is in the opinion of such counsel free and clear of claims by third parties;

f) obligations of any state of the United States of America or any political subdivision of a state or any agency or instrumentality of a state or political subdivision which are, at the time of purchase, rated by at least two Rating Agencies in one of their two highest respective long-term rating categories, without regard to any refinement or gradation of rating categories by numerical modifier or otherwise (if not rated by at least two Rating Agencies then a rating by a single Rating Agency shall be satisfactory), for comparable types of debt obligations;

g) bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by any corporation which are, at the time of purchase, rated by at least two Rating Agencies, without regard to any refinement or gradation of rating categories by numerical modifier or otherwise, in their highest rating category (if not rated by at least two Rating Agencies then a rating by a single Rating Agency shall be satisfactory), for comparable types of debt obligations;

h) repurchase agreements and investment agreements (including forward purchase agreements pursuant to which the City agrees to purchase securities of the type described in clauses (a), (b), (c), (f), (g) and (i) of this definition of "Permitted Investments"), with any bank, trust company, national banking association (which may include any Paying Agent or Bond Registrar), insurance company or any other financial institution which at the date of the agreement has an outstanding, unsecured, uninsured and unguaranteed debt issue rated by at least two Rating Agencies in one of their three highest respective long-term rating categories, without regard to any refinement or gradation of rating categories by numerical modifier or otherwise, or if such institution is not so rated, that the agreement is secured by such securities as are described

in clauses (a) through (d) above, inclusive, having a market value at all times (exclusive of accrued interest, other than accrued interest paid in connection with the purchase of such securities) at least equal to the principal amount invested pursuant to the agreement, provided that (i) a custodian for the City (which custodian is not the entity with which the City has the repurchase or investment agreement) has a perfected first security interest in the collateral and the City has received an opinion of counsel to that effect, (ii) the custodian or an agent of the custodian (which agent is not the entity with which the City has the repurchase or investment agreement) has possession of the collateral, and (iii) such obligations are in the opinion of such counsel free

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and clear of claims by third parties;

(i) prime commercial paper of a corporation incorporated under the laws of any state of the United States of America, rated by at least one Rating Agency in its highest short-term rating category, without regard to any refinement or gradation of rating category by numerical modifier or otherwise;

(j) certificates of deposit of national banks that are either fully collateralized at least 110 percent by marketable U.S. government securities marked to market at least monthly or secured by a corporate surety bond issued by an insurance company licensed to do business in Illinois and having a claims-paying rating in the top rating category, without regard to any refinement or gradation of rating category by numerical modifier or otherwise, as rated by at least one Rating Agency and maintaining such rating during the term of such investment; and

(k) shares of a money market fund registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, as amended.

"Rating Agency" means any nationally recognized securities rating agency.

"Registered Owner" means any person in whose name a Bond is registered in the registration books of the City maintained by the Bond Registrar.

"Second Lien Bond Determination Certificate" means the certificate of the Chief Financial Officer with respect to the 2016A Second Lien Bonds of a series filed with the Office of the City Clerk or the Deputy City Clerk, addressed to the City Council as provided in Section 2.04(e) of this PartB.

"Second Lien Bond Initial Purchasers" means the underwriters or representatives of an underwriting syndicate or other purchasers to which, or at the direction of which, the City will sell the 2016A Second Lien Bonds of a series and with which the City will enter into a Second Lien Bond Purchase Agreement, as the Chief Financial Officer shall designate in the related Second Lien Bond Determination Certificate.

"Second Lien Bond Provider" means a company, banking institution or other financial institution which is the issuer of a Qualified Reserve Account Credit Instrument (as defined in the Second Lien Bonds Master Indenture).

"Second Lien Bond Purchase Agreement" means the Second Lien Bond Purchase Agreement between the City and the Second Lien Bond Initial Purchasers of the 2016A Second Lien Bonds of a series authorized by Section 2.04(a) of this Part B.

"Second Lien Bond Revenues" means all sums, amounts, funds or moneys which are deposited to the Second Lien Bonds Account pursuant to Section 3.03(d) of this Part B subject to the priority for the deposit of Net Revenues Available for Bonds established in Section 3.03 of this Part B.

"Second Lien Bonds" means the 2016A Second Lien Bonds authorized herein, the 2014 Second Lien Bonds, the 2012 Second Lien Bonds, the Series 2010 Second Lien Bonds, the Series 2008 Second Lien Bonds, the Series 2006 Second Lien Bonds, the 2004 Second Lien Bonds, the Series 2001 Second Lien Project and Refunding Bonds, the Series 2000 Second Lien Bonds and all Second Lien Parity Bonds.

"Second Lien Bonds Account" means the separate account of that name previously established in the

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Water Fund and described in Section 3.03(d) of this Part B.

"Second Lien Bonds Construction Accounts" means the various accounts established for construction purposes by the Series 2000 Bond Ordinance, the Series 2004 Second Lien Bond Ordinance, the Series 2006 Second Lien Bond Ordinance, the Series 2008 Second Lien Bond Ordinance, the Series 2010 Second Lien Bond Ordinance, the Series 2012 Second Lien Bond Ordinance, the Series 2014 Second Lien Bond Ordinance, and any ordinances authorizing Second Lien Parity Bonds, and the Bond Proceeds Account: 2016A Second Lien Bonds established by this Ordinance.

"Second Lien Bonds Master Indenture" means the Second Lien Bonds Master Indenture approved in the Series 2000 Bond Ordinance, as amended by Amendment No. 1 To Master Indenture, dated as of August 1, 2004 and as the same may from time to time be supplemented and amended in accordance with its provisions.

"Second Lien Parity Bonds" means obligations which may be issued on the date or after the issuance of the 2016A Second Lien Bonds which are payable from Second Lien Bond Revenues on an equal and ratable basis with the 2016A Second Lien Bonds and all other Outstanding Second Lien Bonds.

"Senior Lien Bonds" means the Series 1993 Bonds, the Series 1997 Bonds, the 2000 Senior Lien Bonds and all Senior Lien Parity Bonds.

"Senior Lien Bonds Construction Accounts" means the various accounts established for construction purposes by the Series 1997 Bond Ordinance, the Series 2000 Bond Ordinance, and any ordinance authorizing Senior Lien Parity Bonds.

"Senior Lien Debt Service Requirement" means, for any Fiscal Year, the principal of and interest on Senior Lien Bonds required to be paid in that Fiscal Year. With respect to any Senior Lien Bonds for which any interest is payable by appreciation in principal amount, the Senior Lien Debt Service Requirement for. a Fiscal Year includes all appreciated principal payable in that Fiscal Year but does not include the increase in principal which occurs in that Fiscal Year but is not payable in that Fiscal Year. Any Senior Lien Bonds required to be redeemed pursuant to a mandatory sinking fund redemption shall be treated for these purposes as being due on the date they are required to be redeemed and not on their stated maturity dates.

"Senior Lien Debt Service Reserve Account" means the separate account entitled "Bond Debt Service Reserve Account" previously established by the City in the Water Fund and described in Section 3.03(b) of this Part B and each Subaccount of that Account.

"Senior Lien Debt Service Reserve Account Credit Instrument" means a non-cancelable insurance policy, a non-cancelable surety bond or an irrevocable letter of credit which may be delivered to the City in lieu of or in partial substitution for cash or securities required to be on deposit in a Subaccount of the Senior Lien Debt Service Reserve Account. In the case of an insurance policy or surety bond, the Senior Lien Bond Provider of such insurance policy or surety bond shall be an insurer which, at the time of issuance of the insurance policy or surety bond, has been assigned a credit rating which is within one of the two highest ratings, without regard to any refinement or gradation of rating categories by numerical modifier or otherwise, accorded insurers by at least two Rating Agencies. Letters of credit shall be issued by a banking institution which has, or the parent of which has, or the holding corporation of which it is the principal bank has, at the time of issuance of the letter of credit, a credit rating on its long-term unsecured debt within one of the two highest rating categories, without regard to any refinement or gradation of rating categories by numerical

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modifier or otherwise, from at least two Rating Agencies. The insurance policy, surety bond or letter of credit shall grant to the City the right to receive payment for the purposes of which the Subaccount of the Senior Lien Debt Service Reserve Account may be used or for deposit in that Subaccount and shall be irrevocable during its term.

"Senior Lien Debt Service Reserve Account Credit Instrument Coverage" means, with respect to any Senior Lien Debt Service Reserve Account Credit Instrument on any date of determination, the amount available to pay principal of and interest on the Senior Lien Bonds under that Senior Lien Debt Service Reserve Account Credit Instrument.

"Senior Lien Debt Service Reserve Requirement" means with respect to each of the Series 1993 Bonds, the Series 1997 Bonds and the 2000 Senior Lien Bonds, the amount, as of any date of computation, specified in the respective ordinance of the City, as amended, authorizing those Bonds. Any Senior Lien Bonds required to be redeemed pursuant to a mandatory sinking fund redemption shall be treated for purposes of this definition as being due on the dates they are required to be redeemed and not on their stated maturity dates.

"Senior Lien Parity Bonds" means obligations issued which are payable from Net Revenues Available for Bonds on an equal and ratable basis with all other Outstanding Senior Lien Bonds.

"Senior Lien Principal and Interest Account" means the separate account entitled "Bond Principal and Interest Account" previously established by the City in the Water Fund and described in Section 3.03(a) of this Part B.

"Senior Lien Rebate Account" or "Senior Lien Rebate Accounts" means the separate account or accounts with that title in the Water Fund referred to in Section 3.03(c) of this Part B.

"Series 1993 Bond Ordinance" means the ordinance passed by the City Council on August 4, 1993, authorizing the issuance of the Series 1993 Bonds, and the Senior Lien Bond Determination Certificate of the City Comptroller in connection with the Series 1993 Bonds.

"Scries 1993 Bonds" means the Water Revenue Bonds, Refunding Series 1993, of the City which are Outstanding from time to time.

"Series 1997 Bond Ordinance" means the ordinance passed by the City Council on June 4, 1997, authorizing the issuance of the Series 1997 Bonds, and the Senior Lien Bond Determination Certificate of the Chief Financial Officer in connection with the Series 1997 Bonds.

"Series 1997 Bonds" means the Water Revenue Bonds, Series 1997, of the City which are Outstanding from time to time.

"Series 2000 Bond Ordinance" means the ordinance passed by the City Council on November 17, 1999, authorizing the issuance of the Series 2000 Bonds, and the Senior Lien Bond Determination Certificate of the Chief Financial Officer in connection with the Series 2000 Bonds.

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"Series 2000 Bonds" means, collectively, the 2000 Senior Lien Bonds, the 2000 Second Lien Bonds and the 2000 Subordinate Lien Obligations of the City which are Outstanding from time to time.

"Series 2001 Bonds" means, collectively, the 2001 Second Lien Bonds and the 2001 Subordinate Lien Obligations which are Outstanding from time to time.

"Series 2001 Second Lien Bond Ordinance" means the ordinance passed by the City Council on March 7, 2001, authorizing the issuance of the 2001 Second Lien Bonds, and the Second Lien Bond Determination Certificate of the Chief Financial Officer in connection with the 2001 Second Lien Bonds.

"Series 2001 Subordinate Lien Obligation Ordinance" means the ordinance passed by the City Council on October 31, 2001, authorizing the issuance of the 2001 Subordinate Lien Obligations.

"Series 2004 Commercial Paper Program Notes" means the Water System Commercial Paper Notes, 2004 Program, Series A (Tax-Exempt) and Series B (Taxable) of the City outstanding from time to time.

"Series 2004 Second Lien Bond Ordinance" means the ordinance passed by the City Council on May 26, 2004, as amended by the Series 2012 Second Lien Bond Ordinance, authorizing the issuance of the 2004 Second Lien Bonds and the Second Lien Bond Determination Certificate of the Chief Financial Officer in connection with the Series 2004 Bonds and further authorizing the Series 2004 Commercial Paper Notes.

"Series 2006 Bonds" means the Series 2006 Second Lien Bonds and the 2006 Subordinate Lien Obligations of the City which are Outstanding from time to time.

"Series 2006 Second Lien Bond Ordinance" means the ordinance passed by the City Council on June 28, 2006, authorizing the issuance of the Series 2006 Second Lien Bonds.

"Series 2006 Second Lien Bonds" means the Second Lien Water Revenue Project and Refunding Bonds, Series 2006, of the City, which are Outstanding from time to time.

"Scries 2006 Subordinate Lien Obligation Ordinance" means the ordinance passed by the City Council authorizing the issuance of the 2006 Subordinate Lien Obligations.

"Series 2008 Bonds" means the Series 2008 Second Lien Bonds and the 2008 Subordinate Lien Obligations of the City which are Outstanding from time to time.

"Series 2008 Second Lien Bond Ordinance" means the ordinance passed by the City Council on September 27, 2007, authorizing, among other things, the issuance of the Series 2008 Second Lien Bonds.

"Scries 2008 Second Lien Bonds" means the Second Lien Water Revenue Project and Refunding Bonds, Series 2008, of the City, which are Outstanding from time to time.

"Scries 2008 Subordinate Lien Obligation Ordinance" means the ordinance passed by the City Council authorizing the issuance of the 2008 Subordinate Lien Obligations.

"Series 2010 Second Lien Bond Ordinance" means the ordinance passed by the City Council on September 8, 2010, authorizing, among other things, the issuance of the Series 2010 Second Lien Bonds and

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the Second Lien Bond Determination Certificate of the Chief Financial Officer in connection with the Series 2010 Second Lien Bonds.

"Series 2010 Second Lien Bonds" means, collectively, the 201 OA Second Lien Bonds, the 2010B Second Lien Bonds and the 2010C Second Lien Bonds which are Outstanding from time to time.

"Series 2012 Second Lien Bond Ordinance" means the ordinance passed by the City Council on March 14, 2012 as amended by the ordinance passed by the City Council on May 9, 2012, authorizing, among other things, the issuance of the 2012 Second Lien Bonds and the 2012 Subordinate Lien Obligations and the Second Lien Bond Determination Certificate of the Chief Financial Officer in connection with the 2012 Second Lien Bonds.

"Series 2014 Second Lien Bond Ordinance" means the ordinance passed by the City Council on April 30, 2014, authorizing the issuance of the 2014 Second Lien Bonds and the Second Lien Bond Determination Certificate of the Chief Financial Officer in connection with the 2014 Second Lien Bonds. ,

"Subordinate Lien Debt Service Requirement" means, for any Fiscal Year, the principal of and interest on Subordinate Lien Obligations required to be paid in that Fiscal Year.

"Subordinate Lien Debt Service Reserve Subaccount" means the separate Subaccount of that name previously established by the City in the Subordinate Lien Obligations Account and described in Section 3.03 (e) of this Part B.

13

"Subordinate Lien Obligations" means the 2000 Subordinate Lien Obligations, the 2001 Subordinate Lien Obligations, the 2006 Subordinate Lien Obligations, the 2008 Subordinate Lien Obligations, the 2012 Subordinate Lien Obligations and all Subordinate Lien Parity Obligations.

"Subordinate Lien Obligation Revenues" means all sums, amounts, funds or moneys which are deposited to the Subordinate Lien Obligations Account.

"Subordinate Lien Obligations Account" means the separate account of that name previously established in the Water Fund and described in Section 3.03(e) of this Part B.

"Subordinate Lien Principal and Interest Subaccount" means the separate Subaccount of that name previously established by the City in the Subordinate Lien Obligations Account and described in Section 3.03 (e) of this Part B.

"Subordinate Lien Parity Obligations" means obligations issued in the future which are payable from Subordinate Lien Obligation Revenues on an equal and ratable basis with all other Outstanding Subordinate Lien Obligations.

"Supplemental Indenture" means each Supplemental Indenture duly entered into in accordance with the terms of the Second Lien Bonds Master Indenture (other than the Ninth Supplemental Indenture) respecting each series of 2016A Second Lien Bonds other than the initial series of such Bonds approved in Section 2.03 of Part B of this Ordinance.

"Taxable Bonds" has the meaning assigned to such term in Section 1.09 of Part C of this Ordinance.

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"Treasurer" means the Treasurer of the City.

"Treasury Department" means the United States Department of the Treasury.

"2000 Second Lien Bonds" means the Second Lien Water Revenue Bonds, Series 2000, of the City which are Outstanding from time to time.

"2000 Senior Lien Bonds" means the Senior Lien Water Revenue Bonds, Series 2000, of the City which are Outstanding from time to time.

"2000 Subordinate Lien Obligations" means the Loans authorized by and defined in the Series 2000 Bond Ordinance which are Outstanding from time to time.

"2001 Second Lien Bonds" means the Second Lien Water Revenue Refunding Bonds, Series 2001, of the City which are Outstanding from time to time.

"2001 Subordinate Lien Obligations" means the Loans authorized by and defined in the Series 2001 Subordinate Lien Obligation Ordinance.

"2004 Second Lien Bonds" means the Second Lien Water Revenue Refunding Bonds, Series 2004, of the City, which are Outstanding from time to time.

"2006 Subordinate Lien Obligations" means the Loans authorized by and defined in the Series 2006 Subordinate Lien Obligation Ordinance.

"2008 Subordinate Lien Obligations" means the Loans authorized by and defined in the Series 2008 Senior Lien Bond Ordinance.

"2010A Second Lien Bonds" means the Second Lien Water Revenue Bonds, Project and Refunding Series 201 OA (Tax-Exempt), of the City, which are Outstanding from time to time.

"2010B Second Lien Bonds" means the Second Lien Water Revenue Bonds, Taxable Project Series 2010B (Build America Bonds - Direct Payment), of the City, which are Outstanding from time to time.

"2010C Second Lien Bonds" means the Second Lien Water Revenue Bonds, Taxable Project Series 2010C (Qualified Energy Conservation Bonds - Direct Payment), of the City, which are Outstanding from time to time.

"2012 Second Lien Bonds" means the Second Lien Water Revenue Bonds, Project Series 2012, of the City, which are Outstanding from time to time.

"2012 Subordinate Lien Obligations" means the Loans authorized and defined in the Series 2012 Second Lien Bond Ordinance.

"2014 Second Lien Bonds" means the Second Lien Water Revenue Project and Refunding Bonds, Series 2014, of the City, which are Outstanding from time to time.

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"2016A Second Lien Bonds" means the Second Lien Water Revenue Bonds, Series 2016A authorized by Section 2.01 of of this Part B.

"Water Fund" means the separate fund designated the "Water Fund of the Municipality of Chicago" previously established by the City and described in Section 3.02 of this Part B.

"Water Rate Stabilization Account" means the separate account of that name previously established by the City in the Water Fund and described in Section 3.03(g) of this Part B.

"Water System" means all property, real, personal or otherwise, owned or to be owned by the City or under the control of the City and used for water supply, distribution or collection purposes, including the Projects, any and all further extensions, improvements and additions to the foregoing.

"Water System Line of Credit Notes" means the Water System Line of Credit Notes defined in and authorized by the Series 2012 Second Lien Bond Ordinance.

ARTICLE U
DETAILS OF THE 2016A SECOND LIEN BONDS

Section 2.01. Principal Amount, Designation, Sources of Payment. The City is authorized to borrow money for the purposes specified in Section 2.02 of this Part B and in evidence of its obligation to repay the borrowing is authorized to issue at one or more times the 2016A Second Lien Bonds in one or more separate series (provided that (a) the total principal amount of any 2016A Second Lien Bonds shall not exceed $200,000,000, plus an amount equal to the amount of any original issue discount (not to exceed 15 percent of the aggregate principal amount of such series of 2016A Second Lien Bonds) used in the marketing, of such 2016A Second Lien Bonds). The 2016A Second Lien Bonds shall be issued pursuant to the Second Lien Bonds Master Indenture, the Ninth Supplemental Indenture and one or more additional Supplemental Indentures, if any. The 2016A Second Lien Bonds shall be designated "Second Lien Water Revenue Bonds, Series 2016A" or "Second Lien Water Revenue Bonds, Series 2016A (Taxable)". If the 2016A Second Lien Bonds are issued in more than one series, each series shall be appropriately designated to indicate the order of its issuance. The 2016A Second Lien Bonds shall be limited obligations of the City having a claim for payment of principal, redemption premium and interest solely from amounts in the 2016A Second Lien Bonds Subaccount of the Second Lien Bonds Account, the sources pledged under the Second Lien Bonds Master Indenture and the Ninth Supplemental Indenture and from amounts on deposit in the Bond Proceeds Account: 2016A Second Lien Bonds, and, together with any Outstanding and Second Lien Parity Bonds, from Second Lien Bond Revenues. The 2016A Second Lien Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions or limitation as to indebtedness and shall have no claim to be paid from taxes of the City. Each 2016A Second Lien Bond shall contain a statement to that effect. A lien on and security interest in Second Lien Bond Revenues is granted to the Registered Owners of the Second Lien Bonds Outstanding from time to time, and a lien on amounts in the Bond Proceeds Account: 2016A Second Lien Bonds is granted to the Owners of the 2016A Second Lien Bonds Outstanding from time to time, subject to amounts in those Accounts being, deposited, credited and expended as provided in this Ordinance.

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Section 2.02. Purposes. The borrowing and issuance of the 2016A Second Lien Bonds authorized in Section 2.01 of this Part B shall be for any one or more of the purposes of (a) paying the costs of restructuring the Outstanding 2000 Second Lien Bonds by converting those Bonds to fixed interest rates, (b) paying the costs of terminating the Series 2000 Second Lien Bonds Swap and other related costs, (c) paying the costs of restructuring the Outstanding 2004 Second Lien Bonds by converting those Bonds to fixed interest rates, (d) paying the costs of terminating the Series 2004 Second Lien Bonds Swap and other related costs, (e) paying Costs of Issuance of the 2016A Second Lien Bonds, (f) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2000 Second Lien Bonds or making a deposit to the 2000 Second Lien Bonds Dedicated Subaccount in the amount required by the First Supplemental Indenture or a Supplemental Indenture, (g) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2004 Second Lien Bonds or making a deposit to the 2004 Second Lien Bonds Dedicated Subaccount in the amount required by the Third Supplemental Indenture or a Supplemental Indenture, (h) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2016A Second Lien Bonds or making a deposit to the 2016A Second Lien Bonds Dedicated Subaccount in the amount required by the Ninth Supplemental

16

Indenture or a Supplemental Indenture, and (i) providing for any discount on the 2016A Second Lien Bonds.

Section 2.03. Approval of Ninth Supplemental Indenture and Additional Supplemental Indentures for the 2016A Second Lien Bonds, Bond Provisions, (a) The form of Ninth Supplemental Indenture attached to this Ordinance as Exhibit A is approved in all respects. The Chief Financial Officer is authorized, with respect to the initial series of 2016A Second Lien Bonds, to execute and deliver the Ninth Supplemental Indenture for the 2016A Second Lien Bonds in substantially the form attached to this Ordinance as Exhibit A for and on behalf of the City, and the City Clerk and the Deputy City Clerk are each authorized to attest the same and to affix to the same the corporate seal of the City or a facsimile of such corporate seal. The Chief Financial Officer is further authorized with respect to any series of 2016A Second Lien Bonds issued subsequent to the initial series of 2016A Second Lien Bonds, to execute and deliver a Supplemental Indenture containing the information set forth in Section 2.03 of the Second Lien Bonds Master Indenture and in substantially the form of the Ninth Supplemental Indenture, and the City Clerk and the Deputy City Clerk are each authorized to attest the same and to affix to the same the corporate seal of the City or a facsimile of such corporate seal. The Ninth Supplemental Indenture and each Supplemental Indenture executed and delivered pursuant to this Section 2.03 may contain such changes and revisions to reflect the terms of such series of 2016A Second Lien Bonds (including, without limitation changes and revisions related to the issuance of such 2016A Second Lien Bonds as Taxable Bonds) consistent with the purposes and intent of this Part B and with the covenants set forth in the Second Lien Bonds Master Indenture as shall be approved by the Chief Financial Officer, the execution and delivery of such Ninth Supplemental Indenture and each Supplemental Indenture to constitute conclusive evidence of the City Council's approval of any and all such changes or revisions in such instruments. The Ninth Supplemental Indenture and each Supplemental Indenture shall set forth such covenants with respect to the imposition of Water System rates, the issuance of Second Lien Parity Bonds, the application of funds in the Water Fund and the Second Lien Bonds Account and other matters relating to the 2016A Second Lien Bonds and the security for the 2016A Second Lien Bonds as shall be deemed necessary by the Chief Financial Officer in connection with the sale of any series of 2016A Second Lien Bonds, provided that such covenants are not inconsistent with the terms of this Ordinance.

b) The 2016A Second Lien Bonds may be issued bearing interest at a fixed interest rate or rates.

c) The 2016A Second Lien Bonds shall mature not later than November 1, 2055, and shall bear

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interest from their date, or from the most recent date to which interest has been paid or duly provided for, until the City's obligation with respect to the payment of the principal amount of such 2016A Second Lien Bonds shall be discharged, payable as provided in the Ninth Supplemental Indenture' and each other Supplemental Indenture at a rate or rates not in excess of the lesser of 18 percent per year computed on the basis of a 360-day year consisting of twelve 30-day months. Each series of 2016A Second Lien Bonds may be subject to mandatory and optional redemption and demand purchase or mandatory purchase provisions prior to maturity, upon the terms and conditions set forth in the Ninth Supplemental Indenture and each other Supplemental Indenture. Each series of 2016A Second Lien Bonds may have a Debt Service

Reserve Requirement which can be fulfilled by a deposit of money into a Debt Service Reserve Account or the purchase of a Qualified Reserve Account Credit Instrument, as authorized by the Ninth Supplemental Indenture or another Supplemental Indenture.

Each 2016A Second Lien Bond shall be issued in fully registered form and in the denominations set forth in the Ninth Supplemental Indenture and each other Supplemental Indenture; and shall be dated and numbered and further designated and identified as provided in the Ninth Supplemental Indenture and each other Supplemental Indenture.

d) Principal of and premium, if any, on the 2016A Second Lien Bonds shall be payable as provided in the Ninth Supplemental Indenture and each other Supplemental Indenture.

e) Subject to the limitations set forth in this Section and Section 2.01 of this Part B, authority is delegated to either the Mayor or the Chief Financial Officer to determine the aggregate principal amount of 2016A Second Lien Bonds to be issued, the date of such 2016A Second Lien Bonds, the maturities of such 2016A Second Lien Bonds, any provisions for optional redemption of such 2016A Second Lien Bonds (which optional redemption shall be at redemption prices not exceeding 120 percent of the principal amount of the 2016A Second Lien Bonds to be so redeemed), the schedule of sinking fund payments (if any) to be applied to the mandatory redemption of such 2016A Second Lien Bonds (which mandatory redemption shall be at a redemption price equal to the principal amount of each 2016A Second Lien Bond to be redeemed, without premium, plus accrued interest), the rate or rates of interest payable on such 2016A Second Lien Bonds and the first interest payment of such 2016A Second Lien Bonds.

The 120 percent limitations set forth in the preceding paragraph on the redemption price of 2016A Second Lien Bonds shall not apply where the redemption price is to be based upon a formula designed to compensate the owner of such Bonds to be redeemed based upon prevailing market conditions on the date fixed for redemption, commonly known as a "make-whole" redemption price (the "Make-Whole Redemption Price"). At the time of sale of the 2016A Second Lien Bonds, the Chief Financial Officer shall determine the provisions of the formula to be used to establish any Make-Whole Redemption Price, which may vary depending on whether such Bonds are issued as Taxable Bonds or on a tax-exempt basis. The Chief Financial Officer shall confirm and transmit the applicable Make-Whole Redemption Price on such dates and to such parties as shall be necessary to effectuate such redemption.

Notwithstanding the foregoing, in the event the 2016A Second Lien Bonds are issued as Taxable Bonds, at the time of sale of such Bonds, the Chief Financial Officer is authorized to determine the manner of redeeming such Bonds, either pro rata or by lot, in the event less than all of the 2016A Second Lien Bonds of a single maturity and the same interest rate are to be redeemed. If the 2016A Second Lien Bonds are held in book

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-entry form at the time of redemption, at the time of sale of such Bonds, the Chief Financial Officer is authorized to direct the Bond Registrar to instruct the book-entry depository to select the specific 2016A Second Lien Bonds within such maturity and interest rate for redemption pro-rata among such Bonds. If so determined by the applicable book-entry depository, the particular 2016A Second Lien Bonds or portions thereof to be redeemed may be selected on a pro-rata pass-through distribution of

principal basis in accordance with the applicable procedures and operational arrangements of such depository. The City shall have no responsibility or obligation to insure that the book-entry depository properly selects such Bonds for redemption.

Section 2.04. Sale of 2016A Second Lien Bonds.

(a) The Chief Financial Officer is authorized to execute on behalf of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council, a Second Lien Bond Purchase Agreement for the sale by the City to the Second Lien Bond Initial Purchasers of the 2016A Second Lien Bonds of a series pursuant to a negotiated sale on such terms as the Chief Financial Officer may deem to be in the best interests of the City as provided in this Ordinance. Such terms include, without limitation, (i) the aggregate principal amount of the 2016A Second Lien Bonds of such series, (ii) the amount of any original issue discount, iii) the principal amount of the 2016A Second Lien Bonds of such series maturing in each year, iv) whether any of the 2016A Second Lien Bonds are being issued and sold as Taxable Bonds, (v) the issuance of the 2016A Second Lien Bonds of such series as serial bonds, non-callable term bonds, term bonds subject to mandatory sinking fund redemption or any combination of serial bonds, non-callable term bonds, or term bonds subject to mandatory sinking fund redemption, (vi) the numbering of the 2016A Second Lien Bonds, (vii) the interest rate or rates for the 2016A Second Lien Bonds of such series, (viii) whether the Debt Service Reserve Requirement for the 2016A Second Lien Bonds of such series (if such requirement is required to be met upon initial issuance of such 2016A Second Lien Bonds) will be met by a Qualified Reserve Account Credit Instrument or by cash from proceeds of the 2016A Second Lien Bonds and (ix) the first interest payment dates, the purposes for which the 2016A Second Lien Bonds of such series are being issued pursuant to the authorization granted in Section 2.02 of this Part B. and the prices and other terms upon which the 2016A Second Lien Bonds are subject to redemption, all as provided in and subject to the authorizations and limitations expressed in this Article II, including the limitations set forth in Section 2.03(c) of this Part B. The purchase price shall not be less than 85 percent of the principal amount of the 2016A Second Lien Bonds of a series plus accrued interest on the 2016A Second Lien Bonds of such series from their date to the date of their delivery, plus accrued interest on such 2016A Second Lien Bonds from their date to the date of their delivery, less any original issue discount (subject to the limitations in Section 2.01 of this Part B) and the compensation paid to the Second Lien Bond Initial Purchasers in connection with any sale of such series of 2016A Second Lien Bonds shall not exceed five percent of the principal amount of such series of 2016A Second Lien Bonds being sold. Nothing contained in this Ordinance shall limit the sale of the 2016A Second Lien Bonds or any maturity or maturities thereof at a price or prices in excess of the principal amount thereof. The Second Lien Bond Purchase Agreement shall be in substantially the form previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of the 2016A Second Lien Bonds of each series and such other revisions in text as the Chief Financial Officer shall determine are desirable or necessary in connection with the sale

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of the 2016A Second Lien Bonds of such series. The Chief Financial Officer shall determine the principal amount of the 2016A Second Lien Bonds of such series necessary to be issued for the purposes for which they are to be issued within the maximum amount specified in this Ordinance. The Chief Financial Officer may in the related Second Lien Bond Determination Certificate provide for such changes to the terms of the 2016A Second Lien Bonds of such

series, the form of the 2016A Second Lien Bonds of such series and the various bond covenants from those provided in this Ordinance and the Second Lien Bonds Master Indenture as he or she shall determine but which shall result in the 2016A Second Lien Bonds of such series having substantially the terms and being in substantially the form provided in the Second Lien Bonds Master Indenture and the Ninth Supplemental Indenture. Nothing in this Section 2.04 shall limit or restrict the ability of the City to sell the 2016A Second Lien Bonds by one or more private placements.

b) The Chief Financial Officer is further authorized to take the actions and execute and deliver the documents and instruments specified in this Part B. The 2016A Second Lien Bonds of such series shall be then duly prepared and executed in the form and manner provided in the Second Lien Bonds Master Indenture and the Ninth Supplemental Indenture or Supplemental Indenture, as appropriate, and delivered to the Second Lien Bond Initial Purchasers or otherwise in accordance with the terms of sale.

c) The Chief Financial Officer is authorized to cause to be prepared and delivered to prospective purchasers of the 2016A Second Lien Bonds of a series a Preliminary Official Statement or other disclosure document, as shall be approved by the Chief Financial Officer that shall be in substantially the form previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of the 2016A Second Lien Bonds of such series and to describe accurately the current condition of the Water System and the parties to the financing. Upon sale of the 2016A Second Lien Bonds of a series, the Chief Financial Officer is authorized to cause a final Official Statement or other disclosure document to be prepared, executed and (i) delivered to the Second Lien Bond Initial Purchasers and (ii) filed with the Office of the City Clerk or the Deputy City Clerk directed to the City Council.

d) Upon a finding by the Chief Financial Officer that the purchase of municipal bond insurance for the 2016A Second Lien Bonds of a series is likely to facilitate the marketing and sale of such 2016A Second Lien Bonds and permit completion of such sale in a timely fashion, and that such insurance is available at an acceptable premium, the Chief Financial Officer is authorized to cause the City to purchase a Section 2.08 Obligation consisting of a policy of municipal bond insurance for the 2016A Second Lien Bonds of such series, payable from amounts received upon the sale of such 2016A Second Lien Bonds or from available funds in the Water Fund. Such policy shall be provided by a bond insurance company or association approved by the Chief Financial Officer. In addition, upon a finding by the Chief Financial Officer that the purchase of a Qualified Reserve Account Credit Instrument is appropriate, and that such Qualified Reserve Account Credit Instrument is available at an acceptable cost, the Chief Financial Officer is authorized to cause the City to obtain a Qualified Reserve Account Credit Instrument to satisfy the Debt Service Reserve Requirement for the 2016A Second Lien Bonds of a series, the cost of which shall be payable from amounts received upon the sale of such 2016A Second Lien Bonds or from available funds in the Water Fund, and to execute an agreement relating to such Qualified Reserve Account Credit Instrument and any related agreements with the Second Lien Bond Provider of such Qualified Reserve Account Credit Instrument. The Chief Financial Officer may on behalf of the City make necessary covenants with respect to any policy of municipal bond insurance or Qualified Reserve Account Credit Instrument consistent with this Ordinance, including, without limitation, granting the provider

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a policy of municipal bond insurance or the Second Lien Bond Provider the right to consent to amendments to this Ordinance on behalf of the Registered Owners of the 2016A Second Lien Bonds of a series so long as such provider is not in default and is observing its obligations under such policy or Qualified Reserve Account Credit Instrument.

(e) Subsequent to each such sale, the Chief Financial Officer shall file in the Office of the City Clerk or the Deputy City Clerk directed to the City Council (i) a Second Lien Bond Determination Certificate setting forth the terms of sale of the 2016A Second Lien Bonds of such series consistent with Section 2.04(a) and (f) of this Part B and, if appropriate, the designations described in Section 2.04(b) of this Part B, (ii) an executed copy of the Second Lien Bond Purchase Agreement, reflecting concurrence of the Chairman of the Committee on Finance of the City Council in the determinations made by the Chief Financial Officer as to the terms of sale of such 2016A Second Lien Bonds, (iii) the Preliminary Official Statement, the final Official Statement and/or other disclosure document of the City as provided in Section 2.04(c) of this Part B, (iv) the Ninth Supplemental Indenture or Supplemental Indenture, as appropriate, (v) an executed copy of the remarketing agreement, if any and (vi) if applicable, an executed copy of the agreement relating to such Section 2.08 Obligation and promissory note.

If so determined and directed by the Chief Financial Officer in the Second Lien Bond Determination Certificate in connection with the sale of any of the 2016A Second Lien Bonds, the 2016A Second Lien Bonds shall be issued in book-entry only form. In connection with the issuance of 2016A Second Lien Bonds in book-entry only form, the Chief Financial Officer is authorized to execute and deliver to the book-entry depository selected by the Chief Financial Officer such depository's standard form of representation Tetter.

Section 2.05. Additional Authorization. The Mayor or the Chief Financial Officer is hereby also authorized to convert the interest rate on any Outstanding Second Lien Bonds from a variable to a fixed interest rate, and in connection therewith to enter into any agreements determined by such officer to be necessary or appropriate.

ARTICLE III WATER FUND AND ACCOUNTS

Section 3.01. Revenue Obligation. Any Outstanding Senior Lien Bonds shall have a claim, solely from the Net Revenues Available for Bonds, and the Accounts of the Water Fund established as provided in Section 3.03 of this Part B (except as provided in the immediately succeeding sentence), but with a claim with respect to each series of Outstanding Senior Lien Bonds the Subaccount of the Senior Lien Debt Service Reserve Account to which such series relates. The Senior Lien Bonds shall have no claim for payment from amounts on deposit in the Second Lien Bonds Account or from Second Lien Bond Revenues, or from amounts on deposit in the Subordinate Lien Obligations Account or from Subordinate Lien Obligation Revenues. The claim for payment of the Senior Lien Bonds from accounts of the Water Fund and from Net Revenues Available for Bonds shall be senior to the claim of bonds issued on a subordinate basis to the Senior Lien Bonds, including Second Lien Bonds and Subordinate Lien Obligations.

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Section 3.02. Water Fund. There has been created and there exists a separate fund of the City designated the Water Fund into which the Gross Revenues of the Water System are and shall be deposited as collected. The Water Fund shall continue as a separate fund of the City. The Water Fund shall constitute a trust fund and has been and is irrevocably pledged to the owners of the Senior Lien Bonds, Second Lien Bonds (but solely with respect to amounts on deposit in the Second Lien Bonds Account), Subordinate Lien Obligations (but solely with respect to amounts on deposit in the Subordinate Lien Obligations Account), CP Notes (but solely with respect to amounts on deposit in the Commercial Paper Account) and Water System Line of Credit Notes (but solely with respect to amounts on deposit in the Line of Credit Notes Account) from time to time Outstanding for the sole purpose of carrying out the covenants, terms and conditions of the ordinances authorizing the Senior Lien Bonds, Second Lien Bonds (but solely with respect to amounts on deposit in the Second Lien Bonds Account), Subordinate Lien Obligations (but solely with respect to amounts on deposit in the Subordinate Lien Obligations Account), CP Notes (but solely with respect to amounts on deposit in the Commercial Paper Account) and Water System Line of Credit Notes (but solely with respect to amounts on deposit in the Line of Credit Notes Account).

The Water Fund shall be used only as provided in this Part B and in the ordinances authorizing Bonds for (a) paying Operation and Maintenance Costs, (b) paying the principal of, redemption premium, if any, and interest on Senior Lien Bonds (or purchasing Senior Lien Bonds), and (c) establishing and maintaining (for the purposes specified in those ordinances) the Senior Lien Bonds Construction Accounts and the Accounts in the Water Fund described in Section 3.03 of this Part B and all other reserve funds or accounts which are required to be established and maintained in the ordinances authorizing the issuance of Senior Lien Bonds, Second Lien Bonds, Subordinate Lien Obligations, CP Notes and Water System Line of Credit Notes; provided that any funds available after these requirements have been satisfied or which are not necessary to satisfy these requirements may be used for any lawful purpose of the Water System.

A lien on and security interest in the Net Revenues Available for Bonds and the various Accounts of the Water Fund established as provided in Section 3.03 of this Part B (other than the Second Lien Bonds Account, the Subordinate Lien Obligations Account, the Commercial Paper Account and the Line of Credit Notes Account) are granted to the Registered Owners of the Senior Lien Bonds Outstanding from time to time, subject to amounts in the various Accounts being deposited, credited and expended as provided in this Ordinance, and with amounts in various Subaccounts of the Senior Lien Debt Service Reserve Account securing only the series or set of series of Senior Lien Bonds to which such Subaccounts relate. Nothing in this Ordinance shall prevent the City from commingling money in the Water Fund (except the Accounts to which reference is made in paragraphs (a) through (g) of Section 3.03 of this Part B) with other money, funds and accounts of the City. Any advance by the City to the Water Fund from other funds of the City shall have a claim for reimbursement only from amounts in the Water Fund not required for deposit in the various Accounts specified in paragraphs (a) through (g) of Section 3.03 of this Part B.

Section 3.03. Application of Net Revenues Available for Bonds. There have been created and there exist and shall be maintained in the Water Fund, the following separate

accounts: the Senior Lien Principal and Interest Account, the Senior Lien Debt Service Reserve Account and its various Subaccounts, the Water Rate Stabilization Account and the Senior Lien Rebate Accounts. There have

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also been created and shall be maintained in the Water Fund, (i) the Second Lien Bonds Account and its various Subaccounts for each series of Second Lien Bonds, (ii) the Subordinate Lien Obligations Account and its various Subaccounts for each series of Subordinate Lien Obligations, (iii) the Commercial Paper Account and its various Subaccounts and (iv) the Line of Credit Notes Account and its various Subaccounts. The Net Revenues Available for Bonds shall be transferred, without any further official action or direction, to the Senior Lien Principal and Interest Account, the Senior Lien Debt Service Reserve Account, the Senior Lien Rebate Accounts, the Second Lien Bonds Account, the Subordinate Lien Obligations Account, the Commercial Paper Account, the Line of Credit Notes Account and the Water Rate Stabilization Account in the order in which those accounts are listed below, for use in accordance with the provisions of paragraphs (a), (b), (c), (d), (e), (f), (g) and (h) of this Section 3.03.

a) Senior Lien Principal and Interest Account. Not later than 10 days prior to each principal or interest payment date for the Senior Lien Bonds, there shall be transferred to the Senior Lien Principal and Interest Account sufficient funds to pay the amount of the principal, redemption premium, if any, and interest becoming due, whether upon maturity, redemption or otherwise, on such payment date on all Outstanding Senior Lien Bonds.

Funds in the Senior Lien Principal and Interest Account shall be used only for the purpose of paying principal of, redemption premium, if any, and interest on Outstanding Senior Lien Bonds as the same become due.

b) Senior Lien Debt Service Reserve Account.

i) There may be established by any ordinances authorizing the issuance of any series of Senior Lien Parity Bonds one or more other Subaccounts in the Senior Lien Debt Service Reserve Account with respect to one or more series of Senior Lien Parity Bonds.

ii) Whenever the balance in the various Subaccounts of the Senior Lien Debt Service Reserve Account is less than the Senior Lien Debt Service Reserve Requirement for the various series of Senior Lien Bonds, except as permitted pursuant to Section 6.01(b) of this Part B. there shall be transferred to the Senior Lien Debt Service Reserve Account within the next 12 months sufficient funds to maintain balances in the various Subaccounts of the Senior Lien Debt Service Reserve Account at least equal to the Senior Lien Debt Service Reserve Requirement for the various series of Senior Lien Bonds.

Funds in any Subaccount of the Senior Lien Debt Service Reserve Account and any Senior Lien Debt Service Reserve Account Credit Instruments in that Subaccount shall be used to pay principal of, redemption premium, if any, and interest on the Senior Lien Bonds of the series to which the Subaccount relates (or when series of Senior Lien Bonds are secured on a parity basis by Subaccounts relating to those various series, then funds in each such Subaccount shall be so used on a parity basis to pay

principal of, redemption premium, if any, and interest on the Senior Lien Bonds to which those various Subaccounts relate) as the same become due at any time when there are insufficient funds available for such purpose in the Senior Lien Principal and Interest Account (after any available amounts in the Water Rate Stabilization Account have first been applied to that purpose).

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(iii) All or any part of the Senior Lien Debt Service Reserve Requirement for any series of Senior Lien Bonds may be met by deposit with the City of one or more Senior Lien Debt Service Reserve Account Credit Instruments. A Senior Lien Debt Service Reserve Account Credit Instrument shall, for purposes of determining the value of the amounts on deposit in the Senior Lien Debt Service Reserve Account and the Subaccount or Subaccounts to which it relates, be valued at the Senior Lien Debt Service Reserve Account Credit Instrument Coverage for such Senior Lien Debt Service Reserve Account Credit Instrument except as provided in the next sentence. If a Senior Lien Debt Service Reserve Account Credit Instrument is to terminate (or is subject to termination) prior to the last principal payment date on any Outstanding Senior Lien Bond of the series of Senior Lien Bonds to which it relates, then the Senior Lien Debt Service Reserve Account Credit Instrument Coverage of that Senior Lien Debt Service Reserve Account Credit Instrument shall be reduced each year, beginning on the date which is four years prior to the first date on which the Senior Lien Debt Service Reserve Account Credit Instrument is to terminate (or is subject to termination), by 25 percent of the coverage in each of the years remaining prior to such date, provided that if by the terms of the Senior Lien Debt Service Reserve Account Credit Instrument and the terms of the related Senior Lien Bond ordinance, the City has the right and duty to draw upon such Senior Lien Debt Service Reserve Account Credit Instrument prior to its termination for deposit in the related Subaccount of the Senior Lien Debt Service Reserve Account (if and to the extent a substitute Senior Lien Debt Service Reserve Account Credit Instrument is not deposited in that related Subaccount) all or part of its Senior Lien Debt Service Reserve Account Credit Instrument Coverage, then the reduction shall be in an amount equal to the difference between (A) the Senior Lien Debt Service Reserve Requirement for that series of Senior Lien Bonds and (B) the sum of the amounts on deposit in the related Subaccount of the Senior Lien Debt Service Reserve Account and the amount which the City may draw under the Senior Lien Debt Service Reserve Account Credit Instrument prior to its termination for deposit in the related Subaccount of the Senior Lien Debt Service Reserve Account. Any amounts in any Subaccount of the Senior Lien Debt Service Reserve Account which are not required to be transferred to the Senior Lien Principal and Interest Account may, from time to time, be used to pay costs of acquiring a Senior Lien Debt Service Reserve Account Credit Instrument for that Subaccount or to make payments due under a Senior Lien Bond Reimbursement Agreement with respect to such Senior Lien Debt Service Reserve Account Credit Instrument, but only if after such payment, the value of the amounts on deposit in such Subaccount of the Senior Lien Debt Service Reserve Account shall not be less than the Senior Lien Debt Service Reserve Requirement for that series of Senior Lien Bonds. The City pledges and grants a lien on and security interest in the amounts on deposit in the Subaccounts of the Senior Lien Debt Service Reserve Account to any Senior Lien Bond Provider with respect to the particular Subaccount corresponding to such Senior Lien Bond Provider's Senior Lien Debt Service Reserve Account Credit Instrument, provided

that the pledge, lien and security interest shall be junior to any claim for the benefit of the Registered Owners of Senior Lien Bonds of that series.

After the deposit of a Senior Lien Debt Service Reserve Account Credit Instrument into any Subaccount of the Senior Lien Debt Service Reserve Account and after the City has received notice of the value of the amounts on deposit in such Subaccount of the Senior Lien Debt Service Reserve Account after such deposit, the Chief Financial Officer may then direct the transfer from such Subaccount of the Senior Lien Debt Service Reserve Account to any account of the Water Fund of any amounts in such Subaccount of the Senior Lien Debt Service Reserve Account in excess of the Senior Lien Debt Service Reserve Requirement for that series of Senior Lien Bonds for use in accordance with Section 3.07 of this Part B.

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c) Senior Lien Rebate Accounts. There shall be transferred from the Water Fund from Net Revenues Available for Bonds and deposited to the credit of the various Senior Lien Rebate Accounts the amounts as shall be required to be held available for rebate to the United States of America with respect to each series of Bonds as required by Section 3.06 of this Part B. Each such Senior Lien Rebate Account shall be deposited in a separate bank account in a bank or banks designated by the Chief Financial Officer pursuant to a depository agreement. The amount so to be held available shall be determined from time to time by the City pursuant to the ordinances authorizing the various series of Senior Lien Bonds.

Amounts in such Senior Lien Rebate Accounts shall be used at the direction of the City to make rebate payments to the United States of America and to the extent not needed for such purpose shall be transferred to the Water Fund.

d) Second Lien Bonds Account. There is established in the Second Lien Bonds Account with respect to the 2016A Second Lien Bonds a separate and segregated 2016A Second Lien Bonds Subaccount. There may be established by any ordinances or related indentures authorizing the issuance of any series of Second Lien Parity Bonds one or more other Subaccounts in the Second Lien Bonds Account with respect to such Second Lien Parity Bonds including a Debt Service Reserve Account for such series of Second Lien Parity Bonds, and such ordinance or indenture may also authorize the establishment of a Series Reserve Account Requirement (as defined in the Second Lien Bonds Master Indenture) for such series of Second Lien Parity Bonds and the purchase of a Qualified Reserve Account Credit Instrument (as defined in the Second Lien Bonds Mater Indenture) for purposes of fulfilling such requirement. There shall be transferred to the Second Lien Bonds Account and to the Subaccounts in the Second Lien Bonds Account such amounts on such dates as are required to be so transferred by the Ninth Supplemental Indenture and each other Supplemental Indenture without priority of one Subaccount over any other Subaccount. The moneys in the various Subaccounts of the Second Lien Bonds Account shall be transferred by the Chief Financial Officer on the date so deposited in such various Subaccounts to the appropriate paying agents or trustees for the related series of Second Lien Bonds for the purpose of paying such amounts as may be required to be paid by the ordinances and related indentures authorizing such Second Lien Bonds.

e) Subordinate Lien Obligations Account. There have been established and there shall exist and be maintained in the Subordinate Lien Obligations Account the following separate and segregated Subaccounts: the Subordinate Lien Principal and Interest Subaccount and the Subordinate Lien Debt Service Reserve Subaccount. There may be established by any ordinances authorizing the issuance of any series of Subordinate Lien Parity Obligations one or more Sub-subaccounts in the Subordinate Lien Principal and Interest Subaccount and Subordinate Lien Debt Service Reserve Subaccount with respect to such Subordinate Lien Parity Obligations. On the business day immediately preceding each May 1 and November 1, there shall be transferred to the Subordinate Lien Obligations Account, the amount required by any ordinance authorizing the issuance of Subordinate Lien Obligations to be deposited in the Subordinate Lien Obligations Account on such date without priority, one over the other, to any Subaccounts within the Subordinate Lien Obligations Account, the amount to be so deposited specified in a certificate of the Chief Financial Officer. The moneys in the various Subaccounts of the Subordinate Lien Obligations Account and Sub-subaccounts described in this paragraph (e) shall be used to pay such amounts as may be required to be paid by this Ordinance and any ordinance authorizing Subordinate Lien Parity Obligations.

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f) Commercial Paper Account. There has been established and there shall exist and be maintained in the Water Fund a separate and segregated Commercial Paper Account. There may be established by any ordinances or related indentures authorizing the issuance of any CP Notes one or more other Subaccounts in the Commercial Paper Account with respect to such CP Notes. There shall be transferred to the Commercial Paper Account and to the Subaccounts in the Commercial Paper Account such amounts on such dates as are required to be so transferred by the indenture pursuant to which the CP Notes are issued. The moneys in the various Subaccounts of the Commercial Paper Account shall be transferred by the Chief Financial Officer on the date so deposited in such various Subaccounts to the appropriate paying agents or trustees for the related CP Notes for the purpose of paying such amounts as may be required to be paid by the ordinances and related indentures authorizing such CP Notes.

g) Line of Credit Notes Account. There has been established and there shall exist and be maintained in the Water Fund a separate and segregated Line of Credit Notes Account. There may be established by any ordinances or related Water System Line of Credit Agreements authorizing the issuance of any Water System Line of Credit Notes one or more other Subaccounts in the Line of Credit Notes Account with respect to such Water System Line of Credit Notes. There shall be transferred to the Line of Credit Notes Account and to the Subaccounts in the Line of Credit Notes Account such amounts on such dates as are required to be so transferred by the Water System Line of Credit Agreements pursuant to which the Water System Line of Credit Notes are issued. The moneys in the various Subaccounts of the Line of Credit Notes Account shall be transferred by the Chief Financial Officer on the date so deposited in such various Subaccounts to the appropriate owners of or paying agents or trustees for the related Water System Line of Credit Notes for the purpose of paying such amounts as may be required to be paid by the ordinances and related Water System Line of Credit Agreements authorizing such Water System Line of Credit Notes.

h) Water Rate Stabilization Account. The City has caused amounts to be credited to the Water Rate Stabilization Account. In any year the City may withdraw any amounts from the

Water Rate Stabilization Account and use those amounts for (i) paying any expenses or obligations of the Water System, including, without limitation, any Operation and Maintenance Costs, (ii) making deposits in the Senior Lien Principal and Interest Account, (iii) making deposits in the various Subaccounts of the Senior Lien Debt Service Reserve Account, (iv) making deposits when due in the Second Lien Bonds Account (but only if and to the extent no amounts are required to be deposited in the Senior Lien Principal and Interest Account and in the various Subaccounts of the Senior Lien Debt Service Reserve Account as provided in the immediately succeeding sentence), (v) making deposits when due in the Subordinate Lien Obligations Account (but only if and to the extent no amounts are required to be deposited in the Senior Lien Principal and Interest Account, the various Subaccounts of the Senior Lien Debt Service Reserve Account as provided in the immediately succeeding sentence or in the Second Lien Bonds Account), (vi) making deposits when due in the Commercial Paper Account (but only if and to the extent no amounts are required to be deposited in the Senior Lien Principal and Interest Account, the various Subaccounts of the Senior Lien Debt Service Reserve Account, in the Second Lien Bond Accounts or the Subordinate Lien Obligations Account), (vii) making deposits when due in the Line of Credit Notes Account (but only if and to the extent no amounts are required to be deposited in the Senior Lien Principal and Interest Account, the various Subaccounts of the Senior Lien Debt Service Reserve Account, in the Second Lien Bond Accounts, in the Subordinate Lien Obligations Account or in the Commercial Paper Account), (viii) any cost of repairs, replacements, renewals, improvements, equipment or extensions to the Water System or (ix) any other cost or expense relating to the Water System or the financing

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or refinancing of the Water System. The Water Rate Stabilization Account shall be used to make all required deposits in the Senior Lien Principal and Interest Account and the various Subaccounts of the Senior Lien Debt Service Reserve Account when no other funds are available for that purpose. Any Net Revenues remaining in any period not required for transfer to the Senior Lien Principal and Interest Account, the various Subaccounts of the Senior Lien Debt Service Reserve Account, any Senior Lien Rebate Account, the Second Lien Bonds Account, the Subordinate Lien Obligations Account, the Commercial Paper Account or the Line of Credit Notes Account may be transferred to the Water Rate Stabilization Account at any time upon the direction of the Chief Financial Officer.

Section 3.04. Deficiencies, Excess. In the event of a deficiency in any Fiscal Year in the Senior Lien Principal and Interest Account, any Subaccount of the Senior Lien Debt Service Reserve Account, any Senior Lien Rebate Account, the Second Lien Bonds Account, or the Subordinate Lien Obligations Account, the Commercial Paper Account or the Line of Credit Notes Account, the amount of such deficiency shall be included in the amount to be transferred from the Water Fund and deposited into such Account or Subaccount during the next 12-month period or succeeding Fiscal Year, as required by this Part B.

Whenever the balance in any Subaccount of the Senior Lien Debt Service Reserve Account exceeds the amount required to be on deposit in that Account or Subaccount, such excess may be transferred to the Senior Lien Principal and Interest Account, and whenever the balance in any Subaccount of any Senior Lien Rebate Account exceeds the amount required to be on deposit in that Account or Subaccount, such excess may be transferred to the Water Fund, provided in each case that no such transfers shall be made when any debt service payments on outstanding obligations of the City that are payable by their terms from the revenues of the Water

System are past due. Any funds which remain in the Water Fund at the end of any Fiscal Year shall be retained in the Water Fund and shall be available for appropriation for any proper purpose of the Water System.

Section 3.05. Investments. Funds in the Accounts established as provided in Section 3.03 of this Part B shall be invested in Permitted Investments. All amounts in the various Subaccounts of the Senior Lien Debt Service Reserve Account and each Senior Lien Rebate Account shall be invested in Permitted Investments which are held separate and distinct from those of any other Funds or Account. Investments shall be scheduled to mature before needed for the respective purposes of each of such Accounts. All Investment Earnings on any such Accounts so invested as provided in this Section 3.05 shall be credited to the Water Fund and shall be considered Gross Revenues; provided, however, that earnings on the investment of amounts on deposit in the Senior Lien Rebate Accounts shall not be Investment Earnings, shall not be considered Gross Revenues and shall be retained in the respective Senior Lien Rebate Accounts except to the extent no longer required for rebate purposes.

For purposes of determining whether sufficient cash and investments are on deposit in such Accounts under the terms and requirements of this Ordinance, investments shall be valued at cost or market price, whichever is lower, on or about December 31 in each year.

ARTICLE IV
BOND PROCEEDS ACCOUNT: 2016A SECOND LIEN BONDS; OPERATION OF WATER FUND ACCOUNTS WHEN NO SENIOR LIEN BONDS ARE OUTSTANDING

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Section 4.01. Bond Proceeds Account: 2016A Second Lien Bonds - Establishment, Deposit of Funds, Uses.

a) The City shall establish a separate account in the Water Fund designated the "Bond Proceeds Account: 2016A Second Lien Bonds." The City may establish one or more subaccounts within that account if more than one series of 2016A Second Lien Bonds is issued, in which event references in this Ordinance to such account shall be deemed, when appropriate, to be references to the appropriate subaccount of such account. No lien on or interest in the Bond Proceeds Account: 2016A Second Lien Bonds is granted to the Registered Owners of Senior Lien Bonds, Subordinate Lien Obligations, CP Notes, or Water System Line of Credit Notes.

b) The proceeds of sale of the 2016A Second Lien Bonds of a series remaining after the deposits required by the Ninth Supplemental Indenture and any Supplemental Indenture have been made shall be deposited to the credit of the Bond Proceeds Account: 2016A Second Lien Bonds. This account shall be deposited in a separate account in a bank or banks designated by the Chief Financial Officer pursuant to a depository agreement. Funds in the Bond Proceeds Account: 2016A Second Lien Bonds shall be invested by the depository at the direction of the Chief Financial Officer in Permitted Investments, provided that such investments shall be scheduled to mature before needed to pay Project Costs, including Costs of Issuance. All interest

received on or profits derived from such investments shall remain in the Bond Proceeds Account: 2016A Second Lien Bonds until disbursed as provided in paragraph (c) below.

(c) Disbursements shall be made from the Bond Proceeds Account: 2016A Second Lien Bonds from time to time for the purpose of paying Project Costs, including Costs of Issuance. The money received from the sale of the 2016A Second Lien Bonds and set aside in the Bond Proceeds Account: 2016A Second Lien Bonds shall be used to provide funds for all or any part of the Projects. The Projects for which disbursements may be made from the Bond Proceeds Account: Series 2016A Second Lien Bonds may be amended by the Chief Financial Officer or the Budget Director of the City to provide for the efficient operation of the Water System.

Within 60 days after completion of the Projects and the payment of all Project Costs, any funds remaining in the Bond Proceeds Account: 2016A Second Lien Bonds shall be transmitted by said depository to the City for transfer to any Debt Service Reserve Account, or, if such accounts are fully funded, to the 2016A Second Lien Bonds Subaccount, provided that no such transfers shall be made to such Debt Service Reserve Account if (a) the sum of (i) the proceeds of the 2016A Second Lien Bonds of such series previously deposited in such Debt Service Reserve Account other than from the Bond Proceeds Account: 2016A Second Lien Bonds and (ii) the total amount of funds previously transferred and to be transferred from the Bond Proceeds Account: 2016A Second Lien Bonds to such Debt Service Reserve Account exceeds (b) 10 percent of the proceeds of the 2016A Second Lien Bonds.

Section 4.02. Operation of Water Fund When No Senior Lien Bonds are Outstanding. From and after such time as no Senior Lien Bonds are Outstanding, the following Accounts of the Water Fund shall cease to exist: the Senior Lien Principal and Interest Account, the Senior Lien Debt Service Reserve Account, the Senior Lien Bonds Construction Accounts and any Accounts established in respect of Senior Lien Parity Bonds in the Water Fund; amounts in such Accounts shall remain part of the Water Fund. The Water Fund, the Water Rate

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Stabilization Account, the Second Lien Bonds Account, the Subordinate Lien Obligations Account, the Commercial Paper Account, the Line of Credit Notes Account, the Second Lien Bonds Construction Accounts, the Subordinate Lien Obligations Construction Accounts, the Commercial Paper Construction Accounts, the Line of Credit Notes Construction Accounts and any Account or Subaccounts established in the Water Fund in respect of Second Lien Parity Bonds, Subordinate Lien Parity Obligations, CP Notes or Water System Line of Credit Notes by this Ordinance and ordinances authorizing the issuance of Second Lien Parity Bonds, Subordinate Lien Parity Obligations, CP Notes or Water System Line of Credit Notes shall continue to exist notwithstanding the discharge of the Senior Lien Bonds; and deposits shall be made to and withdrawals made from the Water Fund and the Accounts and Subaccounts described in this sentence as if the Accounts and Subaccounts in the Water Fund described in the immediately preceding sentence had never existed.

ARTICLE V
AMENDMENT OF PART B OF THIS ORDINANCE

The City may amend or modify this Part B from time to time and may modify the rights and obligations of the City and the Registered Owners of the Second Lien Bonds in accordance with the Second Lien Bonds Master Indenture.

PART C GENERAL

ARTICLE I GENERAL PROVISIONS

Section 1.01. Authority. This Ordinance is adopted pursuant to the powers of the City as a home rule unit under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois. The appropriate officers of the City are authorized to take such actions and do such things as shall be necessary or desirable, in the judgment of any such officers, to perform, carry out, give effect to and consummate the transactions contemplated by this Ordinance, including, but not limited to, the exercise following the delivery date of any of the 2016A Second Lien Bonds of any power or authority delegated to such official of the City under this Ordinance with respect to the 2016A Second Lien Bonds upon their initial issuance, but subject to any limitations on or restrictions of such power or authority as set forth in this Ordinance.

The Mayor, the Chief Financial Officer, the City Comptroller, the Treasurer, the City Clerk and the Deputy City Clerk are each authorized to execute and deliver such other documents and perform such other acts as may be necessary or desirable in connection with the 2016A Second Lien Bonds and the transactions authorized pursuant to this Ordinance, including, but not limited to, the exercise following the delivery date of the 2016A Second Lien Bonds of any power or authority delegated to such official under this Ordinance with respect to the 2016A Second Lien Bonds upon original issuance, but subject to any limitations on or restrictions of such power or authority as set forth in this Ordinance.

Section 1.02. Authorized Signatures. The Mayor, the City Clerk, the Deputy City Clerk and the Chief Financial Officer may each designate another to act as their respective proxies and, as applicable, to affix their

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respective signatures to the 2016A Second Lien Bonds whether in temporary or definitive form, and any other instrument, certificate or document required to be signed by the Mayor, the City Clerk, the Deputy City Clerk or the Chief Financial Officer pursuant to this Ordinance. 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, the City Clerk, the Deputy City Clerk or the Chief Financial Officer, respectively. A written signature of the Mayor, the City Clerk, the Deputy City Clerk or of the Chief Financial Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk or the Deputy City Clerk. When the signature of the Mayor, the City Clerk, the Deputy City Clerk or the Chief Financial Officer, as the case may be, is placed on an instrument, certificate or

document at the direction of the Mayor, the City Clerk, the Deputy City Clerk or the Chief Financial Officer, as the case may be, in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor, the City Clerk, the Deputy City Clerk or the Chief Financial Officer, as the case may be, in person.

Section 1.03. Conflict. To the extent that any ordinance, resolution, provision of the Municipal Code, rule or order is in conflict with or is inconsistent with the provisions of this Ordinance, including, without limitation, Section 2-32-520 of the Municipal Code, the provisions of this Ordinance shall be controlling. No provision of 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, including the 2016A Second Lien Bonds, the Second Lien Bonds Master Indenture, the Ninth Supplemental Indenture or any Supplemental Indenture, or to make any such document or instrument voidable at the option of the City, or to impair the rights of the owners of the 2016A Second Lien Bonds to receive payment of the principal of, premium, if any, or interest on the 2016A Second Lien Bonds or to impair the security for the 2016A Second Lien Bonds; provided further 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 1.04. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 1.05. Registered Owner Remedy. Any Registered Owner of a 2016A Second Lien Bond may proceed by civil action to compel performance of all duties required by this Ordinance, including the establishment and collection of sufficient fees, charges and rates for services supplied by the Water System and the application of Gross Revenues and the various Accounts of the Water Fund as provided by this Ordinance.

Section 1.06. Contract. The provisions of this Ordinance shall constitute a contract between the City and the Registered Owners of the 2016A Second Lien Bonds, and no changes, additions or alterations of any kind shall be made to that contract except as provided in this Ordinance, and as provided in the Second Lien Bonds Master Indenture, Ninth Supplemental Indenture and each Supplemental Indenture, so long as the 2016A Second Lien Bonds are Outstanding.

Section 1.07. Appropriation. The provisions of this Ordinance constitute an appropriation of the amounts received upon the sale of the 2016A Second Lien Bonds for the purposes specified in Section 2.02 of each of Part B of this Ordinance and an appropriation of the Net Revenues Available for Bonds for deposit in

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the various Accounts established as provided by Section 3.03 of Part B of this Ordinance and for payment of principal of, redemption premium, if any, and interest on the 2016A Second Lien Bonds and for other payments required to be made by the City pursuant to the documents, agreements and instruments authorized herein, all as provided in this Ordinance.

Section 1.08. Continuing Disclosure Undertaking. The Mayor and the Chief Financial Officer are each authorized to execute and deliver, as to each series of 2016A Second Lien Bonds, an undertaking (a "Continuing Disclosure Undertaking") evidencing the City's agreement to comply with the requirements of Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as from time to time in effect, in a form approved by the Corporation Counsel of the City. Upon its execution and delivery on behalf of the City, the Continuing Disclosure Undertaking shall be binding upon the City, and the officers, employees and agents of the City are 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 the Continuing Disclosure Undertaking as executed. The Chief Financial Officer is further authorized to make such amendments to the 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 failure by the City to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any 2016A Second Lien Bonds, as appropriate, to seek mandamus or specific performance by court order to cause the City to comply with its obligations under the Continuing Disclosure Undertaking. No failure by the City to comply with the Continuing Disclosure Undertaking shall constitute a default under this Ordinance or under any Bonds.

Section 1.09. Taxable Bonds. If determined by the Chief Financial Officer to be in the City's financial interest, any portion of the 2016A Second Lien Bonds may be issued hereunder such that the interest thereon is subject to Federal income taxation ("Taxable Bonds").

Section 1.10. Escrow Restructuring. Nothing in this Ordinance shall restrict or limit the ability of the City to restructure securities held for the payment of Senior Lien Bonds, Second Lien Bonds, or Subordinate Lien Obligations.

Section 1.11. Book-Entry. In order to provide for the initial issuance of obligations issued pursuant to this Ordinance ("Obligations") in a form that provides for a system of book-entry only transfers, the ownership of one fully registered Obligation for each maturity in the aggregate principal amount of such maturity may be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, New York, New York ("DTC"), or a successor nominee or successor securities depository. In the event that the City determines that the system of book-entry only transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners (as hereinafter defined) of the Obligations or is burdensome to the City, the City may notify DTC, whereupon DTC will notify the DTC Participants, (as hereinafter defined) of the availability through DTC of Obligation certificates. In such event, the City shall issue and the note registrar shall authenticate, transfer and exchange Obligation certificates as requested by DTC of like principal amount, series and maturity, in authorized denominations, to the identifiable Beneficial Owners, in replacement of such Beneficial Owners' beneficial interests in the Obligations. For the purposes of this paragraph, the term "Beneficial Owners" shall mean (a) those persons for whom DTC was created to hold their securities ("DTC Participants"), and (b) the persons for whom the DTC Participants acquire interests in the Obligations as

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nominees.

32

Section 1.12. Headings. Any headings preceding the texts of the several Articles and Sections of this Ordinance shall be solely for convenience or reference and shall not constitute a part of this Ordinance nor shall they affect its meaning, construction or effect.

Section 1.13. Effectiveness. This Ordinance shall be in full force and effect from and after its adoption.

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33

EXHIBIT A

CITY OF CHICAGO to

],

as Trustee

NINTH SUPPLEMENTAL INDENTURE SECURING SECOND LIEN WATER REVENUE BONDS, SERIES 2016A [(TAXABLE)]

DATED AS OF 1, 2016

Supplementing a Master Indenture of Trust Securing Second Lien Water Revenue Bonds, dated as of December 15, 1999, from the City of Chicago to The Bank of New York Mellon Trust Company, NA., as successor Trustee, as amended by Amendment No. 1 To Master Indenture, dated as of August 1, 2004.

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THIS NINTH SUPPLEMENTAL INDENTURE is made and entered into as of 1, 2016 (this "Ninth 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 , as successor Trustee (the "Trustee'), a national banking association duly organized, existing and authorized to accept and execute trusts of the character set out in this Ninth Supplemental Indenture under and by virtue of the laws of the United States of America, as Trustee.

WITNESSETH:

WHEREAS, 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, and is a "home rule unit" of local government under Section 6(a) of Article VII of the 1970 Constitution; and

WHEREAS, the City has constructed and is maintaining and operating the Water System (as defined in the Series 2016A Bond Ordinance described below) to meet the needs of the City's inhabitants and other users of the Water System; and

WHEREAS, the Water System is operated under the supervision and control of the Department of Water Management of the City; and

WHEREAS, the City (i) has issued and has outstanding its Outstanding Senior Lien Bonds, Outstanding Second Lien Bonds and Outstanding Subordinate Lien Obligations (each as defined in the Series 2016A Bond Ordinance); (ii) has executed and delivered, in connection with the 2004 Second Lien Bonds, (A) the Novation Agreement dated as of May 19, 2015 entered into by and among Barclays Bank PLC ("Barclays'), as Transferee, the City, as Remaining Party and UBS AG {"UBS"), as Transferor and the related Muni Swap Confirmation by and between Barclays and the City dated May 19, 2015, the ISDA Master Agreement and the Schedule, each dated as of May 19, 2015, between the City and Barclays; and (B) the ISDA Master Agreement, the Schedule and the Credit Annex to the Schedule, each dated as of August 5, 2004, and the related Confirmation, all as amended, between the City and Royal Bank of Canada (collectively, the "Series 2004 Second Lien Bonds Swap'); (iii) has executed and delivered, in connection with the 2000 Second Lien Bonds, the Novation Agreement dated as of May 15, 2015 entered into by and among Barclays, as Transferee, the City, as Remaining Party and UBS, as Transferor and the related Muni Swap Confirmation by and between Barclays and the City dated May 15, 2015, the ISDA Master Agreement and the Schedule, each dated as of May 15, 2015, between the City and Barclays (collectively, the "Series 2000 Second Lien Bonds Swap'); and (iv) has executed and delivered certain agreements providing for credit or liquidity support with respect to obligations described in clause (i) above.

WHEREAS, the City has determined that it is advisable and in the best interests of the City to authorize the issuance from time to time of its Second Lien Water Revenue Bonds, Series 2016A [(Taxable)] ("Series 2016A Bonds'), subject to the authorization limits specified in the Series 2016A Bond Ordinance, for one or more of the purposes of (1) paying the costs of restructuring the Outstanding 2000 Second Lien Bonds by converting those Bonds to fixed interest rates, (2) paying the costs of terminating the interest swaps originally entered into to reduce the City's exposure to fluctuations in interest rates borne by the Outstanding 2000

Second Lien Bonds and other related costs; (3) paying the costs of restructuring the Outstanding 2004 Second Lien Bonds by converting those Bonds to fixed interest rates, (4) paying the costs of terminating the interest swaps originally entered into to reduce the City's exposure to fluctuations in interest rates borne by the Outstanding 2004 Second Lien Bonds

and other related costs, (5) paying Costs of Issuance of the Series 2016A Bonds, (6) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2000 Second Lien Bonds or making a deposit to the 2000 Second Lien Bonds Dedicated Subaccount in the amount required by the First Supplemental Indenture or a Supplemental Indenture, (7) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2004 Second Lien Bonds or making a deposit to the 2004 Second Lien Bonds Dedicated Subaccount in the amount required by the Third Supplemental Indenture or a Supplemental Indenture, (8) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the Series 2016A Bonds or making a deposit to the Series 2016A Bonds Dedicated Subaccount in the amount required by the Ninth Supplemental Indenture or a Supplemental Indenture, and (9) providing for any discount on the Series 2016A Bonds; and

WHEREAS, the proceeds of the 2016A Second Lien Bonds incurred for the costs described in clause (1) - (9) of the immediately preceding paragraph (the "Project Costs') will not exceed the amount required to pay such costs; and

WHEREAS, the City does not have available funds sufficient to pay the Project Costs; and

WHEREAS, pursuant to an ordinance duly adopted by the City Council on , 2016 (the "Series 2016A Bond Ordinance'), the City has determined to authorize the issuance of its Second Lien Water Revenue Bonds, Series 2016A [(Taxable)](the "Series 2016A Bonds') in one or more series for any one or more of the purposes described therein; and

WHEREAS, the City has entered into a Master Indenture of Trust Securing City of Chicago Second Lien Water Revenue Bonds, dated as of December 15, 1999, as heretofore supplemented and as amended by Amendment No. 1 To Master Indenture^ dated as of August 1, 2004 (said Master Indenture as heretofore and hereafter supplemented and amended, including by this Ninth Supplemental Indenture, the "Indenture"), with the Trustee, which Indenture authorizes the issuance of Second Lien Parity Bonds in one or more series pursuant to one or more Supplemental Indentures and the incurrence by the City of Section 2.08 Obligations (as defined in the Indenture) and Section 2.09 Obligations (as defined in the Indenture); and

WHEREAS, pursuant to Section 2.01 of Part B of the Series 2016A Bond Ordinance, the City has authorized the issuance and sale of the Series 2016A Bonds pursuant to the Indenture in one or more separate series that may be issued under or pursuant to the Series 2016A Bond Ordinance and the Indenture (provided that the total principal amount of any Series 2016A Bonds shall not exceed $200,000,000, plus an amount equal to the amount of any original issue discount (not to exceed 15 percent of the aggregate principal amount of such series of Bonds) used in the marketing of such Series 2016A Bonds); and

WHEREAS, pursuant to such authorization, in order to pay the Project Costs, the City has, pursuant to authorization granted in the Series 2016A Bond Ordinance, determined to issue and sell the Series 2016A Bonds authorized as aforesaid; and

WHEREAS, such Series 2016A Bonds shall be issued and sold in [a single series] as provided in this Ninth Supplemental Indenture, being the aggregate principal amount of [$] and designated as "Second Lien Water Revenue Bonds, Series 2016A [(Taxable)] (the "Series 2016A Bonds")]; and

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WHEREAS, the Series 2016A Bonds, and the Trustee's Certificate of Authentication to be endorsed on such Bonds, shall be substantially in the forms attached to this Ninth Supplemental Indenture as Exhibit A, with necessary and appropriate variations, omissions and insertions as permitted or required by the Series 2016A Bond Ordinance, the Indenture or this Ninth Supplemental Indenture;

NOW, THEREFORE, THIS NINTH SUPPLEMENTAL INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the premises and the acceptance by the Trustee of the trusts created by this Ninth Supplemental Indenture, and of the purchase and acceptance of the Series 2016A Bonds by their Registered Owners, 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 acknowledged, to secure the payment of the principal of, premium, if any, and interest on the Series 2016A Bonds according to their tenor and effect, and to secure the performance and observance by the City of all the covenants expressed or implied in this Ninth Supplemental Indenture and in the Series 2016A Bonds, assigns and grants 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 set forth below (the "Trust Estate'):

GRANTING CLAUSE FIRST

All right, title and interest of the City in and to Second Lien Bond Revenues (as defined in the Series 2016A Bond Ordinance); and amounts on deposit in the Second Lien Bonds Account (as defined in the Series 2016A Bond Ordinance) (other than monies, instruments and securities or any Qualified Reserve Account Credit Instrument on deposit in a Debt Service Reserve Account for any other Series of Second Lien Bonds issued or to be issued), and in the 2016A Bond Proceeds Account (as defined herein), in each case to the extent pledged and assigned in the granting clauses of the Indenture, as supplemented by the Series 2016A Bond Ordinance;

GRANTING CLAUSE SECOND

All moneys and securities from time to time held by the Trustee under the terms of this Ninth Supplemental Indenture; 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 to this Ninth Supplemental Indenture, as and for additional security under this Ninth Supplemental Indenture by the City or by any other person on its behalf or with its written consent to the Trustee, and the Trustee is by this Ninth Supplemental Indenture authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Ninth Supplemental Indenture;

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 set forth in this Ninth Supplemental Indenture

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for the equal and proportionate benefit, security and protection of all present and future Registered Owners of the Series 2016A Bonds and all other Second Lien Bonds issued or secured from time to time under the provisions of the 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 otherwise specifically provided in this Ninth Supplemental Indenture or in the Indenture;

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 Series 2016A Bonds, and shall cause the payments to be made on such Series 2016A Bonds as required in this Ninth Supplemental Indenture, 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 Ninth Supplemental Indenture and shall pay or cause to be paid to the Trustee all sums of money due or to become due to the Trustee in accordance with the terms and provisions of this Ninth Supplemental Indenture, then upon the final payment of such sums this Ninth Supplemental Indenture and the rights by this Ninth Supplemental Indenture granted shall cease, determine and be void; otherwise this Ninth Supplemental Indenture shall remain in full force and effect.

THIS NINTH SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared; that all Series 2016A Bonds issued and secured under this Ninth Supplemental Indenture are to be issued, authenticated and delivered, and all said property, rights and interests and any other amounts assigned and pledged by this Ninth Supplemental Indenture are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes expressed in this Ninth Supplemental Indenture, and the City has agreed and covenanted and by this Ninth Supplemental Indenture agrees and covenants with the Trustee, the respective owners of the Series 2016A Bonds as follows:

ARTICLE I DEFINITIONS

Section 1.01. Definitions. All capitalized terms used in this Ninth Supplemental Indenture unless otherwise defined shall have the same meaning as used in Article I of the Indenture and in the Series 2016A Bond Ordinance. In addition to the terms defined in the preambles of this Ninth Supplemental Indenture, the following words and phrases shall have the following meanings for purposes of this Ninth Supplemental Indenture:

"Authorized Denomination" means, with respect to a particular Series 2016A Bond, $5,000 and any integral multiple of $5,000.

"Bondholder," "holder," "owner of the Series 2016A Bonds" or "Registered Owner" means the Registered Owner of any Series 2016A Bond.

"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 Series 2016A Bonds.

"Bond Registrar" means the Trustee.

"Chief Financial Officer" means the Chief Financial Officer appointed by the Mayor of the City or, in the event no person is at the time then so appointed and acting, the City Comptroller of the City.

"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.

"Code" means the United States Internal Revenue Code of 1986, as amended. References to the

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Code and to Sections of the Code shall include relevant final, temporary or proposed regulations thereunder as in effect from time to time and as applicable to obligations issued on the Date of Issuance.

"Date of Issuance" means [, 2016], the date of original issuance and delivery of the Series 2016A Bonds under this Ninth Supplemental Indenture.

["Depository Agreement" means the Depository Agreement dated , 2016 between the City and [ ], as depository, pursuant to which funds on deposit in the 2016A Bond Proceeds Account shall be held and disbursed.]

"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.

"Ninth Supplemental Indenture" means this Ninth Supplemental Indenture and any amendments and supplements to this Ninth Supplemental Indenture.

"Indenture" means the Master Indenture of Trust Securing Second Lien Water Revenue Bonds, dated as of December 15, 1999, from the City to the Trustee, pursuant to which Bonds are authorized to be issued, as heretofore supplemented and as amended by Amendment No. 1 To Master Indenture, dated as of August 1, 2004 and any additional amendments and supplements to it, including this Ninth Supplemental Indenture. References to Articles and Sections of the Indenture shall be deemed to refer to Articles and Sections of the Indenture as amended.

"Interest Payment Date" means each May 1 and November 1, commencing on

1, 201_.

"Maturity Date" means, with respect to a particular Series 2016A Bond, the maturity date for such Series 2016A Bond set forth in Section 2.01(c) hereof.

"Opinion of Bond Counsel" means a written opinion of Bond Counsel in form and substance acceptable to the City and the Trustee, which opinion may be based on a ruling or rulings of the Internal Revenue Service.

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

"Paying Agent" means the Trustee and any other bank, national banking association or trust company designated by the City or the Trustee pursuant to Section 8.03 hereof as a paying agent for the Series 2016A Bonds, and any successor or successors appointed by the Chief Financial Officer or the Trustee under this Ninth Supplemental Indenture.

"Permitted Investments" means any of the following to the extent permitted by law and by the Master Indenture at the time of such investment:

a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America;

b) trust receipts or other certificates of ownership evidencing an ownership interest in the principal of or interest on, or both principal of and interest on, obligations described in clause (a) of this definition, which obligations are held in trust by a bank described in clause (d) of this definition,

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provided that such bank holds such obligations separate and segregated from all other funds and accounts of the City and of such bank and that a perfected first security interest under the Illinois Uniform Commercial Code, or under book entry procedures prescribed at 31 C.F.R. 306.0 et seq. or 31 C.F.R. 350.0 et seq. (or other similar book entry procedures similarly prescribed by federal law or regulations adopted after the date of execution and delivery of this Ninth Supplemental Indenture) has been created in such obligations for the benefit of the applicable account in the Water Fund or, to the extent permitted, in any irrevocable trust or escrow established to make provision for the payment and discharge of the indebtedness on all Series 2016A Bonds or other obligations which are payable from Net Revenues Available for Bonds;

c) obligations of Fannie Mae or of any agency or instrumentality of the United States of America now existing or created after the issuance and delivery of the Series 2016A Bonds, including but not limited to the Federal Home Loan Mortgage Corporation, the United States Postal Service, the Government National Mortgage Association and the Federal Financing Bank;

d) negotiable or non-negotiable time deposits evidenced (i) by certificates of deposit issued by any bank, trust company, national banking association or savings and loan association which has capital of not less than $250,000,000 (including the Trustee and its affiliates) or (ii) by certificates of deposit which are continuously and fully insured by (A) any federal agency or (B) an insurer that at the time of issuance of the policy securing such deposits has been assigned a credit rating on its long-term unsecured debt within one of the two highest rating categories, without regard to any refinement or gradation of rating category by numerical modifier or otherwise, from at least two Rating Agencies;

e) repurchase agreements with banks described in clause (d) of this definition or with government bond dealers reporting to, trading with, and recognized as primary dealers by a Federal Reserve Bank, provided (i) that the underlying securities are obligations described in clauses (a) or (c) of this definition and are required to be continuously maintained at a market value not less than the amount so invested, (ii) the City has received an opinion of counsel to the effect that a custodian for the City has possession of the underlying securities as collateral and has a perfected first security interest in the collateral, and (iii) the collateral is in the opinion of such counsel free and clear of claims by third parties;

f) obligations of any state of the United States of America or any political subdivision of a state or any agency or instrumentality of a state or political subdivision which are, at the time of purchase, rated by at least two Rating Agencies in one of their two highest respective long-term rating categories, without regard to any refinement or

gradation of rating categories by numerical modifier or otherwise (if not rated by at least two Rating Agencies then a rating by a single Rating Agency shall be satisfactory), for comparable types of debt obligations;

g) bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by any corporation which are, at the time of purchase, rated by at least two Rating Agencies, without regard to any refinement or gradation of rating categories by numerical modifier or otherwise, in their highest rating category (if not rated by at least two Rating Agencies then a rating by a single Rating Agency shall be satisfactory), for comparable types of debt obligations;

h) repurchase agreements and investment agreements (including forward purchase agreements pursuant to which the City agrees to purchase securities of the type described in clauses (a), (b), (c), (f), (g) and (i) of this definition of "Permitted Investments"), with any bank, trust company, national banking association (which may include any Paying Agent or Bond Registrar), insurance company or any other financial institution which at the date of the agreement has an outstanding, unsecured, uninsured and unguaranteed debt issue rated by at least two Rating Agencies in one of their three highest respective long-

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term rating categories, without regard to any refinement or gradation of rating categories by numerical modifier or otherwise, or if such institution is not so rated, that the agreement is secured by such securities as are described in clauses (a) through (d) above, inclusive, having a market value at all times (exclusive of accrued interest, other than accrued interest paid in connection with the purchase of such securities) at least equal to the principal amount invested pursuant to the agreement, provided that (i) a custodian for the City (which custodian is not the entity with which the City has the repurchase or investment agreement) has a perfected first security interest in the collateral and the City has received an opinion of counsel to that effect, (ii) the custodian or an agent of the custodian (which agent is not the entity with which the City has the repurchase or investment agreement) has possession of the collateral, and (iii) such obligations are in the opinion of such counsel free and clear of claims by third parties;

(i) prime commercial paper of a corporation incorporated under the laws of any state of the United States of America, rated by at least one Rating Agency in its highest short-term rating category, without regard to any refinement or gradation of rating category by numerical modifier or otherwise;

(j) certificates of deposit of national banks (including the Trustee and its affiliates) that are either fully collateralized at least 110 percent by marketable U.S. government securities marked to market at least monthly or secured by a corporate surety bond issued by an insurance company licensed to do business in Illinois and having a claims-paying rating in the top rating category, without regard to any refinement or gradation of rating category by numerical modifier or otherwise, as rated by at least one Rating Agency and maintaining such rating during the term of such investment; and

(k) shares of a money market fund registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, as amended, including those for which the Trustee or an affiliate performs services for a fee, whether as custodian, transfer agent, investment advisor or otherwise.

8

"Principal and Interest Account" means the account designated the "Series 2016A Bonds, Principal and Interest Account" established in the 2016A Second Lien Bonds Subaccount as described in Section 4.02 (b)(iii) and Section 4.05 hereof.

"Principal and Interest Account Requirement" means an amount, calculated as of each Deposit Date, equal to the total Principal Installments and interest due on the Series 2016A Bonds on such Deposit Date.

"Program Fee Account" means the account designated the "Series 2016A Bonds, Program Fee Account" established in the 2016A Second Lien Bonds Subaccount as described in Section 4.02(b)(ii) and Section 4.06 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 8.05 of the Indenture; provided that if at any time there shall be any Series of Second Lien Bonds Outstanding under the Indenture other than the Series 2016A Bonds, then "Program Fees" 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 Series 2016A Bonds;

b) ongoing fees payable to any Rating Agency maintaining a rating on any Series 2016A Bonds; and

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c) any other fees, expenses and other charges of a similar nature payable by the City to any person under this Ninth Supplemental Indenture or otherwise with respect to the Series 2016A Bonds.

"Rating Agency" means any nationally recognized ratings service that shall have assigned ratings to any Series 2016A Bond as requested by or on behalf of the City and which ratings are then currently in effect.

"Record Date" means April 15 and October 15 of each year (whether or not a Business Day).

"Registered Owner" or "Owner" means the person or persons in whose name or names a Series 2016A Bond shall be registered in the Bond Register.

"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 Series 2016A Bonds.

"Series 2016A Bonds" means the $[ ] aggregate principal amount of Second Lien Water Revenue Bonds, Series 2016A [(Taxable)] authorized to be issued pursuant to Section 2.01 hereof.

"Project Costs" has the meaning ascribed to it in the preambles to this Series 2016A Ordinance.

"State" means the State of Illinois.

"Tax Regulatory Agreement" means the Tax Regulatory Agreement of the City relating to the Series 2016A Bonds delivered by the City on the date of issuance of the Series 2016A Bonds.

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses of this Ninth Supplemental Indenture.

"Trustee" means [ ] organized and existing under the laws of the United States of America (as successor trustee), and its successors and any entity resulting from or surviving any consolidation or merger to which it or its successors may be a party, and any successor Trustee at the time serving as successor trustee under this Ninth Supplemental Indenture.

"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 under this Ninth Supplemental Indenture with respect to those duties of the Trustee which such agent agrees to perform on behalf of the Trustee.

"2016A Bond Proceeds Account" means the Bond Proceeds Account: 2016A Second Lien Bonds" established pursuant to Section 4.01 of Part B of the Series 2016A Bond Ordinance, as further described in Sections 4.02, 4.06 and 4.08 hereof.

"2016A Second Lien Bonds Subaccount" means the fund of that name established within the Second Lien Bonds Account created under Section 3.03(d) of Part B of the Series 2016A Bond Ordinance, as further described in Sections 4.02 and 4.06 hereof.

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ARTICLE II

THE SERIES 2016A BONDS

Section 2.01. Authority for and Issuance of Series 2016A Bonds, (a) No Series 2016A Bonds may be issued under the provisions of this Ninth Supplemental Indenture except in accordance with this Article. The Series 2016A Bonds are being issued to provide funds to pay Project Costs.

(b) Pursuant to the Series 2016A Bond Ordinance, the total principal amount of any Series 2016A Bonds shall not exceed $200,000,000, plus an amount equal to the amount of any original issue discount (not to exceed 15 percent of the aggregate principal amount of such series of Bonds (other than Series 2016A Bonds issued in lieu of or in substitution for which other Series 2016A Bonds have been authenticated and delivered pursuant to Sections 2.01(c), 2.03, 2.04, 2.06, 2.07 or 3.03(d) hereof). The Series 2016A Bonds shall be issuable as fully registered bonds, without coupons, in Authorized Denominations, substantially in the form attached as Exhibit A. Unless the City shall otherwise direct, the Series 2016A Bonds shall be lettered and numbered from R-1 and upwards, but need not be numbered consecutively.

(c) The Series 2016A Bonds shall be designated "City of Chicago Second Lien Water Revenue Bonds, Series 2016A [(Taxable)]" and shall be issued in the aggregate principal amount of [$.]. The Series 2016A Bonds shall be dated the Date of Issuance, and shall mature on [_ 1] in each of the years and in the principal amounts and shall bear interest at the respective rates per annum set forth in the table below:

Maturity (1)	Principal Amount	Rate Per Annum	Maturity (1)	Principal Amount	Rate per Annum

d) Each Series 2016A Bond authenticated prior to the first Interest Payment Date on such Series 2016A Bond shall bear interest from the Date of Issuance, and following the first Interest Payment Date interest shall accrue as set forth in the next paragraph except that if as shown by the records of the Trustee, interest on such Series 2016A Bond shall be in default, any Series 2016A Bond issued in exchange for or upon the registration of transfer of such Series 2016A Bond shall bear interest from the date to which interest has been paid in full on such Series 2016A Bond or, if no interest has been paid on such Series 2016A Bond, the Date of Issuance. Each Series 2016A 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 Series 2016A Bond on the date on which such principal, premium or interest came due and payable.

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e) Interest on the Series 2016A Bonds shall be payable on each Interest Payment Date, computed upon the basis of a 360-day year consisting of twelve 30-day months. No interest shall accrue on any Series 2016A Bond after the Maturity Date thereof (provided, the payment at maturity is paid or provided for in accordance with the provisions of the Indenture).

f) The principal of and interest on the Series 2016A Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment of such Series 2016A Bonds, is legal tender for the payment of public and private debts.

g) The principal of the Series 2016A Bonds shall be payable at the designated corporate trust office of the Trustee or, at the option of the Registered Owners, at the designated corporate trust office of any Paying Agent named in such Series 2016A Bonds, upon presentation and surrender of such Series 2016A Bonds.

h) Payment of interest on Series 2016A Bonds shall be paid by check mailed on the Interest Payment Date to the persons appearing on the Bond Register as the Registered

Owners of such Series 2016A Bonds 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 any Series 2016A Bond shall be made to the Registered Owner of $1,000,000 or more in aggregate principal amount of Series 2016A 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.

(i) The Series 2016A Bonds shall bear interest from and including the Date of Issuance, until payment of the principal or redemption price of such Series 2016A Bonds shall have been made or provided for in accordance with the provisions of this Ninth Supplemental Indenture, whether at the Maturity Date or otherwise.

Section 2.02. Execution; Limited Obligations. The Series 2016A 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 or Deputy City Clerk, and shall have affixed, impressed, imprinted or otherwise reproduced on such Series 2016A Bonds the corporate seal of the City or a facsimile of such seal. The Series 2016A Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State, and pursuant to the Series 2016A Bond Ordinance. The Series 2016A Bonds, the Section 2.08 Obligations and the Section 2.09 Obligations are not general obligations of the City, but are limited obligations payable solely from the Trust Estate, including Second Lien Bond Revenues, amounts on deposit in the Second Lien Bonds Account and the 2016A Bond Proceeds Account, and shall be a valid claim of the respective Registered Owners of the Series 2016A Bonds only against the Trust Estate, including amounts on deposit in the Second Lien Bonds Account (other than monies, instruments and securities or any Qualified Reserve Account Credit Instrument on deposit in a Debt Service Reserve Account for any other Series of Second Lien Bonds issued or to be issued) and the 2016A Bond Proceeds Account and other moneys held by the Trustee or otherwise pledged therefor, which amounts are by this Ninth Supplemental Indenture pledged, assigned and otherwise held as security for the equal and ratable payment of the Series 2016A Bonds, the Section 2.08 Obligations and the Section 2.09 Obligations, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Series 2016A Bonds, the Section 2.08 Obligations and the Section 2.09 Obligations, except as may be otherwise expressly authorized in the Indenture or in this Ninth

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Supplemental Indenture. Neither the Series 2016A Bonds, the Section 2.08 Obligations nor the Section 2.09 Obligations shall constitute an indebtedness of the City or a loan of credit of the City 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 of the State is pledged to the payment of the principal of premium, if any, or the interest on the Series 2016A Bonds, the Section 2.08 Obligations or the Section 2.09 Obligations, or other costs incident to the Series 2016A Bonds, the Section 2.08 Obligations or the Section 2.09 Obligations. In case any officer whose signature or a facsimile of whose signature shall appear on the Series 2016A Bonds shall cease to be such officer before the delivery of such Series 2016A Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, as if such officer had remained in office until delivery.

Section 2.03. Authentication. No Series 2016A Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ninth Supplemental Indenture

12'

unless and until such certificate of authentication in substantially the form attached to this Indenture as part of Exhibit A shall have been duly executed by the Trustee, and such executed certificate of the Trustee, upon any such Series 2016A Bond shall be conclusive evidence that such Series 2016A Bond has been authenticated and delivered under this Ninth Supplemental Indenture. The Trustee's certificate of authentication on any Series 2016A Bond shall be deemed to have been executed by it if (i) 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 Series 2016A Bonds issued under this Ninth Supplemental Indenture and (ii) the date of authentication on such Series 2016A Bond is inserted in the place provided for such date in the certificate of authentication.

Section 2.04. Form of Series 2016A Bonds; Temporary Series 2016A Bonds. The Series 2016A Bonds issued under this Ninth Supplemental Indenture shall be substantially in the form attached to this Indenture as Exhibit A, with such appropriate variations, omissions and insertions as are permitted of required by this Ninth Supplemental Indenture.

Pending preparation of definitive Series 2016A Bonds, or by agreement with the purchasers of such Series 2016A Bonds, the City may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Series 2016A 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 Series 2016A Bonds in exchange for and upon surrender of an equal principal amount of temporary Series 2016A Bonds. Until so exchanged, temporary Series 2016A Bonds shall have the same rights, remedies and security under this Ninth Supplemental Indenture as definitive Series 2016A Bonds.

Section 2.05. Delivery of Series 2016A Bonds. Upon the execution and delivery of this Ninth Supplemental Indenture, the City shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Series 2016A Bonds and deliver them to the purchasers as may be directed by the City as provided in this Section.

Prior to the delivery by the Trustee of the Series 2016A Bonds there shall be filed with the Trustee:

i) a copy, duly certified by the City Clerk or Deputy City Clerk of the City, of the Series 2016A Bond Ordinance;

ii) original executed counterparts of the Indenture and this Ninth Supplemental Indenture;

iii) a Counsel's Opinion or Opinions to the effect that (A) the City had the right and power to adopt the Series 2016A Bond Ordinance; (B) the Series 2016A Bond 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 (except as limited by any applicable bankruptcy

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liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event equitable remedies are sought); (C) the Indenture and this Ninth 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 (except as limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event equitable

remedies are sought); (D) the Series 2016A Bond Ordinance, the Indenture and this Ninth Supplemental Indenture create the valid pledge of the Trust Estate, including Second Lien Bond Revenues and moneys and securities held in the Second Lien Bonds Account (other than monies, instruments and securities or any Qualified Reserve Account Credit Instrument on deposit in a Debt Service Reserve Account for any other Series of Second Lien Bonds issued or to be issued) under the Series 2016A Bond Ordinance, the Indenture and this Ninth Supplemental Indenture for the benefit and security of the Series 2016A Bonds; subject to application of such moneys and securities in the manner provided in the Indenture and this Ninth Supplemental Indenture; (E) upon the execution, authentication and delivery of the Indenture and this Ninth Supplemental Indenture, the Series 2016A Bonds will have been, duly and validly authorized and issued in accordance with the Constitution and laws of the State, the Series 2016A Bond Ordinance, the Indenture and this Ninth Supplemental Indenture and (F) any required approval for the issuance of the Series 2016A Bonds has been obtained;

iv) a written order as to the delivery of the Series 2016A Bonds, signed by the Chief Financial Officer and stating (A) the identity of the purchasers, the aggregate purchase price and the date and place of delivery; and (B) that no Event of Default has occurred and is continuing under the Indenture or this Ninth Supplemental Indenture; and

v) a Certificate of the Chief Financial Officer stating that the conditions of Section 2.06 of the Master Indenture have been met.

Section 2.06. Mutilated, Lost, Stolen or Destroyed Series 2016A Bonds. In the event a Series 2016A Bond is mutilated, lost, stolen or destroyed, the City may execute and the Trustee may authenticate a new Series 2016A Bond of like date, maturity, interest rate and denomination as the Series 2016A Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Series 2016A Bond, such mutilated Series 2016A Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Series 2016A 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 Series 2016A Bond has matured, instead of issuing a substitute Series 2016A Bond the City may pay the same without surrender of such Series 2016A Bond. The City and the Trustee may charge the Registered Owner of such Series 2016A Bond with their reasonable fees and expenses in this connection. All Series 2016A Bonds so surrendered to the Trustee shall be canceled 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 Series 2016A Bonds, the Trustee shall destroy any inventory of unissued certificates.

All duplicate Series 2016A 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 Series 2016A Bonds be at any time found by' anyone), and shall be entitled to equal and proportionate rights and benefits under this Ninth Supplemental Indenture as all other Outstanding Series 2016A Bonds issued under this Ninth Supplemental Indenture.

All Series 2016A 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,

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lost, stolen or purchased Series 2016A Bonds, and shall preclude any and all other rights or remedies.

14

Section 2.07. Transfer and Exchange of Series 2016A 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 Series 2016A Bond at the principal 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 Series 2016A Bond or Bonds of like date and tenor in Authorized Denominations of the same Maturity Date and interest rate 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, Series 2016A Bonds may be exchanged at such times at such designated corporate trust office of the Trustee upon surrender of such Series 2016A Bond together with an assignment duly executed by the Registered Owner of such Series 2016A Bonds 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 Series 2016A Bonds of like date and tenor of any Authorized Denomination as the Series 2016A Bonds surrendered for exchange bearing numbers not contemporaneously Outstanding. The execution by the City of any Series 2016A 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 Series 2016A Bond.

b) No service charge shall be imposed upon the Registered Owners for any exchange or transfer of Series 2016A Bonds. The City and the Trustee may, however, require payment by the person requesting an exchange or transfer of Series 2016A Bonds of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation to such exchange or transfer, except in the case of the issuance of one or more Series 2016A Bonds for the unredeemed portion of a Series 2016A Bond surrendered for redemption in part.

c) The Trustee shall not be required to transfer or exchange any Series 2016A Bond during the period commencing on the Record Date next preceding any Interest Payment Date of such Series 2016A Bond and ending on such Interest Payment Date, or to transfer or exchange such Series 2016A Bond after the mailing of notice calling such Series 2016A Bond for redemption has been made as provided in this Ninth Supplemental Indenture or during the period of 15 days next preceding the giving of notice of redemption of Series 2016A Bonds of the same Maturity Date and interest rate.

d) Series 2016A Bonds delivered upon any registration of transfer or exchange as provided in this Section 2.07 or as provided in Section 2.08 hereof shall be valid limited obligations of the City, evidencing the same debt as the Series 2016A Bonds surrendered, shall be secured by the Indenture and shall be entitled to all of the security and benefits of this Ninth Supplemental Indenture to the same extent as the Series 2016A Bond surrendered.

e) The City, the Trustee and any Paying Agent may treat the Registered Owner of any Series 2016A Bond as the absolute owner of such Series 2016A Bond for all purposes, whether or not such Series 2016A 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 Series 2016A Bond as provided in this Ninth Supplemental Indenture shall be made only to or upon the written order of the Registered Owner of such Series 2016A Bond or such Registered Owner's legal representative, but such registration may be changed as provided in this Ninth Supplemental Indenture. All such payments shall be valid and effectual to

satisfy and discharge the liability upon such Series 2016A Bond to the extent of the sum or sums so paid.

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Section 2.08. Cancellation. Any Series 2016A Bond surrendered for the purpose of payment or retirement, or for exchange, transfer or replacement, shall be canceled upon surrender of such Series 2016A Bond to the Trustee or any Paying Agent. If the City shall acquire any of the Series 2016A Bonds, the City shall deliver such Series 2016A Bonds to the Trustee for cancellation and the Trustee shall cancel the same. Any such Series 2016A Bonds canceled by any Paying Agent other than the Trustee shall be promptly transmitted by such Paying Agent to the Trustee. Certification of Series 2016A Bonds canceled by the Trustee and Series 2016A Bonds canceled by a Paying Agent other than the Trustee which are transmitted to the Trustee shall be made to the City. Canceled Series 2016A 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 Series 2016A Bonds, the Trustee shall destroy any inventory of unissued certificates.

Section 2.09. Book-Entry Provisions. The provisions of this Section shall apply as long as the Series 2016A Bonds are maintained in book-entry form with DTC or another Securities Depository, any provisions of this Ninth Supplemental Indenture to the contrary notwithstanding.

a) Payments of the principal of and interest on the Series 2016A Bonds shall be made to the Securities Depository, or its nominee, as the Registered Owner of the Series 2016A Bonds, in same day funds on each date on which the principal of, premium; if any, and interest on the Series 2016A Bonds is due as set forth in this Ninth Supplemental Indenture and the Series 2016A 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 Series 2016A 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 written notice thereof, and the Trustee shall make payments with respect to the Series 2016A 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 Series 2016A Bonds to Participants or the beneficial owners of the Series 2016A Bonds or their nominees.

b) The Registered Owners of the Series 2016A Bonds have no right to the appointment or retention of a Securities Depository for the Series 2016A Bonds. 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 Series 2016A 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 Series 2016A Bonds, the City may (or, in the case of clause (ii) above, the City shall) cause the Trustee to authenticate and deliver Series 2016A 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 Series 2016A Bonds in book-entry form with the then current Securities Depository, the City will issue replacement Series 2016A Bonds to the

replacement Securities Depository, if any, or, if no replacement Securities Depository is selected for the Series 2016A 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 Series 2016A Bonds shown on the records of such Participant. Replacement Series 2016A Bonds shall be in fully registered form and in Authorized Denominations, be payable as to interest on the Interest Payment Dates of such Series 2016A 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 Series 2016A 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

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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 Series 2016A Bonds are payable only upon presentation and surrender of such replacement Series 2016A Bond or Bonds at the principal corporate trust office of the Trustee.

d) The Securities Depository and its Participants, and the beneficial owners of the Series 2016A Bonds, by their acceptance of the Series 2016A 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 Series 2016A 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 Series 2016A Bonds.

e) As long as Cede & Co. is the Registered Owner of the Series 2016A Bonds, as nominee of DTC, references herein to the Registered Owners of the Series 2016A Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Series 2016A Bonds.

f) As long as Cede & Co. is the Registered Owner of the Series 2016A Bonds:

i) selection of Series 2016A Bonds to be redeemed upon partial redemption or presentation of such Series 2016A Bonds to the Trustee upon partial redemption shall be deemed made when the right to exercise ownership rights in such Series 2016A Bonds through DTC or DTC's Participants is transferred by DTC on its books; and

ii) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Registered Owners under this Ninth Supplemental Indenture on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Series 2016A Bonds through DTC or its Participants.

ARTICLE III

REDEMPTION OF SERIES 2016A BONDS

Section 3.01. Optional Redemption. [The Series 2016A Bonds maturing on or after [1, 20 J are subject to redemption prior to maturity at the option of the City, in whole or in part, on any date on or after [1, 20], and if in part, in such order of maturity as the City shall determine and within any maturity and interest rate by lot, at a Redemption Price equal to the outstanding principal amount of such Series 2016A Bond, together with accrued interest to the date fixed for redemption.]

17

Section 3.02. Mandatory Sinking Fund Redemption.

(a) [The Series 2016A Bonds due on [1, 20] and [1, 20] (collectively, the "Term Bonds') are subject to mandatory sinking fund redemption prior to maturity in part, selected as provided in Section 3.05, at a redemption price of [100 percent] of the outstanding principal amount of such Series 2016A Bonds to be so redeemed, on [1] of the years and in the amounts shown below, plus accrued interest to the redemption date, as set forth below:

Series 2016A Bonds		Series 2016A Bonds	
due f	1. 20 1	due I	1 , 20 1

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		Principal		Principal
Year		Amount		Year Amount

*Stated maturity *Stated maturity

(b) In lieu of redeeming the Term Bonds pursuant to the mandatory sinking fund redemption provisions described above, on or before the 60th day next preceding any mandatory sinking fund redemption date for such Term Bonds, the Trustee may, at the written direction of the Chief Financial Officer, use such funds available under the Indenture to purchase Term Bonds in the open market at a price not exceeding par plus accrued interest.

On or before the 60th day next preceding any mandatory sinking fund redemption date for the Term Bonds (or such shorter period as may be acceptable to the Trustee), the City may, at its option, (i) deliver to the Trustee for cancellation, Term Bonds or portions thereof in Authorized Denominations subject to mandatory sinking fund redemption or (ii) receive a credit in respect of its mandatory sinking fund redemption obligation for Term Bonds or portions thereof in Authorized Denominations which prior to said date have been redeemed (otherwise than through the operation of such mandatory sinking fund redemption) and canceled by the Trustee and not theretofore applied as a credit against any mandatory sinking fund redemption obligation. Each Term Bond or portion thereof subject to mandatory sinking fund redemption so delivered or previously redeemed will be credited against future mandatory sinking fund redemption obligations on Term Bonds in such order as the City designates, or if no such designation is made, in chronological order, the principal amount of such Term Bonds to be redeemed by operation of such mandatory redemption to be accordingly reduced.]

Section 3.03. Make-Whole Optional Redemption.

[Series 2016A Bonds of each maturity are subject to redemption at the option of the City in whole or in part at any time at the redemption price that is the greater of (A) 100% of the principal amount of the Series 2016A Bonds to be redeemed and (B) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2016A Bonds to be redeemed, not including any portion of those payments of interest

accrued and unpaid as of the date on which the Series 2016A Bonds are to be redeemed, discounted to the date on which the Series 2016A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (as defined below) plus [ ] basis points plus accrued and unpaid interest on the Series 2016A Bonds to be redeemed on the redemption date.

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical H.15 (519)) that has become publicly available not more than 45 days and not less than four Business Days prior to the redemption date (excluding inflation-indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Series 2016A Bonds to be redeemed; provided however, that if the period from the redemption date to such maturity date is less than one year, the

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weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

The redemption price of the Series 2016A Bonds to be redeemed pursuant to the Make-Whole Optional Redemption provision described above will be determined by an independent accounting firm, investment banking form or financial advisor retained by the City at the City's expense to calculate such redemption price. The Trustee and the City may conclusively rely on such determination of redemption price by such independent accounting firm, investment banking firm or financial advisor and will not be liable for such reliance.]

Section 3.04. Redemption Terms; Notice of Redemption.

a) Series 2016A Bonds may be called for redemption by the Trustee pursuant to Section 3.01 hereof upon receipt by the Trustee at least 45 days prior to the redemption date (or such shorter period as shall be acceptable to the Trustee) of a written request of the City requesting such redemption. [Term Bonds shall be called for redemption by the Trustee pursuant to Section 3.02 hereof without further request or direction from the City or any other party.] [Series 2016A Bonds may be called for redemption by the Trustee pursuant to Section 3.03 hereof upon receipt by the Trustee at least 45 days prior to the redemption date (or such shorter period as shall be acceptable to the Trustee) of a written request of the City requesting such redemption.]

b) Unless waived by any owner of Series 2016A Bonds to be redeemed, notice of the call for any [optional, mandatory redemption or optional make-whole redemption pursuant to Section 3.01, 3.02 or Section 3.03 hereof] shall be given by the Trustee on behalf of the City by mailing the redemption notice by first class mail at least 30 days and not more than 45 days prior to the date fixed for redemption to the Registered Owner of the Series 2016A Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Trustee, but the failure to mail any such notice or any defect therein as to any Series 2016A Bond to be redeemed shall not affect the validity of the proceedings for the redemption of any other Series 2016A Bond to be redeemed. Any notice of redemption mailed as provided in this Section shall be conclusively presumed to have been given whether or not actually received by the addressee.

c) All notices of redemption shall specify, at a minimum: (i) the series name and designation and certificate numbers of Series 2016A Bonds being redeemed, (ii) the CUSIP numbers of the Series 2016A Bonds being redeemed, (iii) the principal amount of Series 2016A

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 of the Series 2016A Bonds being redeemed, (vii) the interest rate and maturity date of the Series 2016A Bonds being redeemed, (viii) the date of mailing of notices to Registered Owners and information services (if required), and (ix) the name of the employee of the Trustee which may be contacted with regard to such notice. With respect to an optional redemption of any Series 2016A Bonds, such notice may state that said redemption is conditioned upon the receipt by the Trustee on or prior to the date fixed for redemption of moneys sufficient to pay the redemption price of the Series 2016A Bonds being redeemed. If such moneys are not so received, such redemption notice shall be of no force and effect, the City shall not redeem such Series 2016A Bonds and the Trustee shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Series 2016A Bonds will not be redeemed. Unless the notice of redemption shall be made conditional as provided above, on or prior to any redemption date for Series 2016A Bonds, the City shall deposit with the Trustee an amount of money sufficient to pay the redemption price of all Series 2016A Bonds or portions thereof which are to be redeemed on that date.

(d) Notice of redemption having been given as aforesaid, the Series 2016A Bonds, or portions thereof,

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so to be redeemed shall, on the redemption date (unless the redemption has been canceled as described in Section 3.04(c) hereof), become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Series 2016A Bonds, or portions thereof, shall cease to bear interest. Upon surrender of such Series 2016A Bonds for redemption in accordance with said notice, such Series 2016A Bonds shall be paid by the Trustee at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 2016A Bond, there shall be prepared for the Registered Owner a new Series 2016A Bond or Bonds of the same interest rate and maturity in the amount of the unpaid principal. If any Series 2016A Bond, or portion thereof, called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by such Bond, or portion thereof, so called for redemption.

Section 3.05. Selection of Series 2016A Bonds for Redemption. In the event of the redemption of fewer than all the Series 2016A Bonds of the same interest rate and maturity, the aggregate principal amount thereof to be redeemed shall be in an Authorized Denomination, and the Trustee shall assign to each Series 2016A Bond of such interest rate and maturity a distinctive number for each minimum Authorized Denomination of such Bond and shall select by lot from the numbers so assigned as many numbers as, at such minimum Authorized Denomination for each number, shall equal the principal amount of such Series 2016A Bonds to be redeemed. The Series 2016A Bonds to be redeemed shall be those to which were assigned numbers so selected; provided that only so much of the principal amount of each Series 2016A Bond shall be redeemed as shall equal such minimum Authorized Denomination for each number assigned to it and so selected. For purposes of any redemption of fewer than all of the outstanding Series 2016A Bonds of a single interest rate and maturity, the particular Series 2016A Bonds or portions thereof to be redeemed shall be selected not more than 60 days prior to the redemption date by the Trustee.

ARTICLE IV

REVENUES AND FUNDS

Section 4.01. Source of Payment of Series 2016A Bonds. The Series 2016A Bonds, the Section 2.08 Obligations and the Section 2.09 Obligations are not general obligations of the City but are limited obligations as described in Section 2.02 hereof and as provided in this Ninth Supplemental Indenture and in the Indenture.

Section 4.02. Creation of Accounts and Subaccounts in 2016A Second Lien Bonds Subaccount, (a) Moneys on deposit in the 2016A Second Lien Bonds Subaccount, and in each Account established in it as provided below, shall be held in trust by the Trustee for the sole and exclusive benefit of the Registered Owners of the Series 2016A Bonds.

(b) There are by this Ninth Supplemental Indenture created by the City and ordered established with the Trustee separate Accounts within the 2016A Second Lien Bonds Subaccount, designated as follows: }

i) *2016A Bond Proceeds Account: an Account to be designated the "Bond Proceeds Account: 2016A Second Lien Bonds" (the "2016A Bond Proceeds Account);*

ii) Program Fee Account: an Account to be designated the "Series 2016A Bonds, Program Fee Account" (the "Program Fee Account'); and

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iii) *Principal and Interest Account: an Account to be designated the "Series 2016A Bonds, Principal and Interest Account" (the "Principal and Interest Account');*

Section 4.03. Application of Series 2016A Bond Proceeds. The proceeds received by the City from the sale of the Series 2016A Bonds in the amount of [$] (consisting of the aggregate principal amount of the Series 2016A Bonds[, plus net premium of [ ]] and less the Underwriters' discount of [$]), shall be deposited with the Trustee and applied as follows:

[the Trustee shall deposit into the 2016A Bond Proceeds Account the amount of $[ ] and shall apply such amount to payment of Project Costs, as provided in Section 4.06 hereof.]

[the Trustee shall deposit proceeds of the Series 2016A Bonds in the amount [$] in the 2016A Bond Proceeds Account held pursuant to the Depository Agreement for application pursuant to Section 4.08 hereof.]

Section 4.04. Deposits into 2016A Second Lien Bonds Subaccount and Accounts. On May 1 and November 1 of each year, commencing [1, 20] (each such date referred to in this Ninth Supplemental Indenture as the "Deposit Date"), there shall be deposited into the 2016A Second Lien Bonds Subaccount from amounts on deposit in the Second Lien Bonds Account (other than monies, instruments and securities or any Qualified Reserve Account Credit Instrument on deposit in a Debt Service Reserve Account for any other Series of Second Lien Bonds issued or to be issued) an amount equal to the aggregate of the following amounts, which amounts shall have been calculated by the Trustee and certified by the Chief Financial Officer and transferred by the City to the Trustee in accordance with Section 3.03(d) of Part B of the Series 2016A Bond Ordinance on or before the Business Day next preceding each

such May 1 or November 1, respectively (such aggregate amount with respect to any Deposit Date being referred to in this Ninth Supplemental Indenture as the "Series 2016A Deposit Requirement):

a) for deposit into the Principal and Interest Account, an amount equal to the Principal and Interest Account Requirement; and

b) 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 semiannual period commencing on such related Deposit Date and, in the case of the initial Deposit Date, any Program Fees payable from the Date of Issuance to, but not including, such initial Deposit Date.

In addition to the Series 2016A Deposit Requirement, there shall be deposited into the 2016 Second Lien Project Bonds Subaccount any other moneys received by the Trustee under and pursuant to the Indenture or this Ninth Supplemental Indenture, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the 2016 Second Lien Project Bonds Subaccount or to one or more Accounts in that Subaccount.

Upon calculation by the Trustee of each Series 2016A Deposit Requirement under this Section, the Trustee shall notify the City of the Series 2016A 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.

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Section 4.05. Use of Moneys in the Principal and Interest Account. Moneys in the Principal and Interest Account shall be used for the payment of the principal of, premium, if any, and interest on the Series 2016A Bonds, for the redemption of Series 2016A Bonds prior to their respective Maturity Dates and for the payment of Section 2.08 Obligations and Section 2.09 Obligations. Funds for payment of principal of, premium, if any, and interest due on each Payment Date with respect to the Series 2016A Bonds (including the optional redemption of Series 2016A Bonds pursuant to Section 3.01 hereof and not otherwise provided for; [the make-whole optional redemption of Series 2016A Bonds pursuant to Section 3.03 hereof]; and with respect to payments made pursuant to Section 2.08 Obligations and Section 2.09 Obligations), shall be derived from moneys held in the Principal and Interest Account, ratably, without preference or priority of any kind, except that net payments required to be made by the City from Gross Revenues to a swap provider pursuant to a swap agreement authorized under the Indenture that does not satisfy the requirements for qualification as a Qualified Second Lien Swap Agreement shall be made only from amounts available after the payment of all Second Lien Bonds and termination and other non-scheduled payments made with respect to Section 2.09 Obligations shall be paid o'n a subordinate basis.

Section 4.06. Use of Moneys in the 2016A Bond Proceeds Account and Program Fee Account. Moneys deposited into the 2016A Bond Proceeds Account pursuant to Section 4.03(i) shall be used for the payment of Project Costs, as directed in a certificate of the City filed with the Trustee. If after the earliest to occur of (i) payment of all Project Costs as specified in a certificate of the City filed with the Trustee and (ii) [, 20], there shall be any balance remaining on the 2016A Bond Proceeds Account, such balance shall be transferred to the Program Fee Account. Moneys deposited into the Program Fee Account pursuant to Section 4.04(b) shall be used for the payment of Program Fees payable by the City

to third parties with respect to the Series 2016A Bonds as set forth in a certificate of the City filed with the Trustee.

Section 4.07. [Reserved]

Section 4.08. Use of Moneys in the 2016A Bond Proceeds Account. Except as otherwise provided in the Series 2016A Bond Ordinance and this Ninth Supplemental Indenture, and subject to the provisions of and limitations contained in the Tax Regulatory Agreement, moneys on deposit in the 2016A Bond Proceeds Account shall be disbursed and applied to pay, or to reimburse the payment of, Project Costs.

Section 4.09. Tax Covenants. [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 exclusion of interest on the Series 2016A Bonds from gross income for federal income tax purposes, including, but not limited to, the provisions of Section 148 of the Code relating to "arbitrage bonds."

The City further covenants to comply with the provisions of the Tax Regulatory Agreement relating to the Series 2016A Bonds, including, but not limited to, those provisions relating to the status of the Series 2016A Bonds as "private activity bonds" under Section 141 of the Code.]

Section 4.10. Non-presentment of Bonds. In the event any Series 2016A Bond shall not be presented for payment when the principal of such Series 2016A Bond becomes due, whether at maturity, at the date fixed for redemption or otherwise, if moneys sufficient to pay such Series 2016A Bond shall have been made available to the Trustee for the benefit of the Registered Owner of such Series 2016A Bond, subject to the provisions of the immediately following paragraph, all liability of the City to the Registered Owner of such Series 2016A Bond for the payment of such Series 2016A Bond shall immediately cease; determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without for

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interest on such monies; for the benefit of the Registered Owner of such 2016 Second Lien 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 Series 2016A Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Series 2016A Bonds within two years after the date on which the same shall have become due shall be repaid by the Trustee to the City upon the City's written request, and thereafter the Registered Owners of such Series 2016A 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 on such monies 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 4.11. 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 Ninth Supplemental Indenture shall be held by the Trustee in trust as provided in Section 8.03 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 by this Ninth Supplemental Indenture.

ARTICLE V

INVESTMENT OF MONEYS

Section 5.01. Investment of Moneys. Moneys held in the funds, accounts and subaccounts established under this Ninth Supplemental Indenture, including moneys held for payment of Series 2016A Bonds not presented for payment as described in Section 4.10 hereof, shall be invested and reinvested in Permitted Investments in accordance with the provisions governing investments contained in the Indenture; provided, however, that moneys in the Principal and Interest Account representing principal of or interest on the Series 2016A Bonds shall only be invested in Governmental Obligations scheduled to mature on the earlier of (i) (A) 30 days from the date of investment (in the case of amounts representing principal of the Series 2016A Bonds) or (B) six months from the date of investment (in the case of amounts representing interest payable on the Series 2016A Bonds) or (ii) the date upon which such moneys will be required to be used in accordance with this Ninth Supplemental Indenture. All such investments shall be held by or under the control of the Trustee and shall be deemed at all times part of the fund, account or subaccount for which they were made.

ARTICLE VI

DISCHARGE OF LIEN

Section 6.01. Defeasance. If the City shall pay to the Registered Owners of the Series 2016A Bonds, or provide for the payment of, the principal, premium, if any, and interest to become due on the Series 2016A Bonds, then this Ninth Supplemental Indenture shall be fully discharged and satisfied upon the satisfaction and discharge of this Ninth 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 Ninth Supplemental Indenture which are not required for the payment or redemption of the Series 2016A Bonds.

If the City shall pay and discharge a portion of the Series 2016A Bonds as provided above, including any Series in full, such portion shall cease to be entitled to any lien, benefit or security under the Indenture.

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The liability of the City with respect to such Series 2016A Bonds shall continue, but the Registered Owners of the Series 2016A Bonds so defeased shall thereafter be entitled to payment (to the exclusion of all other Bondholders) only out of the moneys or Governmental Obligations described in clause (a) of the definition of such term deposited with the Trustee under Article IX of the Indenture.

The provisions of this Section 6.01 are subject in all respects to the provisions of Sections 9.01 and 9.02 of the Master Indenture.

ARTICLE VII

REMEDIES

The provisions of Article VII of the Indenture shall be applicable to any Event of Default which shall have occurred and be continuing under this Ninth Supplemental Indenture.

Under no circumstance may the Trustee declare the principal of or interest on the Series 2016A Bonds to be due and payable prior to the Maturity Date following the occurrence of an Event of Default under the Indenture or this Ninth Supplemental Indenture.

ARTICLE VIII

TRUSTEE AND PAYING AGENT

Section 8.01. Acceptance of Trusts.

a) The Trustee accepts the trusts imposed upon it by this Ninth Supplemental Indenture, and agrees to perform said trusts, but only upon and subject to the express terms and conditions set forth in this Ninth Supplemental Indenture and in the Master Indenture. Except as otherwise expressly set forth in this Ninth Supplemental Indenture, the Trustee assumes no duties, responsibilities or liabilities by reason of its execution of this Ninth Supplemental Indenture other than as set forth in the Master Indenture and this Ninth Supplemental Indenture, and this Ninth 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 set forth at length in this Ninth Supplemental Indenture. Notwithstanding the provisions of Section 8.04 or 8.05 of the Indenture, the Trustee shall have no lien or security interest in and to amounts in the Principal and Interest Account for the purpose of paying the fees or expenses of the Trustee or any Paying Agent. 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 provided in the Master indenture.

b) The Trustee may appoint a Trustee's Agent with power to act on its behalf and subject to its direction in the authentication, registration and delivery of Series 2016A Bonds of any Series in connection with transfers and exchanges hereunder, as fully to all intents and purposes as though such Trustee's Agent had been expressly authorized by this Ninth Supplemental Indenture to authenticate, register and deliver such Series 2016A Bonds. The foregoing notwithstanding, the Trustee need not appoint a Trustee's Agent for as long as the Trustee shall have an office in New York, New York capable of handling the duties of Trustee's Agent hereunder. Any Trustee's Agent appointed pursuant to this Section shall evidence its acceptance by a certificate filed with the Trustee and the City. For all purposes of this Ninth Supplemental Indenture, the authentication, registration and delivery of Series 2016A Bonds by the Trustee or any Trustee's Agent pursuant to this Section shall be deemed to be the authentication, registration and delivery of such Series 2016A Bonds "by or to the Trustee." Such Trustee's 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

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United States or of any state with combined capital and surplus of at least $15,000,000 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 Trustee's Agent appointed hereunder shall also be a Paying Agent for purposes of this Ninth Supplemental Indenture

Section 8.02. Dealing in Series 2016A Bonds. The Trustee, in its individual capacity, may buy, sell, own, hold and deal in the Series 2016A Bonds, and may join in any action which

the Registered Owner of any Series 2016A Bond may be entitled to take with like effect as if it did not act in any capacity under this Ninth Supplemental Indenture. The Trustee, 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 the Series 2016A Bonds secured by this Ninth Supplemental Indenture or other obligations of the City as freely as if it did not act in any capacity under this Ninth Supplemental Indenture.

Section 8.03. Paying Agent.

a) The Trustee is hereby appointed Paying Agent for the Series 2016A Bonds. The City may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in subsection (c) below for a successor Paying Agent.

b) The Trustee hereby accepts the duties and obligations imposed upon it as Paying Agent by this Ninth Supplemental Indenture. Each other Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Ninth Supplemental Indenture by executing and delivering to the City and to the Trustee a written acceptance thereof.

c) Any Paying Agent may at any time resign and be discharged of the duties and obligations imposed upon it by this Ninth Supplemental Indenture by giving at least 60 days' written notice to the City and the Trustee, and such resignation shall take effect upon the day specified in such notice but only if a successor shall have been appointed as provided herein. Any Paying Agent appointed by the City may be removed at any time by an instrument signed by the Chief Financial Officer and filed with such Paying Agent and the Trustee. The Trustee may at any time terminate the agency of any Paying Agent appointed by it by giving written notice of such termination to such Paying Agent 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 and shall mail notice of such appointment to all Owners of Series 2016A Bonds. Any successor Paying Agent shall be appointed by the City and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association; having capital stock and surplus aggregating at least $15,000,000, or shall be a wholly-owned subsidiary of such an entity, willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Ninth Supplemental Indenture.

d) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee and shall be subject to audit of all of its books, records and accounts with respect to the Bonds.

ARTICLE IX

SUPPLEMENTAL INDENTURES

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Section 9.01. Supplemental Indentures. This Ninth Supplemental Indenture may be supplemented and amended in the manner set forth in Articles V and VI, respectively, of the Indenture.

Additionally, this Ninth 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 of this Ninth Supplemental Indenture, the Master Indenture or the Series 2016A Bond Ordinance, for any one or more of the following purposes:

a) to provide for certificated Series 2016A Bonds; and

b) to secure or maintain ratings from any Rating Agency in the highest long-term debt rating category of such Rating Agency which are available for the Series 2016A 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 such Series 2016A Bonds as provided in the Indenture or otherwise adversely affect the Registered Owners of such Series 2016A Bonds under the Indenture.

ARTICLE X

MISCELLANEOUS

Section 10.01. Ninth Supplemental Indenture as Part of Indenture. This Ninth 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 provided in the Indenture or as modified or supplemented in this Ninth Supplemental Indenture or the Series 2016A Bond Ordinance and shall apply and be deemed to be for the equal benefit, security and protection of the Bondholders.

Section 10.02. Severability. If any provision of this Ninth 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 contained in this Ninth Supplemental Indenture or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 10.03. 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 Ninth 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 Ninth Supplemental Indenture, and no interest shall accrue for the period after such nominal date.

Section 10.04. Counterparts. This Ninth 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 10.05. 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.

Section 10.06. Captions. The captions and headings in this Ninth 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 Ninth Supplemental Indenture.

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27

IN WITNESS WHEREOF, City has caused these presents to be executed in its name and with its official seal affixed with this Ninth Supplemental Indenture and attested by its duly authorized officials; and to evidence its acceptance of the trusts created by this Ninth Supplemental Indenture, the Trustee has caused these presents to be executed in its corporate name and with its corporate seal affixed with this Ninth Supplemental Indenture 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

[L
as Trustee

By:
Authorized Signatory

[SEAL] Attest:

By:
Authorized Signatory

Exhibit A Form of Series 2016A Bond

United States of America

State of Illinois

City of Chicago

Second Lien Water Revenue Bonds

Series 2016A [(Taxable)]

Number R-

Interest Rate

%

Original Issue Date

2016

CUSIP 167736

Registered Owner:

Principal Amount:

The 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 provided below) to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above upon presentation and surrender of this Series 2016A Bond, the Principal Amount specified above, and to pay (but only out of the sources provided below) interest on the balance of said Principal Amount 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 Ninth Supplemental Indenture, as such term is defined below).with respect to which interest has been paid or duly provided for, until payment of said Principal Amount has been made or duly provided for.

The Series 2016A 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 provision or limitation as to indebtedness. The Series 2016A Bonds do not have a claim for payment from any taxes of the City. Neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision of the State of Illinois is pledged to the payment of the principal of the Series 2016A Bonds, or the interest or any premium on the Series 2016A Bonds. The Series 2016A Bonds are payable solely from the Trust Estate (as defined in the Ninth Supplemental Indenture) pledged to such payment under the Indenture and certain other monies held by or on behalf of the Trustee.

The principal of and premium, if any, on this Series 2016A Bond shall be payable at the designated corporate trust office of the Trustee or upon presentation and surrender of this Series 2016A Bond.

Interest on this Series 2016A Bond shall be paid by check mailed on the Interest Payment Date to the person appearing on the Bond Register as the Registered Owner of this Series 2016A Bond as of the close of

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business of the Trustee on the Record Date at the address of such Registered Owners as it appears on the Bond Register or at such other address as is furnished to the Trustee in writing by such Registered Owner not later than the Record Date. Payment of interest on this Series 2016A Bond shall be made to a Registered Owner of One Million Dollars ($1,000,000) or more in aggregate principal amount of Series 2016A 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.

Interest accrued on this Series 2016A Bond shall be paid in arrears on each Interest Payment Date. Interest on this Series 2016A Bond shall be computed upon the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months.

General. This Series 2016A Bond is one of an authorized series of bonds limited in aggregate principal amount to $[ ] (the "Series 2016A 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 Second Lien Water Revenue Bonds, dated as of December 15, 1999, as heretofore supplemented and as amended by Amendment Number 1 to Master Indenture, dated as of August 1, 2004 (the "Master Indenture"), and as supplemented by a Ninth Supplemental Indenture, dated as of [1, 2016] (the "Ninth Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), from the City to [ ], as successor trustee (the "Trustee"), for one or more of the purposes of (1) paying the costs of restructuring the Outstanding 2000 Second Lien Bonds by converting those Bonds to fixed interest rates, (2) paying the costs of terminating the interest swaps originally entered into to reduce the City's exposure to fluctuations in interest rates borne by the Outstanding 2000 Second Lien Bonds and other related costs; (3) paying the costs of restructuring the Outstanding 2004 Second Lien Bonds by converting those Bonds to fixed interest rates, (4) paying the costs of terminating the interest swaps originally entered into to reduce the City's exposure to fluctuations in interest rates borne by the Outstanding 2004 Second Lien Bonds and other related costs, (5) paying Costs of Issuance of the Series 2016A Bonds, (6) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2000 Second Lien Bonds or making a deposit to the 2000 Second Lien Bonds Dedicated Subaccount in the amount required by the First Supplemental Indenture or a Supplemental Indenture, (7) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the 2004 Second Lien Bonds or making a deposit to the 2004 Second Lien Bonds Dedicated Subaccount in the amount required by the Third Supplemental Indenture or a Supplemental Indenture, (8) paying the costs of acquiring a Qualified Reserve Account Credit Instrument for the Series 2016A Bonds or making a deposit to the Series 2016A Bonds Dedicated Subaccount in the amount required by the Ninth Supplemental Indenture or a Supplemental Indenture, and (9) providing for any discount on the Series 2016A Bonds.

The Series 2016A Bonds and the interest on them are payable from Second Lien Bond Revenues (as defined in the Indenture) deposited into the 2016 Second Lien Project Bonds Subaccount and pledged to the payment of the Series 2016A Bonds under the Indenture and

A-2

certain other monies held by or on behalf of the Trustee and from any other monies held by the Trustee under the Indenture for such purpose.

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

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aggregate principal amount of bonds that may be issued pursuant to the Indenture is not limited, except as provided in the Indenture and ordinances authorizing those additional bonds, and all bonds issued and to be issued pursuant to the Indenture, including the Series 2016A Bonds, are and will be equally secured by the pledges and covenants made in the Series 2016A Bonds, except as otherwise provided or permitted in the Master Indenture.

Copies of the Indenture are on file at the principal corporate trust office of the Trustee, and reference to the Indenture and any and all supplements to it and modifications and amendments of it is made for a description of the pledge and covenants securing the Series 2016A Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the Registered Owners of the Series 2016A Bonds and the limitations on such rights and remedies.

The Series 2016A Bonds are subject to [optional and mandatory sinking fund] redemption prior to maturity as provided in the Ninth Supplemental Indenture.

Limited Obligation. The Series 2016A 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 Series 2016A 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 Series 2016A Bonds or for any claim based on the Series 2016A Bonds 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 Series 2016A Bonds.

Registration. This Series 2016A Bond is transferable by the Registered Owner of this Series 2016A Bond in person or by such Registered Owner's attorney duly authorized in writing at the designated 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 Series 2016A Bonds may be made, and the Indenture may be discharged, prior to payment of the Series 2016A Bonds in the manner provided in the Indenture.

Miscellaneous. The Registered Owner of this Series 2016A Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants, the Indenture, 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 to the Indenture, except as provided in the Indenture.

It is 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 Series 2016A Bond have been performed in due time, form and manner as required by law, and that the issuance of this Series 2016A Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Series 2016A 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

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duly executed by the Trustee.

In Witness Whereof, the City of Chicago has caused this Series 2016A 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 on this Series 2016A Bond and attested by the manual or facsimile signature of its City Clerk.

City of Chicago

By:

Mayor

Attest:

City Clerk

A-4

Certificate of Authentication

• This Series 2016A Bond is one of the Series 2016A Bonds described in the within-mentioned Indenture.

Authentication Date:

[ ]., as

Trustee

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By:

Authorized Signatory

A-5

Assignment

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

Ten. Com. - as tenants in common

Ten. Ent. -- as tenants by the entireties

Jt. Ten. -- as joint tenants with right of survivorship and not as tenants in common

Unif. Gift Min. Act Custodian
(Cust.) (Minor)

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 Series 2016A Bond of the City of Chicago and does hereby irrevocably constitute and appoint , attorney to transfer said Series 2016A 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 Series 2016A Bond in every particular, without alteration or enlargement or any change whatever.

A-6

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

December 9,2015

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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 Water Management, I transmit herewith ordinances authorizing the issuance of Water Revenue Bonds.

Your favorable consideration of these ordinances will be appreciated.

Mayor

Very truly yours,

CHICAGO January 13, 2016

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A communication recommending a proposed ordinance authorizing the issuance of City of Chicago Second Lien Water Revenue Project and Refunding Bonds, Series 2016A.

02015-8873

Amount of Bonds
not to exceed: $200,000,000

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Substitute Ordinance Transmitted Herewith

This recommendation was concurred in by (a (viva voce vote^) of members of the committee with dissenting vote(s):

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Aldermen Burke (14) and Thompson (11) abstain under the provisions of Rule 14.

Respectfully submitted

(signed&P^ *~V-^>V2»

Chairman

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