

**VILLAGE OF BARTLETT**

**COMMITTEE AGENDA**

**JULY 5, 2016**

**FINANCE & GOLF**

Brewster Creek Business Park TIF District Refinancing



# Agenda Item Executive Summary

Item Name      Brewster Creek Business Park TIF District      Committee  
Refinancing      or Board      Committee

## BUDGET IMPACT

|                       |  |                 |                       |
|-----------------------|--|-----------------|-----------------------|
| <i>Amount:</i>        | Issuance of Revenue Bonds in the TIF district by \$9.5 million and Developer notes by \$10 million | <i>Budgeted</i> | Amend BCBP TIF Budget |
| <i>List what fund</i> | Brewster Creek TIF District Account 4810   |                 |                       |

## EXECUTIVE SUMMARY

The Brewster Creek Business Park has undergone a surge in activity over the last year and a half with the construction of several buildings, the filling of existing vacant space and plans to build three new buildings. This work has been the result of site development and mass grading of the existing vacant property to accommodate these buildings.

That has necessitated the need to provide funds for the remaining site development, grading and infrastructure work needed in the remainder of the DuPage portion and the Cook County portion of the business park. Without this additional bond financing the business park development will not be able to proceed with the completion of installing the remaining public improvements and completion of the site development and earthwork for the remaining vacant land.

## ATTACHMENTS (PLEASE LIST)

Staff memo, TIF distribution list, BCBP vacant parcel Map, Bond ordinance providing for the issuance of \$9.5 million Senior Lien Tax Increment Revenue Bonds, Bond ordinance providing for the issuance of \$10 million in Subordinate Lien Tax Increment Revenue Note and a First Supplemental Trust Indenture dated August 1, 2016 supplementing the Amended and Restated Indenture of Trust Dated August 1, 2007.

## ACTION REQUESTED

For Discussion Only: **Provide Staff direction to send notice to the taxing districts.**

- Resolution
- Ordinance
- Motion

Staff:      Jim Plonczynski, Com Dev Director      Date:      6/28/2016

**COMMUNITY DEVELOPMENT MEMORANDUM**

**16-105**

**DATE:** June 28, 2016  
**TO:** Valerie L. Salmons, Village Administrator  
**FROM:** Jim Plonczynski, OD Director  
**RE:** **Brewster Creek Business Park TIF Bond Refinancing**

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The Elmhurst Chicago Stone, Brewster Creek Business Park Tax Increment Finance (TIF) District was established and approved by three Ordinances: Ordinance #1999-67, An Ordinance approving the Bartlett Quarry Redevelopment Plan and Project, Ordinance #1999-68, An Ordinance designating the Bartlett Quarry Redevelopment Project Area and Ordinance #1999-69, An Ordinance Adopting Tax Increment Financing for the Bartlett Quarry Redevelopment Project Area. These three ordinances established the Tax Increment Financing District plan area and financing for the 670 acre industrial/business park. At that time the original estimated project costs was \$30 million broken out in to several estimated redevelopment project costs including environmental, engineering, planning implementation and administrative fees, wetland mitigation, site preparation, construction of public improvements and construction of utilities and storm water detention. Tax Increment revenue bonds and Developer Notes were issued to finance the project and the increment has been used to pay back the bond principal and interest debt over the past 16 years. The TIF development in the original ordinance established a 23 year project timeframe to complete the project and retire all obligations incurred to finance the redevelopment project costs as defined in the plan on June 1, 2022.

The park has successfully developed to 36 buildings and over 76 businesses employing over 1,200 people. Currently there is one building under construction, two more going through the site plan approval process. When all of these projects are approved and constructed there will be about 145 acres of land left to develop in the Cook County portion of the Business Park and about 95 acres in the DuPage County portion of the Business Park.

The Developer, Elmhurst Chicago Stone, is requesting that the Village consider an increase to the TIF Budget in order to allow for additional investment into the Brewster Creek Tax Increment District. Specifically, its plan calls for:

1. Increasing the TIF Budget as is allowed in the TIF Statute.
2. Issuing Additional Bonds at a lower rate in order to retire the current Developer Tax Increment Revenue Note which has a 9.00% coupon (interest rate).
3. Issuing a new Developer Tax Increment Revenue Note to pay for additional improvements and restricting the new interest rate to 6.00%.

### 1. Increasing the TIF Budget

The original TIF Budget was adopted in 1999 and called for investment of approximately \$30,000,000. Given the lapse of time, certain budget items cost more today than when the original Budget was put together. The TIF statute accommodates events such as this and allows the Budget to be increased by the cost of inflation plus an additional 5%. Based on the Consumer Price Index the Budget could be legally increased up to approximately \$45,000,000; however, Elmhurst Chicago Stone is proposing a much more modest increase. Updating the TIF Budget requires Village Board approval and notice to the taxing bodies.

### 2. Issuing Additional Bonds

The Village issued its \$26 million tax increment revenue bonds in 2007 of which \$16.615 million remain outstanding. The Series 2007 Bonds allowed for the issuance of additional parity bonds provided that the debt service coverage of the Series 2007 Bonds and any additional bonds equaled or exceeded 1.50X. Based on projected incremental tax revenues we believe the Village can issue up to approximately \$9.5 million of additional bonds, the proceeds of which will be used to retire the high coupon interest rate (9.00%) Developer Tax Increment Revenue Note. Reducing the interest rate from 9.00% down to the 4.25% range will significantly reduce the amount of tax increment going to pay debt service. These bonds like the Series 2007 Bonds will be revenue bonds and are non-recourse to the Village.

### 3. Issuing a New Developer Tax Increment Revenue Note

The savings resulting from the refinancing of the old Developer Tax Increment Revenue Note plus the incremental revenues not required to service the Bonds can be pledged to a new Developer Tax Increment Revenue Note. The new Developer Tax Increment Revenue Note would be structured like the existing Note. That means the Developer front funds the cost of the improvements and gets reimbursed over time from the available incremental revenues. Based on an updated budget the Developer would be providing up to \$10,000,000 of additional improvements. The Developer assumes all risk of repayment. If insufficient incremental revenues are generated through the life of the TIF to repay the Developer Tax Increment Revenue Note, the Village has no further obligation. The Village would continue to receive 12.5% of the incremental taxes

This additional money is needed to finish the site development of the remaining acreage in both the Cook County and DuPage County area of the Business Park, install any additional roads and utilities and complete the existing roads and parkways throughout the park. If Elmhurst Chicago Stone's requests are not granted, the Brewster Creek Business Park development will stop where it is at now. The requested increase in the TIF Budget, and the issuance of the additional bonds and the issuance of a new Developer Tax Increment Revenue Note will enable the Developer to continue to develop the 95 acres in DuPage County and the 145 acres in Cook County.

Drafts of:

- (1) an Ordinance providing for the issue of not to exceed \$9,500,000 Senior Lien Tax Increment Revenue Bonds;
- (2) a First Supplement Trust Indenture; and
- (3) an Ordinance providing for the issuance of not to exceed \$10,000,000 Subordinate Lien Tax Increment Revenue Note;

are enclosed for the Board's review and will need to be finalized and approved by the Board in August for the Brewster Creek Business Park to continue to develop.

Staff is requesting at this time that the Village Board Committee direct them to send out notices of the proposed TIF budget amendment to the taxing districts.

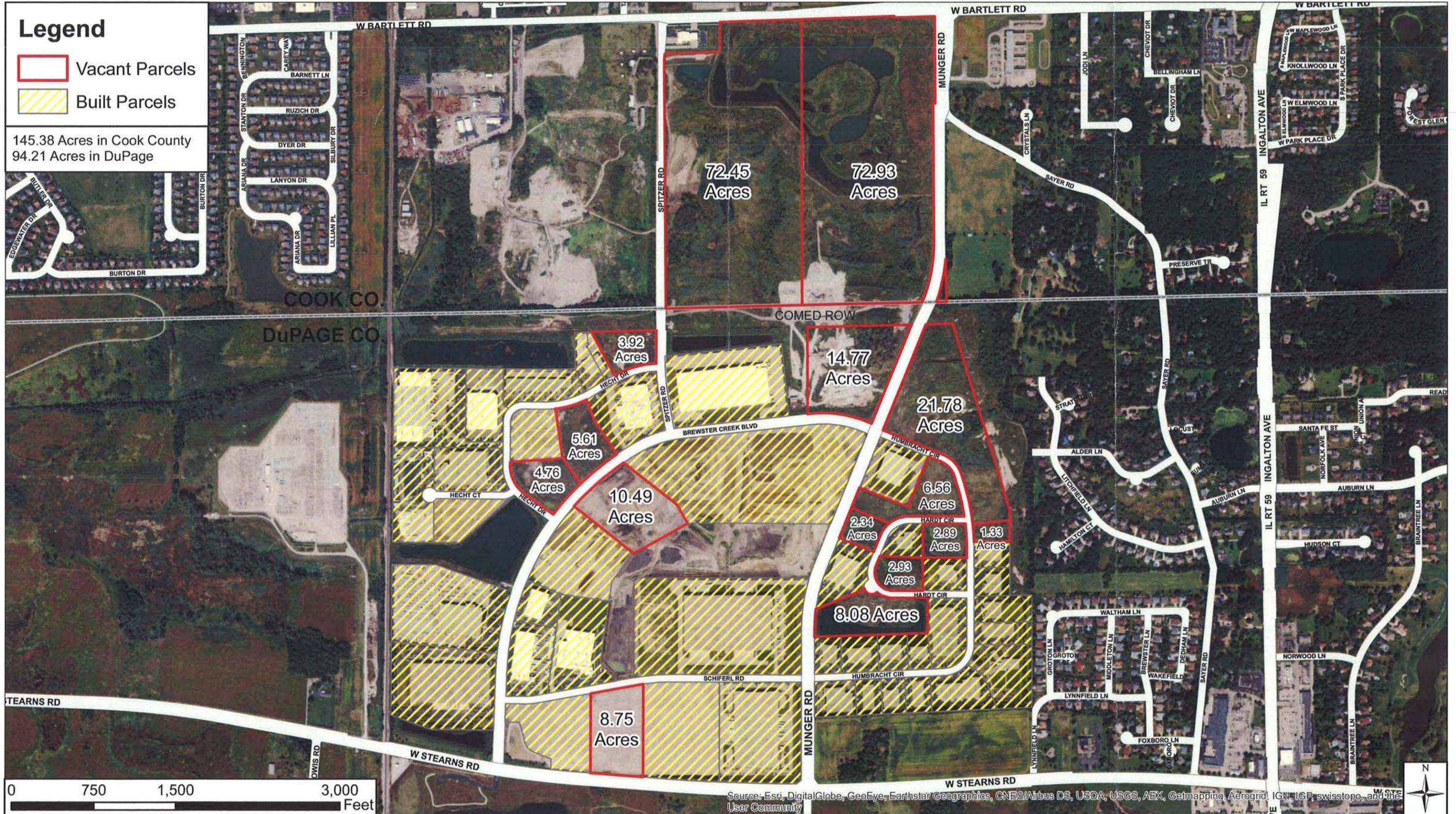
**VILLAGE OF BARTLETT, ILLINOIS  
TAX INCREMENT REVENUE BONDS  
(Brewster Creek Project)**

|                                 |   | <u>Phone</u>               | <u>Fax</u>   |
|---------------------------------|---|----------------------------|--------------|
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# Brewster Creek Business Park Vacant Parcels



EXTRACT OF MINUTES of the regular public meeting of the President and Board of Trustees of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, held at the Village Hall Council Chambers, located at 228 Main Street, in said Village, at 7:00 p.m., on the 16th day of August, 2016.

The President called the meeting to order and directed the Village Clerk to call the roll.

Upon the roll being called, the President and the following Trustees answered present at said location: \_\_\_\_\_

The following Trustees were allowed by a majority of the Trustees in accordance with and to the extent allowed by rules adopted by the President and Board of Trustees to attend the meeting by video or audio conference: \_\_\_\_\_

No Trustee was not permitted to attend the meeting by video or audio conference.

The following Trustees were absent and did not participate in the meeting in any manner or to any extent whatsoever: \_\_\_\_\_

The following were absent: \_\_\_\_\_

The President and Board of Trustees then discussed the Village's ongoing redevelopment project for its Bartlett Quarry Redevelopment Project Area and considered an ordinance providing for the issuance of Senior Lien Tax Increment Revenue Bonds, Series 2007 (Bartlett Quarry Redevelopment Project), of the Village, and providing for the execution of a trust indenture and a bond order in connection with the issuance of such bonds.

Thereupon, Trustee \_\_\_\_\_ presented and the Village Attorney explained in full the following ordinance, which was before the President and Board of Trustees and made available to any person requesting one in words and figures as follows:

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**ORDINANCE NUMBER \_\_\_\_\_**

AN ORDINANCE providing for the issuance of not to exceed [\$9,500,000] Senior Lien Tax Increment Revenue Bonds, Series 2016 (Bartlett Quarry Redevelopment Project), of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, and providing for the execution of a trust indenture and a bond order in connection therewith.

WHEREAS, by proceedings spread in full upon the records of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois (the "*Village*"), pursuant to the provisions of the Tax Increment Allocation Redevelopment Act, as supplemented and amended (the "*TIF Act*") by the Local Government Debt Reform Act, as amended, and the other Omnibus Bond Acts, as amended and as further supplemented and, where necessary, superseded, by Section 6 of Article VII of the 1970 Constitution of the State of Illinois (collectively, the "*Act*"), the President and Board of Trustees of the Village (the "*Corporate Authorities*") have heretofore proceeded, and do hereby determine, as follows:

A. On July 6, 1999, the Corporate Authorities adopted Ordinance No. 99-67, approving a redevelopment plan (the "*Redevelopment Plan*") and redevelopment project (the "*Redevelopment Project*") under the TIF Act with respect to the redevelopment project area described in Exhibit A to said ordinance, being known as the Bartlett Quarry Redevelopment Project Area (the "*Redevelopment Project Area*").

B. On July 6, 1999, the Corporate Authorities adopted Ordinance No. 99-68, designating the Redevelopment Project Area a redevelopment project area under the TIF Act.

C. On July 6, 1999, the Corporate Authorities adopted Ordinance No. 99-69, adopting the tax increment financing provisions of the TIF Act and creating the "Bartlett Quarry Redevelopment Project Area Special Tax Allocation Fund" (the "*Special Tax Allocation Fund*") in connection therewith.

D. On July 6, 1999, the Corporate Authorities adopted Ordinance No. 86-24, to utilize sales tax increment in connection with the redevelopment plan and project and providing for such increment to be deposited into the Special Tax Allocation Fund.

E. On December 21, 1999, the Corporate Authorities adopted Ordinance Number 99-143, authorizing the execution of that certain Redevelopment and Financing Agreement by and between the Village and Elmhurst-Chicago Stone Company (the

*"Redevelopment Agreement"*), pursuant to the home rule powers of the Village and as authorized by the TIF Act.

F. On the 18th day of August, 2000, the Corporate Authorities adopted an ordinance providing for the issuance of not to exceed \$18,000,000 Taxable Junior Lien Tax Increment Revenue Variable Rate Demand Bonds, Series 2000 (Bartlett Quarry Redevelopment Project) (the *"2000 Prior Bonds"*), of the Village and authorized the execution of an Indenture of Trust dated as of August 1, 2000, by and between the Village and LaSalle Bank National Association, as trustee (as supplemented by that certain First Supplemental Indenture of Trust, dated as of October 1, 2003, that certain Second Supplemental Indenture of Trust, dated as of December 1, 2004, and that certain Third Supplemental Indenture of Trust, dated as of May 1, 2006, the *"Original Indenture"*), and establishing a separate and segregated account within the general corporate funds of the Village known as the "Limited Incremental Sales Tax Fund" (the *"Limited Incremental Sales Tax Fund"*).

G. On the 16th day of November, 2004, the Corporate Authorities adopted Ordinance Number 2004-165, providing for the issuance of a \$5,000,000 Subordinate Lien Tax Increment Revenue Note, Series 2004 (Bartlett Quarry Redevelopment Project (the *"2004 Prior Note"*). On the 18th day of April, 2006, the Corporate Authorities passed Ordinance Number 2006-40, providing for the issuance of a not to exceed \$2,000,000 Subordinate Lien Tax Increment Revenue Note, Series 2006 (Bartlett Quarry Redevelopment Project) (the *"2006 Prior Note"*).

H. On the 17<sup>th</sup> day of July, 2007, the Corporate Authorities adopted Ordinance Number 2007-70, providing for the issuance of not to exceed \$21,780,000 Senior Lien Tax Increment Revenue Bonds, Series 2007 (Bartlett Quarry Redevelopment Project) (the *"2007 Senior Lien Bonds"*), and with respect to the 2007 Senior Lien Bonds, the Corporate Authorities further adopted an Amended and Restated Indenture of Trust dated as of the 1st day of August, 2007. On the 30<sup>th</sup> day of November, 2007, the Corporate Authorities adopted Ordinance Number 2007-\_\_\_, providing for the issuance of a \$10,400,000 Subordinate Lien Tax Increment Revenue Note, Series 2007 (Bartlett Quarry Redevelopment Project Area) (the *"2007 Prior Note,"* and together with the 2007 Senior Lien Bonds, the *"Prior Obligations"*).

I. Pursuant to the Original Indenture, the Village issued the Prior Obligations to pay or to reimburse certain Redevelopment Project costs related to the Redevelopment Project Area. The Prior Obligations are the only obligations of the Village now outstanding which are secured, in whole or in part, by any moneys on deposit in the Special Tax Allocation Fund or the Limited Incremental Sales Tax Fund and held under the Original Indenture.

J. The original TIF budget was adopted in 1999 and called for investment of approximately \$30,000,000, an amount that now is insufficient to pay for costs that have increased over time with inflation. Under the TIF Act, the Village may increase the budget by the cost of inflation plus an additional 5%. Based on the Consumer Price

Index, the budget may be increased up to approximately [\$45,000,000], provided the Village gives notice to the appropriate taxing bodies.

K. The Village has heretofore determined that it is advisable and necessary and in the best interests of the Village that a portion of the Prior Obligations be defeased or refunded prior to maturity, namely, the 2007 Prior Note (the "*Refunding*"), all in order to afford better cash management for the Village, to achieve certain debt service savings and to relieve certain covenants as contained in the Original Indenture.

L. All of the costs of the redevelopment project financed with the proceeds of the Prior Obligations constitute eligible "redevelopment project costs" under the TIF Act and have been approved in the Redevelopment Plan.

M. The Village has insufficient cash on hand and lawfully available to pay the costs of the Refunding and does hereby determine that it is necessary and advisable at this time to borrow money, and in evidence thereof issue a series of tax increment allocation revenue bonds of the Village in the amount of not to exceed [\$9,500,000] to pay the same.

N. It is necessary and advisable that the Village authorize the execution of a First Supplemental Indenture of Trust to the Amended and Restated Indenture of Trust (the "*Indenture*") dated as of August 1, 2016, by and between the Village and Wells Fargo Bank, N.A., as trustee (the "*Trustee*"), in order to provide for the security of said bonds.

O. The Bonds (as defined below) constitute Additional Bonds for purposes of the 2007 Ordinance and the Original Indenture and all requirements of those documents with respect to issuing additional bonds have been met.

WHEREAS, the Corporate Authorities hereby determine that it is advisable to provide for the issuance of the Bonds secured by the hereinafter defined "Pledged Taxes;" and

WHEREAS, the Bonds will constitute a Series of Senior Lien Bonds and this Ordinance will constitute a Senior Lien Bond Ordinance under the Indenture:

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, in the exercise of its home rule powers, as follows:

*Section 1. Incorporation of Preambles.* The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and do incorporate them into this Ordinance by this reference.

*Section 2. Definitions.* The following words and terms used in this Ordinance shall have the following meanings unless the context or use clearly indicates another or different meaning is intended. Words and terms used in this Ordinance but not defined herein shall have the meanings set forth in the Indenture.

A. The following words and terms are as defined in the preambles hereto.

Act  
Confirmation  
Corporate Authorities  
Indenture  
Master Swap Agreement  
Original Indenture  
2000 Prior Bonds  
2004 Prior Note  
2006 Prior Note  
2007 Prior Note  
Prior Obligations  
Redevelopment Plan  
Redevelopment Project  
Redevelopment Project Area

Refunding  
Second Confirmation  
Special Tax Allocation Fund  
TIF Act  
Trustee  
Village

B. The following words and terms are defined as set forth.

*“Additional Bonds”* means any bonds issued in the future on a parity with and sharing ratably and equally in the Pledged Taxes with the Bonds.

*“Authorized Denominations”* means \$100,000 with increments of \$5,000 in excess of \$100,000.

*“Bond”* or *“Bonds”* or *“Series 2016 Senior Lien Bond”* or *“Series 2016 Senior Lien Bonds”* means one or more, as applicable, of the not to exceed [\$9,500,000] Senior Lien Tax Increment Revenue Bonds, Series 2016 (Bartlett Quarry Redevelopment Project), authorized to be issued by this Ordinance.

*“Bond Counsel”* means Ice Miller LLP, Chicago, Illinois or another firm of attorneys of national reputation experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds and reasonably acceptable to the Village.

*“Bond Fund”* means the Senior Lien Principal and Interest Account of the Public Redevelopment Projects Account of the Special Tax Allocation Fund established under the Indenture.

*“Bond Order”* means the written bond order and notification of sale signed by any Designated Officer and setting forth certain details of the Bonds as hereinafter provided.

*“Bond Register”* means the books of the Village kept by the Trustee, as Bond Registrar, to evidence the registration and transfer of the Bonds.

*“Bond Registrar”* means the Trustee, acting as Bond Registrar under this Ordinance and the Indenture, or a successor thereto.

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

*"Continuing Disclosure Agreement"* means the Village's Continuing Disclosure Undertaking under Rule 15c2-12 related to the Bonds.

*"Designated Officers"* means the President, Clerk, or Finance Director of the Village, or any two of them acting together, and successors or assigns.

*"Fiscal Year"* means the 12-calendar month period chosen by the Village as its fiscal year.

*"Incremental Property Taxes"* means the ad valorem taxes, if any, arising from the taxes levied upon taxable real property in the Redevelopment Project Area, by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the total Initial Equalized Assessed Value of each such piece of property, all as determined by the County Clerks, all as provided in the TIF Act.

*"Incremental Sales Taxes"* means the increase, if any, in distributions by the State from the Local Government Distributive Fund to the Village of Sales Taxes levied in the Redevelopment Project Area over and above the amount, if any, of such distributions in calendar year 2000, or successor taxes thereto.

*"Independent"* when used with respect to any specified person means such person who is in fact independent and is not connected with the Village as an officer, employee, consultant, financial advisor, underwriter or person performing a similar function. Whenever it is herein provided that the opinion or report of any Independent person shall be furnished, such person shall be appointed by the Village, and such opinion or report shall state that the signer has read this definition and that the signer is Independent within the meaning thereof.

*"Interest Payment Date"* means January 1 and July 1.

*“Limited Incremental Property Taxes”* means eighty-seven and one-half percent (87.50%) of each distribution of Incremental Property Taxes.

*“Limited Incremental Sales Tax Fund”* means the account so named and created in Section 4.07 of the Original Indenture.

*“Limited Incremental Sales Taxes”* means fifty percent (50%) of the Incremental Sales Taxes.

*“Limited Offering Memorandum”* means the Limited Offering Memorandum of the Village dated the date of initial issuance of the Bonds offering the Bonds for sale.

*“Maximum Annual Debt Service”* means at any given time of determination an amount equal to the maximum Principal Requirement and Interest Requirement on the Bonds and any Additional Bonds then outstanding in the then current or in any succeeding Bond Year by reason of Stated Maturities, scheduled mandatory prepayments or by operation of any mandatory sinking fund.

*“Municipal Portion”* means, collectively, that portion of the Incremental Property Taxes and that portion of the Incremental Sales Taxes not pledged under this Indenture to the payment of principal of and applicable premium and interest on the Bonds, *to-wit*: twelve and one-half percent (12.50%) of each distribution of Incremental Property Taxes and fifty percent (50%) of each distribution of Incremental Sales Taxes.

*“Ordinance”* means this Ordinance, numbered 2016-\_\_ and passed by the Corporate Authorities on the 16<sup>th</sup> day of August, 2016.

*“Permitted Investments”* means any investment lawful under Illinois law for the investment of Village funds, to be prudently made, and scheduled to mature prior to the time when needed.

*“Pledged Taxes”* means, collectively, the Limited Incremental Property Taxes and the Limited Incremental Sales Taxes.

*“Purchase Contract”* means the Bond Purchase Contract to be executed by the Village and the Underwriter for the purchase of the Bonds.

*“Record Date”* means the fifteenth day of the month preceding any regularly scheduled Interest Payment Date and the fifteenth day prior to any Interest Payment Date caused by a redemption of Bonds on other than a regularly scheduled Interest Payment Date.

*“Sales Taxes”* means generally applicable sales taxes collected by the State and levied pursuant to the Use Tax Act, as amended, the Service use Tax Act, as amended, the Service Occupation Tax Act, as amended, and the Retailers’ Occupation Tax Act, as amended, or successor taxes or charges imposed by the State in lieu thereof or in addition thereto.

*“Series 2016 Senior Lien Debt Service Reserve Requirement”* means that amount, if any, set forth in the Bond Order.

*“Term Bonds”* means Bonds subject to mandatory redemption by operation of the Bond Fund.

*“Underwriter”* means William Blair & Company, L.L.C., Chicago, Illinois.

*Section 3. Determination to Issue Bonds.* It is necessary and in the best interests of the Village to borrow money and issue its Bonds to pay a portion of the costs of the Refunding as enumerated in the preambles hereto, and all related costs and expenses incidental thereto, including, if necessary, an initial deposit to the Senior Lien Debt Service Reserve Account. It is hereby expressly found and determined that such borrowing is authorized pursuant to the Act, is a proper public purpose for the Village, and is further authorized pursuant to the home rule authority of the Village.

*Section 4. Bond Details; the Depository.* For the purposes specified in Section 3 there shall be issued and sold the Bonds in the principal amount of not to exceed [\$9,500,000]. The Bonds shall each be designated “Senior Lien Tax Increment Revenue Bond, Series 2016 (Bartlett Quarry Redevelopment Project)” (or such other title or Series designation as the Designated Officers shall deem advisable as set forth in the Bond Order); be dated such date not earlier than August 16, 2016, or later than September 15, 2016, as shall be provided in the Bond Order (the “*Dated Date*”); and shall also bear the date of authentication thereof. The Bonds shall be “Senior Lien Bonds” as provided in the Indenture, shall be in fully registered form, shall be in Authorized Denominations, shall be numbered consecutively in such fashion as shall be determined by the Trustee, and shall, subject to rights of prior redemption as hereinafter provided, mature serially or as Term Bonds on January 1 of any the years from 2017 up to and including the year 2024 and in the amounts and bearing interest at the rates percent per annum as shall be set forth in the Bond Order, *provided, however*, that no Bond shall bear interest at a rate percent per annum which is in excess of six percent (6.00%).

Each Bond shall bear interest from the later of its Dated Date as provided herein or from the most recent Interest Payment Date to which interest has been paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on January 1 and July 1 (or such other dates as may be provided in the Bond Order) of each year, commencing on January 1, 2017, or such later or other date as shall be provided in the Bond Order, and until the principal amount thereof is paid or duly provided for. Interest on each Bond shall be paid by check or draft of the Trustee, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the Record Date, and mailed to the registered owner of the Bond as shown in the Bond Registrar or at such other address furnished in writing by such Registered Owner, or in

immediately available funds as may be agreed to by the Village and the Depository so long as the Bonds are held in Book-Entry only form as hereinafter provided. The principal of or redemption price due on the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal office maintained for the purpose by the Trustee in the City of Chicago, Illinois, or at a successor Trustee and locality.

As provided in the Indenture the Village hereby expressly determines that the Bonds shall be Book-Entry Bonds and shall be registered so as to participate in a securities depository system with the Depository.

*Section 5. Redemption. (a) Mandatory Sinking Fund Redemption.* If so provided in the Bond Order, the Bonds may be issued as one or more Term Bonds. Term Bonds shall be subject to mandatory redemption by operation of the Bond Fund at a redemption price of par plus accrued interest to the date fixed for redemption, without premium, selected by lot by the Trustee as hereinafter provided, on January 1 of each of the years and in the principal amounts as shall be provided in the Bond Order.

If the Village redeems pursuant to optional redemption as provided below or purchases Term Bonds of any maturity and cancels the same from funds in the Bond Fund as hereinafter described, then an amount equal to the principal amount of the Term Bonds so redeemed or purchased shall be deducted from the mandatory redemption requirements provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of such Term Bonds as due at maturity or subject to mandatory redemption in any year, as the Village shall determine. If the Village redeems pursuant to optional redemption or purchases Term Bonds of any maturity and cancels the same from moneys other than in the Bond Fund, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the amount of such

Term Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the Village shall determine.

(b) *Optional Redemption.* If so provided in the Bond Order, the Bonds may also be subject to redemption prior to maturity, at the option of the Village, in whole or in part, from any available funds, on the dates and at the prices and as otherwise provided in the Bond Order, *provided, however,* that no Bond shall bear a redemption price (expressed as a percentage of principal amount redeemed) in excess of [102%] plus accrued interest to the date fixed for redemption.

*Section 6. Redemption Procedure.* The Bonds subject to redemption shall be identified and paid and redeemed and notice given pursuant to the procedures as follows:

*A. Notice to Trustee.* For a mandatory redemption, the Trustee, unless otherwise notified by the Village, shall proceed on behalf of the Village as its agent to provide for the mandatory redemption of such Term Bonds without any further order or direction hereunder or otherwise. For an optional redemption, the Village shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Trustee), notify the Trustee of such redemption date and of the maturities and principal amounts of Bonds to be redeemed and, if applicable, for a partial redemption of Term Bonds, the effect thereof on the mandatory redemption schedule of such Term Bonds.

*B. Selection of Bonds within a Maturity.* For purposes of any redemption of less than all of the Bonds, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 45 days prior to the redemption date by such method of lottery as the Trustee shall deem fair and appropriate; *provided,* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any Bond or

portion of a Bond shall be as likely to be called for redemption as any other such Bond or portion, provided that Bond shall be redeemed in a portion which results in a Bond of less than an Authorized Denomination. The Trustee shall make such selection upon the earlier of the irrevocable receipt of funds sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

C. *Official Notice of Redemption.* The Trustee shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed. Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Trustee on behalf of the Village by mailing the redemption notice by first class U.S. mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the 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.

All official notices of redemption shall include at least the information as follows:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all of the Outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;
- (4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office maintained for the purpose by the Trustee.

Such additional notice as shall be required in the Representation Letter shall be given for so long as any Bonds are held in Book Entry Form as provided.

*D. Conditional Redemption.* Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall be conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not redeem such 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 Bonds will not be redeemed.

*E. Bonds Shall Become Due.* Subject to the stated condition in paragraph D immediately preceding, official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption accordance with said notice, said Bonds shall be paid by the Trustee at the redemption price. The procedure for payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

*F. Insufficiency in Notice Not Affecting Other Bonds.* Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the

effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. In lieu of the foregoing official notice, so long as the Bonds are held in Book Entry Form, notice may be given as provided in the Representation Letter, and the giving of such notice shall constitute a waiver by the Depository and the Book Entry Owner, as registered owner, of the foregoing notice.

*G. New Bond in Amount Redeemed.* Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

*H. Effect of Nonpayment upon Redemption.* If any Bond or portion of a Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal and premium (if any) shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

*I. Bonds to be Cancelled; Payment to Identify Bonds.* All Bonds which have been redeemed shall be cancelled and destroyed by the Trustee and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

*J. Additional Notice.* The Village agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however,* that such additional notice shall be (1) advisory in nature, (2) solely in the discretion of the Village, (3) not be a condition precedent of a valid redemption or a part of the Bond contract, and (4) any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the Village with respect to the Bonds, which may contain other provisions relating to notice of redemption of Bonds.

*Section 7. Execution; Authentication; Indenture.* A. EXECUTION. The Bonds shall be executed on behalf of the Village by the manual or duly authorized facsimile signature of its President and be attested by the manual or duly authorized facsimile signature of its Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

B. AUTHENTICATION. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Trustee as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance or the

Indenture unless and until such certificate of authentication shall have been duly executed by the Trustee by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

C. INDENTURE. For the benefit of the registered owners of the Bonds and to the better securing of same the Village agrees to execute the Indenture.

The Indenture shall be executed on behalf of the Village by the Designated Officers and shall be in substantially the form before this meeting, subject, however, to such modifications as may be deemed necessary or advisable by the Designated Officers executing the Indenture, their signatures on the Indenture constituting their approval of any such modifications and to be deemed conclusive and binding approval hereunder as to the Village and the Corporate Authorities.

*Section 8. Registration of Bonds; Identity of Owners.* The Village hereby directs the Bond Register to be kept at the principal office maintained for the purpose by the Trustee in the City of Chicago, Illinois, which is hereby constituted and appointed the Bond Registrar of the Village for the Bonds. The Bonds shall be registered and exchanged as provided in the Indenture.

*Section 9. Form of the Bonds.* The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend "See Reverse Side for Additional Provisions" shall be omitted and paragraphs [7] through [12] shall be inserted immediately after paragraph [1].

[Form of Bond — Front Side]

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTIES OF COOK, DUPAGE AND KANE  
VILLAGE OF BARTLETT  
SENIOR LIEN TAX INCREMENT REVENUE BOND,  
SERIES 2016 (BARTLETT QUARRY REDEVELOPMENT PROJECT)

See Reverse Side for  
Additional Provisions

Interest Rate:                      Maturity Date: January 1, \_\_\_\_\_                      Dated Date: \_\_\_\_\_, 2016                      CUSIP \_\_\_\_\_

Registered Owner:

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS that the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, a municipality, home rule unit and political subdivision of the State of Illinois (the "Village"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (subject to right of prior redemption as hereinafter provided), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on January 1 and July 1 of each year, commencing \_\_\_\_\_ 1, 20\_\_, and until said Principal Amount is paid or duly provided for. The principal of this Bond or redemption price, if any, hereon are payable in lawful money of the United States of America upon presentation hereof at the office maintained for the purpose by Wells Fargo Bank, N.A., Chicago, Illinois (the "Trustee"), as trustee under a First Supplemental Indenture of Trust

to the Amended and Restated Indenture of Trust, dated as of August 1, 2016, by and between the Village and the Trustee (the "*Indenture*"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the Village maintained by the Trustee, as bond registrar, at the close of business on the Record Date and shall be paid by check or draft of the Trustee, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Trustee, or as otherwise agreed to by the Village and the Depository, for as long as this Bond shall be held in book-entry only form as provided for same.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] This bond and each bond of the Series of which it forms a part (together, the "*Bonds*"), are issued pursuant to the Tax Increment Allocation Redevelopment Act, as supplemented and amended by the Local Government Debt Reform Act, as amended, and the other Omnibus Bond Acts, as amended, and as further supplemented and, where necessary, superseded, by Section 6 of Article VII of the 1970 Constitution of the State of Illinois (collectively, the "*Act*"), and the principal of and interest, and premium, if any, on the Bonds are payable solely and only from (i) a portion (said portion being the "*Limited Incremental Property Taxes*") of the ad valorem taxes, if any, arising from taxes levied by any and all taxing districts or municipal corporations having the power to tax real property in the Bartlett Quarry Redevelopment Project Area of the Village (the "*Redevelopment Project Area*"), upon taxable real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real

property in the Redevelopment Project Area over and above the total initial equalized assessed value of each such piece of property, all as determined by the County Clerks of the Counties of Cook and of DuPage, Illinois, and on deposit in the Senior Lien Bond and Interest Subaccount of the Public Redevelopment Projects Account of the Bartlett Quarry Redevelopment Project Area Special Tax Allocation Fund (the "*Special Tax Allocation Fund*") created under the Indenture (ii) certain incremental sales taxes, if any, derived from the Redevelopment Project Area, or any successor taxes thereto (the "*Limited Incremental Sales Taxes*" and, together with the Limited Incremental Property Taxes, the "*Pledged Taxes*") and (iii) the amounts on deposit in and pledged to the various funds and accounts of the Public Redevelopment Projects Account of the Special Tax Allocation Fund, all as provided in the 2016 Senior Lien Bond Ordinance and the Indenture. Additional Senior Lien Bonds may be issued upon the terms and as provided in the hereinafter defined Series 2016 Senior Lien Bond Ordinance and the Indenture. The Bonds are being issued for the purpose of paying the costs of refunding (the "*Refunding*") all or a portion of certain obligations heretofore issued by the Village to pay or reimburse certain Redevelopment Project costs incurred in and for the Redevelopment Project Area pursuant to the Act, all as more fully described in proceedings adopted by the President and Board of Trustees of the Village (the "*Corporate Authorities*") and in an ordinance authorizing the issuance of the Bonds adopted by the Corporate Authorities on the 16th day of August, 2016, and authorizing the issuance of the Bonds (as supplemented by a 2016 Bond Order and Notification of Sale, the "*Series 2016 Senior Lien Bond Ordinance*"), to all the provisions of which the holder by the acceptance of this Bond assents. The Bonds, together with the interest and premium, if any, thereon, are limited obligations of the Village, payable solely from the Pledged Taxes and the amounts on deposit in and pledged to the various funds and accounts of the Public Redevelopment Projects Account of the Special Tax Allocation Fund and the Limited

Incremental Sales Tax Fund, all in the priority of lien and as otherwise provided in the Indenture. For the prompt payment of this Bond, both principal and interest, as aforesaid, at maturity, the Pledged Taxes are hereby irrevocably pledged. THE BONDS ARE LIMITED OBLIGATIONS OF THE VILLAGE PAYABLE SOLELY AND ONLY FROM THE PLEDGED TAXES ON DEPOSIT IN THE ACCOUNTS AND IN THE PRIORITIES AND AS SET OUT IN THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE VILLAGE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NO HOLDER OF THIS BOND SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY TAXING POWER OF THE VILLAGE FOR PAYMENT OF PRINCIPAL HEREOF OR INTEREST OR PREMIUM, IF ANY, HEREON.

[4] Under the Act, the Indenture, and the Series 2016 Senior Lien Bond Ordinance, the Limited Incremental Property Taxes shall be deposited in the Public Redevelopment Projects Account of the Special Tax Allocation Fund of the Village. Moneys on deposit in the Public Redevelopment Projects Account of the Special Tax Allocation Fund shall be used first, to pay Program Expenses, next, to pay principal of and interest on outstanding Senior Lien Bonds, and thereafter to fund the accounts of the Public Redevelopment Projects Account of the Special Tax Allocation Fund in the priorities and as further provided in the Indenture.

[5] This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee.

[6] IN WITNESS WHEREOF the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, by its President and Board of Trustees, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized

facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all in the exercise of its home rule powers and as appearing hereon and as of the Dated Date identified above.

President  
Village of Bartlett, Cook, DuPage and  
Kane Counties, Illinois

Attest:

\_\_\_\_\_  
Village Clerk, Village of Bartlett  
Cook, DuPage and Kane Counties, Illinois

(SEAL)

Date of Authentication: \_\_\_\_\_

CERTIFICATE

OF  
AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Series 2016 Ordinance and is one of the Senior Lien Tax Increment Revenue Bonds, Series 2016, having a Dated Date of August 16, 2016, of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois.

WELLS FARGO BANK, N.A.,  
as Trustee, Bond Registrar and Paying Agent

Trustee, Bond Registrar and Paying  
Agent:  
WELLS FARGO BANK, N.A.  
Chicago, Illinois

By \_\_\_\_\_  
Authorized Officer

[Form of Bond — Reverse Side]

VILLAGE OF BARTLETT  
COOK, DUPAGE AND KANE COUNTIES, ILLINOIS  
SENIOR LIEN TAX INCREMENT REVENUE BOND  
SERIES 2016 (BARTLETT QUARRY REDEVELOPMENT PROJECT)

[7] This Bond is one of a series of bonds (the “*Bonds*”) in the aggregate principal amount of \$\_\_\_\_\_ issued by the Village for the purpose of paying costs of the Refunding, and of paying expenses incidental thereto, all as described and defined in the Series 2016 Senior Lien Bond Ordinance, pursuant to and in all respects in compliance with the applicable provisions of the Constitution and laws of the State of Illinois, including the Act, as amended, the Indenture, and with the Series 2016 Senior Lien Bond Ordinance, which has been duly passed by the President and Board of Trustees, approved by the President of the Village, and published, in all respects as by law required.

[8] The Bonds are issued in fully registered form in the denominations of \$100,000 and increments of \$5,000 over and above \$100,000. This Bond may be exchanged upon presentation and surrender for cancellation hereof at the office maintained for the purpose by the Trustee in Chicago, Illinois, or at successor Trustee and locality, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, for a like aggregate principal amount of Bonds of the same maturity.

[9] This Bond may be transferred only on the Bond Register maintained by the Trustee but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender for transfer to the Trustee at its principal office maintained for the purpose in Chicago, Illinois, or at successor Trustee and locality, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or the registered owner’s attorney duly authorized in writing. Upon such transfer the Trustee will authenticate a

new Bond or Bonds of the same maturity in an equal total principal amount and registered in the name of the transferee.

[10] The Bonds coming due on January 1, 20\_\_, are Term Bonds and are subject to mandatory redemption by operation of the Senior Lien Bond and Interest Account of the Public Redevelopment Projects Account of the Special Tax Allocation Fund at a redemption price of par plus accrued interest to the date fixed for redemption without premium, selected by lot by the Trustee as provided in the Series 2016 Senior Lien Bond Ordinance, on January 1 of each of the years and in the principal amounts as follows:

| YEAR | AMOUNT (\$) |
|------|-------------|
|------|-------------|

[11] The Bonds coming due on January 1, 20\_\_, and thereafter, are subject to redemption prior to maturity, at the option of the Village, in whole or in part, from any available funds, on January 1, 20\_\_, or on any date thereafter, and if in part, in any order of maturity and within any maturity by lot in integral multiples of \$100,000 and in increments of \$5,000 over and above \$100,000, selected by lot by the Trustee, at the redemption prices (expressed as a percentage of principal amount) and on the dates set forth below, plus accrued interest to the redemption date:

| REDEMPTION DATES (INCLUSIVE) | PRICE (%) |
|------------------------------|-----------|
|------------------------------|-----------|

[12] Unless waived by the Registered Owner of Bonds to be redeemed, official notice of any such optional redemption shall be given by the Trustee on behalf of the Village by mailing the redemption notice by first class mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the registration books maintained by the Trustee or at such other address as is furnished in writing by such registered owner to the Trustee. Neither the failure to mail such

redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a Registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds or portions being redeemed shall be paid by the Trustee at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

ASSIGNMENT

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

\_\_\_\_\_

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

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

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

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

*Section 10. Sale of Bonds; Execution of Bond Order, Purchase Contract, Limited Offering Memorandum and Closing Documents.* The Designated Officers are hereby authorized to proceed, without any further authorization or direction whatsoever from the Corporate Authorities, to sell and deliver the Bonds upon the terms as prescribed in this Section.

The Bonds shall be sold and delivered to the Underwriter at the price of not less than ninety-eight and one-half percent (98.5%) of the par value (plus original issue premium or net of original issue discount, if any) of the principal amount thereof, plus accrued interest, if any, to the date of delivery. Such sale shall be made upon the determination of the Designated Officers that (i) the terms of the Bonds are fair and reasonable in view of current conditions in the bond markets and (ii) the proposed sale will accomplish the Refunding.

Nothing in this Section shall require the Designated Officers to sell the Bonds if in their judgment the conditions in the bond markets shall have markedly deteriorated from the time of adoption thereof, but the Designated Officers shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance, the Indenture and the conditions of this Section shall have been met.

Upon the sale of the Bonds, the Designated Officers and any other officers of the Village as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Order, Preliminary Limited Offering Memorandum, Limited Offering Memorandum, Purchase Contract, and closing documents, including but not limited to a Tax Agreement and such certifications and agreements as are necessary to assure the Tax Exempt status of the Bonds

and such undertakings as are necessary to comply with the securities laws of the United States of America.

The Purchase Contract shall be executed on behalf of the Village by the Designated Officers. The Purchase Contract shall be in substantially the form before this meeting, subject, however, to such modifications as may be necessary or advisable by the Designated Officer executing the Purchase Contract, his or her signature on the Purchase Contract constituting his or her approval of any such modifications and to be deemed conclusive and binding approval hereunder as to the Village and the Corporate Authorities. It is hereby found and determined that no person holding any office of the Village either by election or appointment, is in any manner financially interested, either directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use of the Limited Offering Memorandum (including the Preliminary Limited Offering Memorandum and any amendments to the Limited Offering Memorandum), this Ordinance, all ordinances described in the first paragraph of this Ordinance, the Escrow Agreement and the Indenture in connection with the sale of the Bonds are hereby authorized, ratified and approved, and the Designated Officers are hereby authorized to execute and deliver the Limited Offering Memorandum to the Underwriter on behalf of the Village. The form of Limited Offering Memorandum before this meeting is hereby approved, subject, however, to such modifications as may be deemed necessary or advisable by the Designated Officer executing the Limited Offering Memorandum, his or her execution thereof constituting his or her approval of any such modifications and to be deemed conclusive and binding approval hereunder as to the Village and the Corporate Authorities.

Upon the sale of the Bonds, the Designated Officers shall prepare a Bond Order, which shall include the pertinent details of sale as provided herein and in the Indenture, including,

specifically, the amount which is equal to the Senior Lien Debt Service Reserve Requirement, and such shall be entered into the records of the Village and made available to all Corporate Authorities members at the next public meeting thereof, but such action shall be for information purposes only, it being the express intent of the Corporate Authorities that the Designated Officer shall be fully authorized to sell, execute and deliver the Bonds as herein provided without further official action of the Corporate Authorities.

*Section 11. Creation and Maintenance of Funds; Appropriations; Investments.* The proceeds derived from the sale of the Bonds shall be used as follows:

A. Accrued interest, if any, capitalized interest, if any, and any premium received from the sale of the Bonds shall be credited to the Bond Fund and be applied to pay first interest due on the Bonds.

B. The amount of the proceeds of the Bonds, together with an amount of cash on hand and lawfully available therefor, as shall be provided in the Bond Order shall be deposited to the Senior Lien Debt Service Reserve Account and held as provided in the Indenture.

C. The amount of the proceeds of the Bonds as shall be provided in the Bond Order shall be deposited into a separate fund, hereby created, designated the "Series 2016 Senior Lien Tax Increment Revenue Bonds Expense Fund" (the "*Expense Fund*") to be used to pay expenses of issuing the Bonds. Disbursements from such fund shall be made by the Trustee upon the delivery of the Bonds or from time to time thereafter by the Finance Director as needed to pay costs of issuing the Bonds. Any excess in the Expense Fund shall be deposited into the Senior Bond and Interest Account after six months from the date of issuance of the Bonds.

~~D. The balance of the proceeds, together with such money in the debt service funds for the Prior Obligations as may be advisable for the purpose, shall be used to provide for the Refunding.~~

ED. \$\_\_\_\_\_ of the proceeds, deposited in the Project Fund, hereby created, and designated the "Series 2016 Senior Lien Tax Increment Revenue Project Fund," and used for the Project.

E. The balance of the proceeds, together with such money in the debt service funds for the Prior Obligations as may be advisable for the purpose, shall be used to provide for the Refunding.

F. Funds on deposit in the Public Redevelopment Projects Account of the Special Tax Allocation Fund and held by the Trustee may be invested by the Trustee at the direction (which direction may be telephonic but shall be promptly confirmed in writing) of the Finance Director in Permitted Investments. Subject to Section 15 of this Ordinance, any investment earnings or losses in any Subaccount of the Public Redevelopment Projects Account of the Special Tax Allocation Fund shall be attributed to the respective Subaccount from which derived. Any investment earnings in the Public Redevelopment Projects Account of the Special Tax Allocation Fund shall be transferred as necessary to the Senior Lien Bond and Interest Account at the direction of the Treasurer with no further official action or direction of the Corporate Authorities for the payment of principal of and interest on the Bonds when due or as hereinafter provided for the payment of arbitrage rebate.

*Section 12. Village Covenants.* The Village covenants and agrees that all Incremental Property Taxes required to be deposited into the Special Tax Allocation

Fund shall be deposited into the Special Tax Allocation Fund as provided in the Indenture.

As provided in the Indenture, all moneys in the Public Redevelopment Projects Account of the Special Tax Allocation Fund are pledged to the payment of the Bonds (and all other bonds at any time outstanding under the Indenture as provided therein), but only in the priorities specified in the Indenture and subject to the limitations contained therein.

The Village covenants and agrees with the holders of the Bonds that, so long as any Bonds remain outstanding and unpaid:

(a) The Village will punctually pay or cause to be paid, in the priority specified in the Indenture, from the Pledged Taxes on deposit in and to the credit of the Public Redevelopment Projects Account of the Special Tax Allocation Fund, the principal of, interest on and premium, if any, to become due in respect of the Bonds in strict conformity with the terms of the Bonds, this Ordinance and the Indenture, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof.

(b) The Village will pay and discharge, or cause to be paid and discharged, from the Special Tax Allocation Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Incremental Property Taxes, or any part thereof or upon any funds in the hands of the Trustee which might impair the security of the Bonds. Nothing herein contained shall require the Village to make any such payment so long as the Village in good faith shall contest the validity of said claims.

(c) So long as any Bonds are outstanding, the Village will prepare or cause the preparation of, within 180 days after the close of each Fiscal Year of the Village, complete financial statements with respect to that Fiscal Year, showing the amounts and sources of the Incremental Property Taxes received, all disbursements from the funds and accounts created by

this Ordinance, and the Indenture and the financial condition of the Redevelopment Project, including the balances in all funds and accounts relating to the Bonds and the Redevelopment Project as of the end of such Fiscal Year, which statements shall be accompanied by a certificate or opinion in writing of an independent certified public accountant to the effect that the Village is in compliance with the requirements of the Indenture relating to the Special Tax Allocation Fund and the requirements of the Act. The Village will furnish a copy of such statements to the Underwriter, and to the Trustee who shall submit such information to EMMA in accordance with the Continuing Disclosure Agreement.

The Village will conform fully with all provisions of the Act pertaining to annual reporting requirements.

(d) The Village will use its best efforts to implement or cause the implementation of the Redevelopment Project with all practicable dispatch in accord with its stated objectives and purposes in conformity with the Redevelopment Plan and the Act.

(e) The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

(f) The Village hereby specifically covenants, warrants and agrees that it will not order any abatement of its taxes on property in the Redevelopment Project Area pursuant to Sections 162 or 162(e) of The Revenue Act of 1939, as supplemented and amended, while any Bonds remain outstanding. The Village hereby expressly warrants, covenants and agrees that it will enforce any redevelopment agreements it may hereafter execute relating to the Redevelopment Project Area and all rights and interests inuring to the Village thereunder.

*Section 13. Additional Bonds* . The Bonds are issued as Additional Bonds pursuant to the 2007 Ordinance as follows:

A. Additional Bonds Pursuant to 2007 Ordinance.

1. All deposits and credits required to be made into the Senior Lien Principal and Interest Account and the Senior Lien Reserve and Redemption Account of the Public Redevelopment Projects Account of the Special Tax Allocation Fund have been made up to and including the date of adoption of this Ordinance.

2. The Village has provided to the Trustee a report of Laube Companies, Chicago, Illinois, a nationally recognized Independent consultant, knowledgeable as to urban redevelopment, tax increment financing and municipal finance, which includes the information and conclusions as follows:

a. A description of the purposes for which such Additional Bonds are to be issued; and

b. A statement that, in substantially the form provided in Exhibit D, in such Independent consultant's opinion, based upon his review of executed redevelopment agreements and such other documents as he or she reasonably deems pertinent, Pledged Taxes to be generated will be equal to at least 150% of actual annual debt service calculated for all succeeding years on all Series 2007 Senior Lien Bonds then outstanding and the Additional Bonds proposed to be issued.

B. Additional Bonds.

The Village reserves the right to issue Additional Bonds from time to time for the purposes authorized in the Redevelopment Plan, and any such Additional Bonds shall share ratably and equally in the Pledged Taxes with the Series 2007 Senior Lien Bonds and 2016 Senior Lien Bonds as may be provided; *provided, however*, that no Additional Bonds shall be issued except upon compliance with all of the following conditions:

1. All deposits and credits required to be made into the Senior Lien Principal and Interest Account and the Senior Lien Reserve and Redemption Account of the Public

Redevelopment Projects Account of the Special Tax Allocation Fund shall have been made up to and including the date of adoption of any such ordinance authorizing the issuance of Additional Bonds.

2. (a) The Village shall have provided to the Trustee a certificate of a Designated Officer to the effect that the aggregate annual amount of Pledged Taxes deposited to the credit of the Public Redevelopment Projects Account of the Special Tax Allocation Fund for the completed Tax Year immediately preceding the date of adoption of any ordinance authorizing the issuance of Additional Bonds shall have been equal to at least 150% of Maximum Annual Debt Service calculated for all succeeding years on all Series 2016 Senior Lien Bonds then outstanding and the Additional Bonds then proposed to be issued, *or*

(b) the Village shall have provided to the Trustee a report of a nationally recognized Independent consultant, knowledgeable as to urban redevelopment, tax increment financing and municipal finance, which includes the information and conclusions as follows:

(i) A description of the purposes for which such Additional Bonds are to be issued; and

(ii) A statement that, in such Independent consultant's opinion, based upon his or her review of executed redevelopment agreements and such other documents as he or she reasonably deems pertinent, Pledged Taxes to be generated will be equal to at least 150% of actual annual debt service calculated for all succeeding years on all 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds then outstanding and the Additional Bonds proposed to be issued.

3. Any such Additional Bonds which may be issued in compliance herewith shall be payable as to principal and as to interest on the same dates of the year on which principal and interest come due on the 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds.

4. The Village specifically reserves the right to issue subordinated obligations from time to time for the purposes authorized in the Redevelopment Plan.

Notwithstanding the foregoing restrictions, if, prior to the payment in full of the Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds, the Village shall determine, as hereinafter provided in this Ordinance, to refund part or all of such Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds then outstanding, said Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds may be refunded, and any refunding bonds or obligations so

issued shall share ratably and equally in the Pledged Taxes with the portion, if any, of such Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds which is not refunded; *provided, further*, that if any portion of the Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds is refunded such that the interest rate is increased or the refunding bonds or obligations mature at a date earlier than the maturity of such Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds not refunded, then such refunding bonds or obligations shall be in all respects subordinate to such Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds and shall not share ratably and equally in the Pledged Taxes with the portion of such Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds remaining outstanding, except that if it is found necessary to refund any annual installment of such Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds at maturity or within one year of maturity thereof in order to prevent a default, such refunding bonds or obligations may be issued to share ratably and equally in the Pledged Taxes with the portion of such Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds not refunded notwithstanding the fact that the interest rate is increased, *provided, however*, that such refunding bonds or obligations shall not mature at a date earlier than the maturity of any installment of principal of and interest on said Series 2007 Senior Lien Bonds and Series 2016 Senior Lien Bonds not refunded and then outstanding.

Additional Bonds may be issued to refund Outstanding Bonds if the Additional Bonds result in a Current Debt Service Requirement in each Fiscal Year after the proposed issuance not greater than the corresponding year's Current Debt Service Requirement were such Additional Bonds not to be issued.

Additional Bonds may be issued to refund Outstanding Bonds in order to avoid or remedy default in the payment of principal of or interest on Outstanding Bonds; provided they

are issued to avoid such default not earlier than three months prior to the due date of such principal or interest.

Bonds or other obligations may be issued payable from the Pledged Taxes subordinate to the Outstanding Bonds. Such subordinate bonds shall be payable from the General Subaccount created in the Indenture or may be made payable from such other fund or account as may be provided therefor, upon the transfer of moneys from the General Subaccount to such other fund or account.

In any ordinance authorizing Additional Bonds, it shall be proper to incorporate provisions of this ordinance by reference and, where appropriate, to have the term "*Bonds*" as used herein mean such Additional Bonds.

*Section 14. Refunding Bonds.* Refunding bonds issued to refund, whether at or in advance of maturity, Bonds issued under this Ordinance, may be issued by the Corporate Authorities hereunder, and, upon such issuance, shall be "*Bonds*" as defined hereunder, subject to the limitations hereof; *provided*, that the debt service in each year of such refunding Bonds shall not exceed the debt service in each year of the Bonds refunded.

*Section 15. General Arbitrage Covenants.* The Corporate Authorities certify and covenant with the purchasers and registered owners of the Bonds from time to time outstanding, that so long as any of the Bonds remain outstanding, moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner which will cause such Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, and any lawful regulations promulgated or proposed thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised.

The Village further certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” (the “*Rebate Requirement*”) to the United States:

A. Unless an applicable exception to the Rebate Requirement is available to the Village, the Village will meet the Rebate Requirement.

B. Relating to applicable exceptions, the Designated Officers are hereby authorized to make such elections under the Code as such officers shall deem reasonable and in the best interests of the Village. If such election may result in a “penalty in lieu of rebate” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the Village shall pay such Penalty.

C. The Trustee is hereby authorized to establish within the Rebate Fund a “2016 Senior Lien Tax Increment Revenue Bonds Rebate [or Penalty, if applicable] Account” (the “*2016 Rebate Account*”) for the Bonds, and the Designated Officers are hereby directed, not less frequently than annually, to cause to be transferred to the 2016 Rebate Account the amount determined to be the accrued liability under the Rebate Requirement or Penalty. The Designated Officers shall cause to be paid to the U.S., without further order or direction from the Corporate Authorities, from time to time as required, amounts sufficient to meet the Rebate Requirement or to pay the Penalty.

D. Interest earnings in the Senior Lien Bond and Interest Account and the Senior Lien Debt Service Reserve Account of the Public Redevelopment Projects Account of the Special Tax Allocation Fund are hereby authorized to be transferred, without further order or direction from the Corporate Authorities, from time to time as required, to the 2016 Rebate Account for the purposes herein provided; and proceeds of the Bonds and other funds of the Village are also hereby authorized to be used to meet the Rebate Requirement or to pay the Penalty, but only if

necessary after application of investment earnings as aforesaid and only as appropriated by the Corporate Authorities.

*Section 16. Not Private Activity Bonds.* The Bonds are not “private activity bonds” as defined in Section 141(a) of the Code. In support of such conclusion, the Village certifies, represents and covenants as follows:

(a) No direct or indirect payments are to be made on any Bond or were or are to be made on any Prior Bond with respect to any private business use by any person other than a state or local governmental unit.

(b) None of the proceeds of the Bonds is, and none of the proceeds of the Prior Obligations was or is, to be used directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

*Section 17. Further Tax Covenants.* The Village agrees to comply with all provisions of the Code which, if not complied with by the Village, would cause the Bonds not to be Tax Exempt. In furtherance of the foregoing provisions, but without limiting their generality, the Village agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with Bond Counsel and to comply with such advice as may be given; (d) to pay to the United States, if necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (e) to file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Village in such compliance.

*Section 18. Reimbursement.* None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the Village prior to the date hereof except architectural or engineering costs incurred prior to the Refunding

or expenditures for which an intent to reimburse has properly declared under Treasury Regulations Section 1.150-2. This Ordinance is in itself a declaration of official intent under Treasury Regulations Section 1.150-2 as to all costs paid after the date hereof and prior to issuance of the Bonds.

*Section 19. Registered Form.* The Village recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and to remain Tax Exempt. In this connection, the Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

*Section 20. Opinion of Counsel Exception.* The Village reserves the right to use or invest moneys in connection with the Bonds in any manner, notwithstanding the tax-related covenants set forth in Sections 15 through 19 herein, *provided* it shall first have received an opinion from Bond Counsel, or, in the event Bond Counsel is unable or unwilling to provide such opinion, from another attorney or a firm of attorneys of nationally recognized standing as bond counsel to the effect that use or investment of such moneys as contemplated is valid and proper under applicable law and this Ordinance and, further, will not adversely affect the Tax Exempt status for the Bonds.

*Section 21. Publication of Ordinance.* A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

*Section 22. Superseder and Effective Date.* All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

APPROVED: this 16th day of August, 2016.

\_\_\_\_\_  
President

Recorded in Village Records: this 16th day of August, 2016.

Published in pamphlet form by authority of the President and Board of Trustees at \_\_\_\_\_.m. on the 16th day of August, 2016.

Attest:

\_\_\_\_\_  
Village Clerk, Village of Bartlett  
Cook, DuPage and Kane Counties,  
Illinois

Trustee \_\_\_\_\_ moved and Trustee \_\_\_\_\_ seconded the motion that the ordinance as presented be adopted.

After discussion thereof, which discussion included a public recital by \_\_\_\_\_ as to the nature of the matters set forth in the ordinance, including statements that (1) the ordinance provides for the issuance of tax increment allocation bonds for the purpose of paying the costs of refunding prior to maturity certain outstanding bonds issued to pay costs in the Bartlett Quarry Redevelopment Project Area, (2) the bonds are issuable without referendum pursuant to the home rule powers of the Village and the provisions of the Tax Increment Allocation Redevelopment Act of the State of Illinois, as amended and as supplemented by the Omnibus Bond Acts, as amended, (3) the ordinance provides for the pledge of certain incremental property and sales taxes derived from said redevelopment project area to pay the principal of and applicable premium and interest on the bonds, and (4) the ordinance provides many details of the bonds, including tax-exempt covenants, provisions for terms and form of the bonds, authority for the execution of a trust indenture, a bond order and an escrow agreement, and appropriations, the President directed that the roll be called for a vote upon the motion to adopt the ordinance.

Upon the roll being called, the following Trustees voted AYE: \_\_\_\_\_

\_\_\_\_\_ and the following Trustees voted NAY: \_\_\_\_\_.

WHEREUPON, the President declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the Village Clerk to record the same in full in the records of the President and Board of Trustees of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, which was done.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

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Village Clerk

STATE OF ILLINOIS    )  
                                  ) SS  
COUNTY OF COOK     )

**CERTIFICATION OF MINUTES AND ORDINANCE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois (the "*Village*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the President and Board of Trustees (the "*Corporate Authorities*") thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 16th day of August, 2016, insofar as the same relates to the adoption of an ordinance, numbered 2016-\_\_\_\_ and entitled:

AN ORDINANCE providing for the issuance of not to exceed [\$9,500,000] Senior Lien Tax Increment Revenue Bonds, Series 2016 (Bartlett Quarry Redevelopment Project), of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, and providing for the execution of a trust indenture, a bond order and an escrow agreement in connection therewith.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Corporate Authorities on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of the holding of said meeting; that said agenda described or made specific reference to said ordinance; that a true, correct and complete copy of said agenda as so posted is attached hereto; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, except as said Act and said Code may be validly superseded by the home rule powers of the Village, and that the Corporate Authorities have complied with all of the procedural rules of the Corporate Authorities in the adoption of said ordinance.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the Village,  
this 16th day of August, 2016.

---

Village Clerk

(SEAL) **VILLAGE CLERK TO ATTACH AGENDA**

STATE OF ILLINOIS    )  
                                  ) SS  
COUNTY OF COOK     )

**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois (the "*Village*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the Village and of the President and Board of Trustees (the "*Corporate Authorities*") thereof.

I do further certify that at \_\_\_\_\_ .m. on the 16th day of August, 2016, there was published in pamphlet form, by authority of the Corporate Authorities, a true, correct and complete copy of Ordinance Number 2016-\_\_\_ of the Village providing for the issuance of not to exceed [\$9,500,000] Senior Lien Tax Increment Revenue Bonds, Series 2016 (Bartlett Quarry Redevelopment Project), of the Village and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as Village Clerk located in the Village.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the Village, this 16th day of August, 2016.

(SEAL)

\_\_\_\_\_  
Village Clerk

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK         )

**VIDEO/AUDIO ATTENDANCE CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois (the “*Village*”), and as such official I do further certify as follows:

1. That at the meeting of the President and Board of Trustees of the Village (the “*Corporate Authorities*”) on the 16th day of August, 2016 (the “*Meeting*”), \_\_\_\_\_ attended the Meeting by video or audio conference.

2. That said member(s) of the Corporate Authorities was/were prevented from physically attending the Meeting because of the reason(s) as follows:

MEMBER

REASON<sup>1</sup>

3. That said member(s) of the Corporate Authorities notified me before the Meeting that he/she/they wished to attend the Meeting by video or audio conference.

4. That attached hereto as *Exhibit 1* is a true, correct and complete copy of the rules adopted by the Corporate Authorities for allowing a member of the Corporate Authorities to attend a meeting of the Corporate Authorities by video or audio conference.

5. That the Meeting was duly called, noticed and held in strict compliance with all of the provisions of the Open Meetings Act of the State of Illinois, as amended, and the ordinances, resolutions, rules, regulations and proceedings of the Corporate Authorities.

<sup>1</sup> Section 7 of the Open Meetings Act of the State of Illinois, as amended, provides the following three reasons a person may be prevented from physically attending a meeting: (i) personal illness or disability; (ii) employment purposes or the business of the public body; or (iii) a family or other emergency.

IN WITNESS WHEREOF, I hereunto affix my official signature and the official corporate seal of the Corporate Authorities, this 16th day of August, 2016.

[SEAL]

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Village Clerk

**EXHIBIT A**  
**FORM OF INDENTURE**

**EXHIBIT B**

**FORM OF PURCHASE CONTRACT**

**EXHIBIT C**

**FORM OF PRELIMINARY LIMITED OFFICIAL MEMORANDUM**

**EXHIBIT D**  
**ADDITIONAL BONDS CERTIFICATE**

| <b>Summary report:</b>   |           |
|--|-----------|
| <b>Litéra® Change-Pro 7.5.0.185 Document comparison done on 6/27/2016<br/>5:33:34 PM</b> |           |
| <b>Style name:</b> IM Default  |           |
| <b>Intelligent Table Comparison:</b> Active  |           |
| <b>Original DMS:</b> dm://CHICAGO/821394/5   |           |
| <b>Modified DMS:</b> dm://CHICAGO/821394/6   |           |
| <b>Changes:</b>  |           |
| Add  | 5         |
| Delete   | 6         |
| Move From  | 1         |
| Move To  | 1         |
| Table Insert   | 0         |
| Table Delete   | 0         |
| Table moves to   | 0         |
| Table moves from   | 0         |
| Embedded Graphics (Visio, ChemDraw, Images etc.)   | 0         |
| Embedded Excel   | 0         |
| Format changes   | 0         |
| <b>Total Changes:</b>  | <b>13</b> |

AN ORDINANCE of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, providing for the issuance of a not to exceed \$[10,000,000] Subordinate Lien Tax Increment Revenue Note, Series 2016 (Bartlett Quarry Redevelopment Project), and pledging certain incremental property tax revenues to the payment thereof.

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WHEREAS, by proceedings spread in full upon the records of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois (the "*Village*"), pursuant to the provisions of the Tax Increment Allocation Redevelopment Act, as supplemented and amended (the "*TIF Act*") by the Local Government Debt Reform Act, as amended, and the other Omnibus Bond Acts, as amended and as further supplemented and, where necessary, superseded, by Section 6 of Article VII of the 1970 Constitution of the State of Illinois (collectively, the "*Act*"), the President and Board of Trustees of the Village (the "*Corporate Authorities*") have heretofore proceeded, and do hereby determine, as follows:

A. On July 6, 1999, the Corporate Authorities adopted Ordinance No. 99-67, approving a redevelopment plan (the "*Redevelopment Plan*") and redevelopment Project (the "*Redevelopment Project*") under the TIF Act with respect to the redevelopment Project area described in Exhibit A to said ordinance, being known as the Bartlett Quarry Redevelopment Project Area (the "*Redevelopment Project Area*").

B. On July 6, 1999, the Corporate Authorities adopted Ordinance No. 99-68, designating the Redevelopment Project Area a redevelopment project area under the TIF Act.

C. On July 6, 1999, the Corporate Authorities adopted Ordinance No. 99-69, adopting the tax increment financing provisions of the TIF Act and creating the "Bartlett Quarry Redevelopment Project Area Special Tax Allocation Fund" (the "*Special Tax Allocation Fund*") in connection therewith.

D. On December 21, 1999, the Corporate Authorities adopted Ordinance Number 99-143, authorizing the execution of that certain Redevelopment and Financing Agreement by and between the Village and Elmhurst-Chicago Stone Company (the "*Developer*") (the "*Redevelopment Agreement*"), pursuant to the home rule powers of

the Village and as authorized by the TIF Act. The terms and provisions of the Redevelopment Agreement are hereby incorporated herein by this reference

E. On the 18th day of August, 2000, the Corporate Authorities adopted an ordinance providing for the issuance of not to exceed \$18,000,000 Taxable Junior Lien Tax Increment Revenue Variable Rate Demand Bonds, Series 2000 (Bartlett Quarry Redevelopment Project) (the "*2000 Prior Bonds*"), of the Village.

F. On the 16th day of November, 2004, the Corporate Authorities adopted Ordinance Number 2004-165, providing for the issuance of a \$5,000,000 Subordinate Lien Tax Increment Revenue Note, Series 2004 (Bartlett Quarry Redevelopment Project) (the "*2004 Prior Note*"). On the 18th day of April, 2006, the Corporate Authorities adopted Ordinance Number 2006-40, providing for the issuance of a not to exceed \$2,000,000 Subordinate Lien Tax Increment Revenue Note, Series 2006 (Bartlett Quarry Redevelopment Project) (the "*2006 Prior Note*").

G. Pursuant to Ordinance Number 2007-70, adopted on the 17th day of July, 2007, the Village has executed that certain Amended and Restated Indenture of Trust dated as of August 1, 2007, by and between the Village and Wells Fargo Bank, national Association, Chicago, Illinois, as trustee (the "*Indenture*"), and has issued its \$26,000,000 Senior Lien Tax Increment Revenue Refunding Bonds, Series 2007 (Bartlett Quarry Redevelopment Project) (the "*Series 2007 Senior Lien Bonds*" or "*2007 Prior Bonds*"). On the 30th day of November, 2007, the Corporate Authorities adopted Ordinance Number 2007-\_\_\_, providing for the issuance of a \$10,400,000 Subordinate Lien Tax Increment Revenue Note, Series 2007 (Bartlett Quarry Redevelopment Project) (the "*2007 Prior Note*," and together with the 2007 Prior Bonds, the "*Prior Obligations*").

H. Pursuant to the Original Indenture, the Village issued the Prior Obligations to pay or to reimburse certain Redevelopment Project costs related to the Redevelopment Project Area. The Prior Obligations are the only obligations of the Village now outstanding which are secured, in whole or in part, by any moneys on deposit in the Special Tax Allocation Fund or the Limited Incremental Sales Tax Fund and held under the Original Indenture. The 2007 Prior Note is being refunded by the issuance of the Village's Senior Lien Tax Increment Revenue Bonds, Series 2016 (Bartlett Quarry Redevelopment Project).

I. The original TIF budget was adopted in 1999 and called for investment of approximately \$30,000,000, an amount that now is insufficient to pay for costs that have increased over time with inflation. Under the TIF Act, the Village may increase the budget by the cost of inflation plus an additional 5%. Based on the Consumer Price Index, the budget may be increased up to approximately [\$45,000,000], provided the Village gives notice to the appropriate taxing bodies.

J. Pursuant to the Redevelopment Agreement the Developer has agreed to undertake a Redevelopment Project in and for the Redevelopment Project Area,

including, but not limited to, site preparation and remediation, together with financing costs, legal, professional and administrative costs, and other expenses, all as provided for and specified in the Redevelopment Agreement (the "*Project*").

K. As provided in the Redevelopment Agreement, the Corporate Authorities have heretofore and it hereby is determined that it is advisable, necessary and in the best interests of the Village, its residents and the taxing districts affected by the Redevelopment Plan and Project that a portion of the costs of the Project, being those costs that are eligible for payment or reimbursement by the Village as approved in the Redevelopment Plan and as authorized by the TIF Act, together with all appurtenances, land or interests in land, professional, financial, engineering, legal, financial, banking, advisory and other related costs (said portion of the redevelopment Project costs contemplated for the Redevelopment Project being, collectively, the "*2016 Redevelopment Project*"), now be paid or incurred.

L. Pursuant to the Redevelopment Agreement the Village has heretofore and it is hereby expressly agreed that the Village shall reimburse Developer for only those costs of the Project which constitute eligible "redevelopment Project costs" under the TIF Act and which have heretofore been approved by the Corporate Authorities in the Redevelopment Plan.

M. All of the costs of the Project constitute eligible "redevelopment Project costs" under the TIF Act and have been approved in the Redevelopment Plan.

N. There are insufficient funds of the Village on hand and lawfully available to pay the Project costs, and it is necessary and desirable that the Village issue its subordinate lien tax increment allocation revenue note (the hereinafter defined "*Note*") as authorized by the hereinafter defined Act to provide for the payment or the reimbursement of the Project costs.

NOW, THEREFORE, Be It and It Hereby is Ordained by the President and Board of Trustees of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, as follows:

*Section 1. Definitions* "Section 1. Definitions" \ 2 . The following words and terms used in this Ordinance shall have the following meanings unless the context or use indicates another or different meaning:

"*Accounting*" means the annual accounting required under Section 4.02 of the Indenture and under this Ordinance.

"*Act*" means, collectively, the Illinois Municipal Code, as amended, including therein the TIF Act as supplemented and amended, and particularly as supplemented by the Local

Government Debt Reform Act, as amended, and the other Omnibus Bond Acts, as amended, and as supplemented.

*"Bond Counsel"* means Ice Miller LLP or, in the event Ice Miller LLP is unwilling or unable to render an opinion or take an action required hereunder, shall mean another firm of attorneys nationally recognized as having expertise in Tax-exempt financing.

*"Business Day"* means any day other than a Saturday, Sunday or day on which banks in the City of Chicago, Illinois, are required or authorized to close.

*"Code"* means the Internal Revenue Code of 1986, as amended.

*"Corporate Authorities"* means the President and Board of Trustees of the Village.

*"Counties"* means The Counties of Cook and of DuPage, Illinois.

*"County Clerks"* means the respective County Clerks of the Counties.

*"Current Interest"* means interest when due.

*"Deferred Accrued Interest"* means accrued interest recorded by the Note Registrar as deferred and unpaid.

*"Designated Officer"* means the President, Treasurer, Administrator or Clerk of the Village, or any two of them acting together, and successors or assigns.

*"Developer"* is defined in the preambles hereto.

*"2016 Subordinate Note Subaccount"* means the subaccount of that name hereinafter created in the General Subaccount of the Special Tax Allocation Fund and held by the Village Treasurer as hereinafter provided.

*"Final Maturity"* is defined in Section 3 of this Ordinance.

*"Final Report"* means the final report prepared by the Village's independent financial consultant confirming that the Pledged Moneys are reasonably estimated to be sufficient to pay all principal of and interest on the Note in the maximum principal amount of \$[10,000,000,] plus interest at a rate percent per annum which is equal to six percent (6.00%), whether at Stated Maturity, by mandatory redemption or otherwise.

*"Government Securities"* means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of the United States of America and all securities or obligations, the prompt payment of principal and interest of which is guaranteed by a pledge of the full faith and credit of the United States of America.

*"Incremental Property Taxes"* means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Redevelopment Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the Total Initial Equalized Assessed Value of each such piece of property, all as determined by the County Clerks, in accord with Section 11-74.4-9 of the TIF Act.

*"Incremental Sales Taxes"* means the increase, if any, in distributions by the State from the Local Government Distributive Fund to the Village of Sales Taxes levied in the Redevelopment Project Area over and above the amount, if any, of such distributions in calendar year 2000, or successor taxes thereto.

*"Independent"* when used with respect to any specified person means such person who is in fact independent and is not connected with the Village as an officer, employee, underwriter, or person performing a similar function. Whenever it is herein provided that the opinion or report of any Independent person shall be furnished, such person shall be appointed by the Village, and such opinion or report shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

*"Interest Payment Date"* means a Stated Maturity of interest on the Note.

*"Interest Requirement"* means for any Note Year the aggregate amount of *first*, Deferred Accrued Interest then due, and *next*, the Current Interest on the Note having a Stated Maturity during such Note Year.

*"Limited Incremental Property Taxes"* means eighty-seven and one-half percent (87.50%) of each distribution of Incremental Property Taxes.

*"Municipal Portion"* means, collectively, that portion of the Incremental Property Taxes and that portion of the Incremental Sales Taxes not pledged under the Indenture to the payment of principal of and applicable premium and interest on the Prior Bonds, *to-wit*: twelve and one-half percent (12.50%) of each distribution of Incremental Property Taxes and fifty percent (50%) of each distribution of Incremental Sales Taxes.

*"Note"* means the not to exceed \$[10,400,000] Subordinate Lien Tax Increment Revenue Note, Series 2016 (Bartlett Quarry Redevelopment Project), authorized under this Ordinance.

*"Noteholder"* means a registered owner of the Note.

*"Note Fund"* means the 2016 Subordinate Lien Subaccount created hereunder in the General Subaccount of the Special Tax Allocation Fund.

*"Note Register"* means the book for the registration and transfer of the Note.

*"Note Registrar"* means the Village Treasurer, as paying agent and note registrar hereunder, and successors and assigns.

*"Note Year"* means that twelve-calendar month period beginning on December 30 of any calendar year and ending on December 29 of the next succeeding calendar year.

*"Ordinance"* means this ordinance as originally adopted and as the same may from time to time be amended or supplemented in accordance with the terms hereof.

*"Outstanding"* or *"outstanding"* means the Note while outstanding and unpaid; *provided, however*, such term shall not include any portion of the Note which (i) has matured and for which moneys are on deposit with the Paying Agent or an institution having trust capacity, or are otherwise properly available, sufficient to pay all principal and interest thereof, or (ii) the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow account of funds or Government Securities, the principal of and interest on which will be sufficient to pay at Stated Maturity or as called for redemption all of the principal of and interest and any applicable premium on such Note or a portion thereof.

*"Parity Notes"* means any obligations issued by the Village in the future on a parity with and sharing ratably and equally in the Pledged Moneys with the Note.

*"Paying Agent"* means the Village Treasurer, as paying agent and note registrar hereunder, or successors and assigns.

*"Pledged Moneys"* means the Limited Incremental Property Taxes, but only on a subordinated lien as provided in the Indenture.

*"Principal Requirement"* means for any Note Year the aggregate principal amount of the Note having a Stated Maturity during such Note Year.

*"Prior Bonds"* means the Series 2016 Senior Lien Bonds and any bonds issued on a parity therewith as to the pledge of the Incremental Property Taxes.

*"Private Business Use"* means any use of the Project by any person other than a state or local governmental unit, including as a result of (a) ownership, (b) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract, or (c) any similar arrangement, agreement or understanding, whether written or oral, except for use of the Project on the same basis as the general public. "Private Business Use" includes any formal or informal arrangement with any person other than a state or local governmental unit that conveys special legal entitlements to any portion of the Project that is available for use by the general public or that conveys to any person other than a state or local governmental unit any special economic benefit with respect to any portion of the Project that is not available for use by the general public.

*"Program Expense Requirement"* means an amount, not to exceed five percent (5.00%) of the Limited Incremental Property Taxes, to be retained by the Village Treasurer incidental to

each Accounting and to be used by the Village to pay Program Expenses, if any, for the succeeding Note Year.

*"Program Expenses"* means any administrative expenses related to or incurred in connection with a Series of Bonds, including, specifically, (i) the sum necessary to pay all costs and expenses of any Trustee, registrar or paying agent for any Series of Bonds. (ii) fees related to the calculation or verification of any required payment to the United States of America pursuant to Section 148(f) of the Code and (iii) expenses of the Village relating specifically to the administration of, or provision of governmental services to, the Redevelopment Project Area and the Redevelopment Project.

*"Program Expenses Fund"* means the fund of that name created in Section 4.05 of the Indenture.

*"Project"* means the Redevelopment Project.

*"Project Costs"* means the sum total of all reasonable or necessary costs incurred or estimated to be incurred which are incidental to the Redevelopment Plan and the Redevelopment Project, and which are payable under the TIF Act from Incremental Property Taxes.

*"Public Redevelopment Projects Account"* means the fund of that name heretofore created and expressly continued in Section 4.05 of the Indenture.

*"Qualified Investments"* means any investment permitted for the Village under Illinois law.

*"Record Date"* means the fifteenth day of the month preceding any regularly scheduled Interest Payment Date and the fifteenth day prior to any Interest Payment Date caused by a redemption of Bonds on other than a regularly scheduled Interest Payment Date.

*"Redevelopment Agreement"* means that certain Redevelopment and Financing Agreement dated as of November 4, 1999, by and between the Village and Elmhurst-Chicago Stone Company.

*"Redevelopment Plan"* means the redevelopment plan approved for the Redevelopment Project Areas by the Corporate Authorities in Ordinance No. 99-67, adopted by the Corporate Authorities on July 6, 1999.

*"Redevelopment Project"* means the redevelopment Project approved for the Redevelopment Project Area by Ordinance Number 99-67 adopted by the Corporate Authorities on July 6, 1999.

*"Redevelopment Project Area"* means the Bartlett Quarry Redevelopment Project Area, which was designated by Ordinance Number 99-68, adopted by the Corporate Authorities on July 6, 1999.

*“Record Date”* means, for any Interest Payment Date, the 15th day (whether or not a Business Day) of the calendar month in which such Interest Payment Date occurs, or for any redemption on other than an Interest Payment Date, the 15th day (whether or not a Business Day) next preceding the date of redemption.

*“Sales Taxes”* means generally applicable sales taxes collected by the State and levied pursuant to the Use Tax Act, as amended, the Service use Tax Act, as amended, the Service Occupation Tax Act, as amended, and the Retailers’ Occupation Tax Act, as amended, or successor taxes or charges imposed by the State in lieu thereof or in addition thereto.

*“Senior Lien Bond and Interest Subaccount”* means the fund created in Section 4.05 of the Indenture and any fund so referred to in a Bond Ordinance authorizing the issuance of a Series of Senior Lien Bonds.

*“Senior Lien Bonds”* mean any Series of Bonds defined as *“Senior Lien Bonds”* in any Bond Ordinance and specifically includes the Series 2016 Senior Lien Bonds.

*“Senior Lien Debt Service Reserve Subaccount”* means the fund created in Section 4.05 of the Indenture.

*“Senior Lien Debt Service Reserve Requirement”* means an amount equal to the aggregate of each Debt Service Reserve Requirement as defined in any Bond Ordinance authorizing the issuance of a Series of Senior Lien Bonds and as referred to in Section 4.05(d) of the Indenture.

*“Series 2016 Senior Lien Bonds”* means the Tax Increment Revenue Bonds, Series 2016 (Bartlett Quarry Redevelopment Project), of the Village.

*“Special Tax Allocation Fund”* means the fund of that name created by Ordinance Number 99-69, adopted by the Corporate Authorities on July 6, 1999, and expressly continued by and referred to in Section 4.05 of the Indenture.

*“Stated Maturity”* when used with respect to the Note or any interest thereon means the date specified in the Note as the fixed date on which the principal of the Note or such interest is due and payable, whether by maturity, mandatory redemption, or otherwise.

*“Tax-exempt”* means, with respect to the Note, the status of interest paid and received thereon as excludable from the gross income of the Noteholders under the Code for federal income tax purposes, except to the extent that such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

*“Tax Year”* means the year for which an ad valorem tax levy is made by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area. The 2015 Tax Year shall be that year during which ad valorem taxes levied for the year 2015 (collectible in the year 2016) are extended and collected, and so on.

“*TIF Act*” means the Tax Increment Allocation Redevelopment Act, as amended.

“*Total Initial Equalized Assessed Value*” means the total initial equalized assessed value of the taxable real property within the Redevelopment Project Area determined by the County Clerks, in accordance with the provisions of Section 11-74.4-9 of the TIF Act.

“*Village*” means the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, and its successors and assigns.

“*Village Account*” means the account of that name hereinafter created in the Special Tax Allocation Fund and held by the Village Treasurer as hereinafter provided.

*Section 2. Findings* "Section 2. Findings" ¶ 2 . The Corporate Authorities hereby find that the Redevelopment Plan and Project have been approved, the Redevelopment Project Area has been designated, tax increment allocation financing has been adopted, the Special Tax Allocation Fund has been established, the form of Redevelopment Agreement has been approved, the Redevelopment Agreement has been executed by the Village, the form of the Indenture has been approved, the Indenture has been executed by the Village, the Series 2016 Senior Lien Bonds have been issued and the Note has been authorized, all in accordance with the provisions of the TIF Act, and that it is necessary and in the best interests of the Village that the Village cause the construction, acquisition and installation of the Project and issue and deliver the Note to enable the Village to pay or reimburse the Project costs.

*Section 3. Note Details* "Section 3. Note Details" ¶ 2 . There shall be borrowed for and on behalf of the Village the sum of not to exceed \$[10,400,000] for the purposes aforesaid; a drawdown note of the Village (the “*Note*”) shall be issued in said amount and shall be designated “Subordinate Lien Tax Increment Revenue Note, Series 2016 (Bartlett Quarry Redevelopment Project).” The Note shall be deemed issued and be dated the first date on which the Outstanding Principal Amount equals not less than the sum of \$50,000 (the “*Dated Date*”). The “Outstanding Principal Amount” is that amount, not to exceed \$[10,400,000], as provided above, shown as advanced in even multiples of \$1,000 from time to time and received by the

Village for value, as is noted on the Note in the form of Advances for Value thereon, less payments of principal thereon. The Note shall also bear the date of authentication, shall be in fully registered form, shall bear interest at a rate percent per annum which is equal to six percent (6.00%) (computed on the basis of a 360-day year of twelve 30-day months), which interest shall be payable in annual installments on January 1 of each year (such dates being "*Interest Payment Dates*") until paid, commencing on the first January 1 which occurs following the Dated Date and on which there are any funds available in and on deposit in the 2016 Subordinate Note Subaccount, and be a term note subject to mandatory redemption prior to maturity as hereinafter provided, with a final installment of principal and interest coming due at Final Maturity. "Final Maturity" means (A) the date on which the Village has made provision for or payment in full of all principal of and interest on the Note or (B) as to any payment on the Note from Limited Incremental Property Taxes, the earlier to occur of (i) the date which is twenty (20) years after the Dated Date or (ii) December 31, 2023.

The Note shall bear interest from the later of its Dated Date or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal amount of the Note is paid or duly provided for. Interest when due ("*Current Interest*") shall be paid as hereinafter provided from the 2016 Subordinate Lien Subaccount of the Special Tax Allocation Fund, and if funds on deposit therein and to the credit thereof are insufficient for such purpose, such failure to pay shall not in and of itself constitute an event of default, but such interest shall thereupon be recorded by the Note Registrar as Deferred Accrued Interest ("*Deferred Accrued Interest*"). Deferred Accrued Interest shall itself bear interest at the Authorized Rate until paid or duly provided for. The order of payment of interest on the Note until Stated Maturity shall be first, Deferred Accrued Interest (including interest, if any thereon, as hereinabove provided), second, Current Interest, and third, mandatory redemption of principal

as hereinafter set forth. By acceptance of the Note, each Noteholder accepts that there may be Deferred Accrued Interest on the Note, that is, that Current Interest may not have been paid, without any special notation having been made upon the Note itself. Deferred Accrued Interest (including interest thereon) shall be payable, prior to Final Maturity, only upon Interest Payment Dates to the Noteholder otherwise entitled to Current Interest on the Interest Payment Date that such Deferred Accrued Interest (including interest thereon) is paid.

Failure to pay when due any installment of Current Interest or any amount of Deferred Accrued Interest (including interest thereon) or Outstanding Principal Amount due to insufficiency of the Pledged Moneys, whether at Stated Maturity, Final Maturity or otherwise, shall in no event be deemed to be an event of default on the Note. It is hereby expressly provided that in the event that there is an insufficiency of Pledged Moneys to pay any amount of Deferred Accrued Interest (including interest thereon), Current Interest or Outstanding Principal Amount at Final Maturity, any such amount of Deferred Accrued Interest (including interest thereon), Current Interest or Outstanding Principal Amount shall be extinguished and shall not be deemed to be owing and unpaid, it being the express intent of the Village that the Note and all obligations arising thereunder shall be fully released upon Final Maturity.

Interest on the Note shall be paid by check or draft of the Village, payable upon presentation thereof in lawful money of the United States of America, to the persons in whose name the Note is registered at the close of business on the Record Date. Interest on the Note may also be payable by wire transfer to any registered owner of the Note (as of the applicable Record Date) holding an aggregate principal amount of \$500,000 or more when such owner shall have registered such wire transfer payment by written instructions satisfactory to the Note Registrar at least 15 days prior to the applicable Record Date. The principal of the Note shall be payable in lawful money of the United States of America upon presentation thereof at the principal office

maintained for the purpose by the Note Registrar, or at successor Note Registrar and locality. If an Interest Payment Date is not a Business Day at the place of payment, then payment may be made at that place on the next Business Day, and no interest shall accrue during the intervening period.

The Note shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village and shall be signed by the manual or duly authorized facsimile signatures of the President and Village Clerk of the Village, as they shall determine, and in case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

In the event that the Note shall be signed by the duly authorized facsimile signatures of the President and Village Clerk, the Note shall also have thereon a manually signed certificate of authentication substantially in the form hereinafter set forth in EXHIBIT A, duly executed by an authorized signatory of the Note Registrar as authenticating agent of the Village (but it shall not be necessary that the same signatory sign the certificate of authentication of each Note that may be outstanding hereunder at any one time) and showing the date of authentication, and the Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Note Registrar by manual signature. Such certificate of authentication upon the Note shall be conclusive evidence that the Note has been authenticated and delivered under this Ordinance. Upon authentication, the Note Registrar is hereby expressly authorized to deliver any Note issued under this Ordinance to or upon the order of the holder of such Note.

*Section 4. Mandatory Redemption; Prepayment.*

(a) *Mandatory Redemption.* The Note shall be issued as a term note and shall be subject to mandatory redemption, by operation of the 2016 Subordinate Note Subaccount, at a price of par plus accrued interest without premium, on any Interest Payment Date and upon the terms as follows: Whenever as of any Accounting there is on deposit in the 2016 Subordinate Note Subaccount an amount in excess of the amount required to pay the Interest Requirement (all Deferred Accrued Interest and all Current Interest) on the Note for the Note Year commencing the subsequent January 1, the Note Registrar shall make provision for the mandatory redemption of the Note to the fullest extent practicable from such excess, in amounts not less than \$1,000 of Outstanding Principal Amount. The Note shall be mandatorily redeemed in the amount of not less than \$1,000 as aforesaid.

The Village covenants that it will cause the Note Registrar to redeem the Note pursuant to the mandatory redemption required for the Note. Proper provision for mandatory redemption having been made, the Village covenants that the Outstanding Principal Amount hereof to be redeemed shall be payable as at Stated Maturity.

(b) *Optional Redemption.* The Note shall also be subject to redemption at the option of the Village, in whole or in part, on any date, from any lawfully available monies, at a redemption price of par plus accrued interest to the redemption date.

(c) *Procedures for Redemption.* For a mandatory redemption, the Note Registrar, unless otherwise notified by the Village, shall proceed on behalf of the Village as its agent to provide for the mandatory redemption of the Note without any further order or direction hereunder or otherwise. For an optional redemption, the Village shall, at least 45 days prior to any optional redemption date (unless a shorter time shall be satisfactory to the Noteholder), notify the Note Registrar of such redemption date and of the principal amount of the Note to be optionally redeemed.

The Note Registrar shall promptly notify the Village in writing of any scheduled redemption and, in the case of any partial redemption, the principal amount thereof to be redeemed. Unless waived by the Noteholder, notice of any mandatory or optional redemption shall be given by the Note Registrar by mailing the redemption notice by registered or certified mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to the Noteholder at the address shown on the Note Register.

All official notices of redemption shall include at least the information as follows:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all of the Note is to be redeemed, the principal amount of the Note to be redeemed;
- (4) a statement that on the redemption date the redemption price will become due and payable upon the Note or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (5) the place where the Note is to be surrendered for payment of the redemption price, which place of payment shall be the principal office maintained for the purpose by the Note Registrar.

Unless moneys sufficient to pay the redemption price of the Note or amount thereof to be redeemed shall have been received by the Note Registrar prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall be conditional upon the receipt of such moneys by the Note Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not redeem such Note or amount thereof, and the Note Registrar shall give notice,

in the same manner in which the notice of redemption was given, that such moneys were not so received and that the Note or such amount of the Note will not be redeemed.

Subject to the conditions of the immediately preceding paragraph, the Note or portion of the Note so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Note or portion of the Note shall cease to bear interest.

Neither the failure to mail such redemption notice nor any defect in any notice so mailed to any particular Noteholder shall affect the sufficiency of such notice with respect to any other registered owners. Notice having been properly given, failure of a registered Noteholder to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or the redemption action described in the notice. Such notice may be waived in writing by a registered owner of the Note, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice shall be filed with the Note Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Upon surrender of the Note for redemption in accordance with said notice, the Note shall be paid by the Note Registrar at the redemption price. 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 the Note, there shall be prepared for the Noteholder a new Note of the same maturity in the amount of the unpaid principal.

If the Note has been called for redemption and shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date.

*Section 5. Registration of Note; Persons Treated as Owners* "Section 5. Registration of Note; Persons Treated as Owners" ¶ 2 . The Village shall cause the Note Register to be kept at

the principal office maintained for the purpose by the Note Registrar, which is hereby constituted and appointed the note registrar of the Village. The Village is authorized to prepare, and the Note Registrar shall keep custody of, multiple Note blanks executed by the Village for use in the transfer and exchange of the Note.

Upon surrender for transfer of the Note, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Note Registrar and duly executed by, the Noteholder or his attorney duly authorized in writing, the Village shall execute and the Note Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Note of the same maturity for a like aggregate principal amount. The execution by the Village of any fully registered Note shall constitute full and due authorization of such Note and the Note Registrar shall thereby be authorized to authenticate, date and deliver such Note.

The person in whose name the Note shall be registered on the Note Register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on such Note shall be made only to or upon the order of the Noteholder thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

No registered owner shall be charged a service charge for any transfer or exchange of the Note, but the Village may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of the Note exchanged in the case of the issuance of a new Note for the outstanding portion of the Note surrendered for redemption.

*Section 6. Form of Note.* The Note shall be in substantially the form attached hereto as EXHIBIT A.

*Section 7. Security for the Note; Operation of Special Tax Allocation Fund; Rebate Fund.*

A. *Pledged Moneys Pledged.* The Village hereby pledges the Pledged Moneys for the purpose of providing funds required to pay the interest on the Note as the same shall fall due, to pay and discharge the principal thereof at Stated Maturity promptly when due, but only in the priorities specified herein and in the Indenture and subject to the limitations contained herein and therein. The Note is a limited obligation of the Village and is payable solely and only from the Pledged Moneys as set forth in the lien priorities and as provided hereunder and in the Indenture and the amounts on deposit in and pledged to the Series 2016 Subordinate Note Subaccount as provided hereunder. As to the pledge of the Pledged Moneys, the Note is in all respects junior to any Bonds heretofore or hereafter issued under the Indenture as Senior Lien Bonds or Junior Lien Bonds, including, specifically, the Prior Bonds, and any additional bonds on a parity therewith, and, as to the pledge of the Pledged Moneys, is secured ratably and equally with all Subordinate Lien Obligations under the Indenture.

As provided in the Act, the Note does not constitute an indebtedness of the Village or a loan of credit thereof within the meaning of any statutory or constitutional provision.

B. *Special Tax Allocation Fund.* Article Four of the Indenture is hereby incorporated herein in full by this reference. The Series 2016 Subordinate Lien Note Subaccount (the "*Note Fund*") is hereby created within the General Subaccount of the Special Tax Allocation Fund created under the Indenture. The Note Fund shall be held by the Village Treasurer as provided in the Indenture as a separate and segregated trust fund for the sole benefit of the holders and registered owners of the Note. The Note Fund shall be the fund used for the payment of the Note, whether at Stated Maturity or by sinking fund redemption, premium, if any, and interest thereon.

Funds on deposit in the Note Fund shall be invested by the Village Treasurer, or, at the direction of the Village Treasurer in Qualified Investments. All investment earnings in the Note Fund shall be credited to the Note Fund.

C. *The Rebate Account.* There is hereby authorized to be created a separate and special account within the Special Tax Allocation Fund to be known as the "2016 Note Rebate Account," which shall be held by the Note Registrar and into which there shall be deposited as directed by the Village and as necessary investment earnings in the Note Fund to the extent required so as to maintain the Tax-exempt status of interest on the Note. All rebates, special impositions or taxes for such purpose payable to the United States of America (Internal Revenue Service) shall be payable from the Rebate Account.

*Section 8. General Covenants* "Section 8. General Covenants" \1 2 . The Village covenants and agrees with the holders of the Note that, so long as the Note remains outstanding and unpaid:

(a) The Village will punctually pay or cause to be paid from the Note Fund the principal of and interest on the Note in strict conformity with the terms of the Note, the Redevelopment Agreement and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof.

(b) The Village will pay and discharge, or cause to be paid and discharged, from the Special Tax Allocation Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Moneys, or any part thereof, or which might impair the security of the Note. Nothing herein contained shall require the Village to make any such payment so long as the Village in good faith shall contest the validity of said claims.

(c) The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project Area, the Redevelopment Plan, the Project, and the Pledged Moneys. Such books of record and accounts shall at all times during business hours be subject to the inspection of the respective holders of not less than ten per cent (10%) of the principal amount of the respective Note then outstanding, or their representatives authorized in writing.

The Village will prepare or cause the preparation of complete financial statements with respect to the preceding fiscal year showing the Pledged Moneys received, all disbursements from the funds and accounts created by this Ordinance and the financial condition of the Project, including the balances in all funds and accounts relating to the Note and the Project as of the end of such fiscal year, which statements shall be accompanied by a certificate or opinion in writing of an Independent certified public accountant. The Village will furnish a copy of such statements to any registered owner of ten percent (10%) or more in aggregate principal amount of the Note then outstanding, upon written request of such owner.

(d) The Village will preserve and protect the security of the Note and the rights of the Noteholders.

(e) The Village will continue to implement the Redevelopment Project and the Project with all practicable dispatch in accord with its stated objectives and purposes in conformity with the Redevelopment Plan and the TIF Act and will timely convene the joint review board for the Redevelopment Project Area and timely make available and file such information and reports as shall be required by the TIF Act while the Note or any portion thereof remains outstanding.

(f) The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the Noteholders of the Note of the rights and benefits provided in this Ordinance.

(g) So long as any portion of the Note remains outstanding, the Village will take no action, nor will the Village omit to take any action, which act or omission will in any way adversely affect the ability of the Village to collect the Incremental Property Taxes or to allocate the Limited Incremental Property Taxes, and the Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Moneys will be collected, allocated and deposited in the funds and accounts as herein provided.

*Section 9. Delivery of the Note.* As soon as may be after this Ordinance becomes effective, the Note shall be executed by the Designated Officers and be delivered to the Developer. The Designated Officers as shall be appropriate are hereby authorized to proceed, without any further official authorization or action by the Corporate Authorities, to approve or execute, or both, such documents as shall be necessary to effectuate the issuance and delivery of the Note, with such insertions, deletions, additions, modifications or changes as they shall reasonably determine to be desirable, necessary and in the best interests of the Village, their

approval or execution thereof to constitute ratification by the Corporate Authorities of any such insertion, deletion, addition, modification or change with no further official action, authorization or determination of the Corporate Authorities. The agreement with the Developer to purchase the Note is hereby ratified, approved and confirmed, it being hereby expressly found that no person holding any office of the Village either by election or appointment is in any manner financially interested, either directly in his own name or indirectly in the name of any other person, association, trust or corporation, in said agreement with the Developer for the purchase of the Note.

Any Designated Officer and such other officers of the Village as may be necessary are hereby further authorized to execute such documents, including, specifically, such closing documents and certifications as shall be required by Bond Counsel to render their opinion relating to the validity of the Note and the treatment of interest thereon for federal income taxation purposes.

*Section 10. Note Proceeds.* The performance by the Developer of its obligations pursuant to the Redevelopment Agreement shall be deemed to be consideration for the issuance of the Note. To that end the Designated Officers are hereby expressly directed to authorize the drawdown of the principal amount of the Note as herein authorized and as provided and pursuant to the conditions set forth in the Redevelopment Agreement, not to exceed the aggregate principal amount of \$[10,400,000,] upon delivery from time to time by the Developer to the Village of such evidence of performance as such Designated Officers shall reasonably require, without further official action or direction by the Corporate Authorities. All proceeds of the Note shall be deemed fully expended upon the relevant drawdown of the principal amount thereof.

*Section 11. Parity Notes; Refunding.* A. PARITY NOTES. No Parity Notes shall be issued unless the Village shall have obtained the prior written consent of the registered owners of

all of any Parity Notes existing at that time. The Village hereby expressly reserves unto itself without restriction of any type or kind whatsoever the right to issue obligations secured by the Municipal Account.

B. REFUNDING. Subordinate Lien Obligations issued to refund, whether at or in advance of maturity, any portion or all of the Note issued under this Ordinance may be issued by the Corporate Authorities hereunder, and, upon such issuance and to the extent so designated in any Bond Ordinance authorizing such obligations, shall be a "Note" as defined hereunder, subject to the limitations hereof.

*Section 12. No Private Activity Bonds* "Section 13. *No Private Activity Bonds*" \1  
1 . The Note is not a "private activity bond" as defined in Section 141(a) of the Code. In support of such conclusion, the Village certifies, represents and covenants as follows:

A. No direct or indirect payments are to be made on the Note with respect to any Private Business Use by any person other than a state or local governmental unit.

B. None of the proceeds of the Note is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

*Section 13. General Arbitrage Provisions* "Section 13. General Arbitrage Provisions" \1 1 . A. Except for the Note Fund, the Village has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Note. The Note Fund has been established and will be funded in a manner primarily to achieve a proper matching of tax revenues and debt service, and will be collectively depleted at least annually to an amount not in excess of 1/12 the particular annual debt service on the Note. Money deposited therein will be spent within a 13-month period beginning on the date of deposit, and investment earnings therein will be spent or withdrawn within a one-year period beginning on the date of receipt.

B. The investment of proceeds or funds related to the Note by the Designated Officers at a yield which is restricted to a lower yield than otherwise obtainable in order to meet any covenants relating to the Tax-exempt status of the Note, as advised by Bond Counsel, or as otherwise determined to be necessary for such purpose, is expressly authorized and directed.

The Village further certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” (the “*Rebate Requirement*”) to the United States:

C. Unless an applicable exception to the Rebate Requirement is available to the Village, the Village will meet the Rebate Requirement.

D. Relating to applicable exceptions, the Designated Officers are hereby authorized to make such elections under the Code as such officers, or any of them, shall deem reasonable and in the best interests of the Village. If such election may result in a “penalty in lieu of rebate” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the Village shall pay such Penalty.

E. The Designated Officers shall cause to be established, at such time and in such manner as they may deem necessary or appropriate hereunder, the Rebate Fund for the Note, and such officers shall further, not less frequently than annually, cause to be transferred to the Rebate Fund the amount determined to be the accrued liability under the Rebate Requirement or Penalty. Said officers shall cause to be paid to the U.S., without further order or direction from the Corporate Authorities, from time to time as required, amounts sufficient to meet the Rebate Requirement or to pay the Penalty.

F. Interest earnings in the Note Fund are hereby authorized to be transferred, without further order or direction from the Corporate Authorities, from time to time as required, to the Rebate Fund for the purposes herein provided; and proceeds of the Note

and other funds of the Village are also hereby authorized to be used to meet the Rebate Requirement or to pay the Penalty, but only if necessary after application of investment earnings as aforesaid and only as appropriated by the Corporate Authorities.

The Village also certifies and further covenants with the Noteholders that moneys on deposit in any fund or account in connection with the Note, whether or not such moneys were derived from the proceeds of the sale of the Note or from any other source, will not be used in a manner which will cause the Note to be an "*arbitrage bond*" within the meaning of Code Section 148 and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

None of the proceeds of the Note will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the Village prior to the date hereof. This Ordinance is in itself a declaration of official intent under Treasury Regulations Section 1.150-2 as to all costs paid after the date hereof and prior to issuance of the Note.

*Section 14. Further Tax Covenants* "Section 14. Further Tax Covenants" \ 1 . The Village agrees to comply with all provisions of the Code which, if not complied with by the Village, would cause the Note not to be Tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the Village agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with Bond Counsel and to comply with such advice as may be given; (d) to pay to the United States, if necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Note; (e) to file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay

fiscal agents, financial advisors, attorneys and other persons to assist the Village in such compliance.

*Section 15. Registered Form* "Section 15. Registered Form" \1 1 . The Village recognizes that Section 149 of the Code requires the Note to be issued and to remain in fully registered form in order to be and remain Tax-exempt. In this connection, the Village agrees that it will not take any action to permit the Note to be issued in, or converted into, bearer or coupon form.

*Section 16. Opinion of Counsel Exception* "Section 16. Opinion of Counsel Exception" \1 1 . The Village reserves the right to use or invest moneys in connection with the Note in any manner, or to use, treat or contract with respect to the Project, notwithstanding the covenants in Sections 12 to 15 herein, provided it shall first have received an opinion from Bond Counsel to the effect that use or investment of such moneys, or use of the Project, as contemplated will not result in any adverse effect on the Tax-exempt status of interest on the Note.

*Section 17. Payment and Discharge.* The Note may be discharged, payment provided for, and the Village's liability terminated as follows:

(a) *Discharge of Indebtedness.* If (i) the Village shall pay or cause to be paid to the Noteholders the principal and interest to become due thereon at the times and in the manner stipulated therein and herein, (ii) all fees and expenses of the Note Registrar shall have been paid, and (iii) the Village shall keep, perform and observe all and singular the covenants and promises in such Note and in this Ordinance expressed as to be kept, performed and observed by it or on its part, then these presents and the rights hereby granted shall cease, determine and be void. If the Village shall pay or cause to be paid to the Noteholders the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated therein and herein, the Note shall cease to be entitled to any lien, benefit or security under this Ordinance, and all covenants, agreements and obligations of the Village to the Noteholders shall thereupon cease, terminate and become void and discharged and satisfied.

(b) *Provision for Payment.* Whenever sufficient cash and/or Government Securities shall have been deposited with an institution having fiduciary powers in an

irrevocable escrow (whether upon or prior to the maturity or the redemption date of the Note) the Note shall be deemed to be paid within the meaning of this Ordinance and no longer outstanding under this Ordinance; provided, however, that if the Note is to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given as provided in this Ordinance or provision shall have been made for the giving thereof. Government Securities shall be considered sufficient only if said investments are not redeemable prior to maturity at the option of the issuer and mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due on the Note.

(c) *Termination of Village's Liability.* Upon the discharge of indebtedness under paragraph (a) hereof, or upon the deposit of sufficient cash and Government Securities (such sufficiency being determined as provided in paragraph (b) hereof) for the retirement of the Note, all liability of the Village in respect of the Note shall cease, determine and be completely discharged and the Noteholders shall thereafter be entitled only to payment out of the cash and the proceeds of the Government Securities deposited as aforesaid for their payment.

*Section 18.* [OMITTED.]

*Section 19. This Ordinance a Contract* "Section 19. This Ordinance a Contract" \1 2 . The provisions of this Ordinance shall constitute a contract between the Village and the Noteholders, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

*Section 19. Partial Invalidity* "Section 20. Partial Invalidity" \1 2 . 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 20. List of Noteholders* "Section 21. List of Noteholders" \1 2 . The Note Registrar shall maintain a list of the names and addresses of the Noteholders and upon any transfer shall add the name and address of the new Noteholder and eliminate the name and address of the transferor Noteholder.

*Section 21. Supplemental Ordinances* "Section 22. Supplemental Ordinances" \ 2 .

With the consent of the registered owners of not less than 66% in aggregate principal amount of the Note at the time outstanding, the Village, by the Corporate Authorities may pass an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; provided that no such modification or amendment shall extend the maturity or reduce the interest rate on or otherwise alter or impair the obligation of the Village to pay the principal, interest or redemption premium, if any, at the time and place and at the rate and in the currency provided therein of any portion of the Note without the express consent of the Noteholders, or permit the creation of a preference or priority of any portion of the Note over any other portion of the Note, or reduce the percentage of principal amount of the Note required for the affirmative vote or written consent to an amendment or modification, or deprive the Noteholders (except as aforesaid) of the right to payment of the Note from the revenues pledged thereto without the consent of the registered owners of all of the Note (as the case may be) then outstanding.

*Section 22. Rights and Duties of Note Registrar* "Section 23. Rights and Duties of Note Registrar" \ 2 . If requested by the Note Registrar, any Designated Officer is authorized to execute the Note Registrar's standard form of agreement between the Village and the Note Registrar with respect to the obligations and duties of the Note Registrar hereunder. In addition to the terms of such agreement or agreements and subject to modification thereby, the Note Registrar by acceptance of duties hereunder agrees:

- (a) to act as note registrar, paying agent, authenticating agent, and transfer agent as respectively provided herein;

(b) to maintain a list of Noteholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential to the extent permitted by law;

(c) to cancel and/or destroy any Note which has been paid at Stated Maturity or upon redemption or submitted for exchange or transfer;

(d) to furnish the Village at least annually a certificate with respect to portions of the Note cancelled and/or destroyed; and

(e) to furnish the Village at least annually an audit confirmation of amount of the Note paid, outstanding and payments made with respect to interest on the Note.

The Village Clerk of the Village is hereby directed to file a certified copy of this Ordinance with the Note Registrar.

*Section 23. Prior Inconsistent Proceedings* "Section 24. Prior Inconsistent Proceedings" ¶ 2 . All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance, are to the extent of such conflict hereby repealed.

*Section 24. Immunity of Officers, Employees and Members of Village* "Section 25. Immunity of Officers, Employees and Members of Village" ¶ 2 . No recourse shall be had for the payment of the principal of or premium or interest on the Note or for any claim based thereon or upon any obligation, covenant or agreement in this Ordinance contained against any past, present or future officer, director, member, employee or agent of the Village, or of any successor public corporation, as such, either directly or through the Village or any successor public corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the passage of this Ordinance and the issuance of the Note.

*Section 25. Publication.* This Ordinance shall be published within ten (10) days of its passage in pamphlet form, by authority of the Corporate Authorities, but shall be immediately in full force and effect upon its adoption and approval.

Passed on August 16, 2016.

AYES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Approved: August 16, 2016

\_\_\_\_\_  
President, Village of Bartlett, Cook,  
DuPage and Kane Counties, Illinois

Recorded in the Village Records on August 16, 2016.

Published in pamphlet form on August 16, 2016.

Attest:

\_\_\_\_\_  
Village Clerk, Village of Bartlett  
Cook, DuPage and Kane Counties, Illinois

**EXHIBIT A**  
**FORM OF NOTE**

STATE OF ILLINOIS  
COUNTIES OF COOK, DUPAGE AND KANE  
VILLAGE OF BARTLETT

SUBORDINATE LIEN TAX INCREMENT ALLOCATION REVENUE NOTE, SERIES 2016  
(BARTLETT QUARRY REDEVELOPMENT PROJECT)

SOLE NOTE:  
REGISTERED  
NO. ONE

MAXIMUM AMOUNT:  
REGISTERED  
\$[10,400,000]

KNOW ALL PERSONS BY THESE PRESENTS that the VILLAGE OF BARTLETT, COOK, DUPAGE AND KANE COUNTIES, ILLINOIS (the "*Village*"), a municipality, home rule unit and body corporate and politic duly organized under the laws of the State of Illinois, for value received hereby acknowledges itself to owe and promises to pay to the Registered Owner hereof, or registered assigns, the Outstanding Principal Amount of this Note, as hereinafter described, on the earlier to occur of (i) December 31, 2023, or (ii) the date on which the Village has made provision for or payment in full of all principal of and interest on this Note, as provided in the hereinafter defined Redevelopment Agreement (said date being the "*Final Maturity*"), and to pay interest at the hereinafter defined Interest Rate (computed on the basis of a 360-day year of twelve 30-day months) on such Outstanding Principal Amount on January 1 of each year (being the "*Regular Interest Payment Date*") until paid, commencing on the first January 1 following the Dated Date on which funds are available and on deposit in the hereinafter defined Note Fund, except as the hereinafter stated provisions for redemption prior to maturity may and shall become applicable hereto. The "Outstanding Principal Amount" is that amount, not to exceed the Face Amount of this Note as set forth above, shown as advanced in even multiples of \$100 from time to time and received by the Village for value, as is noted on this Note in the form of Advances

for Value hereon, less payments of principal hereon. The Interest Rate is a rate percent per annum which is equal to six percent (6.00%). The Dated Date hereof shall be deemed to be the first date on which the Outstanding Principal Amount equals not less than the sum of \$50,000, being November 30, 2016.

Interest when due ("*Current Interest*") shall be paid from the later of the Dated Date or from the most recent Regular Interest Payment Date to which interest has been paid or duly provided for, until the principal amount of the Note is paid or duly provided for, as provided from the Note Fund, and if funds on deposit therein and to the credit thereof are insufficient for such purpose, such failure to pay shall not in and of itself constitute an event of default, but such interest shall thereupon be recorded by the Note Registrar as Additional Interest ("*Additional Interest*"). Additional Interest which is owing and unpaid shall itself bear interest at the Interest Rate. The order of payment of interest on this Note shall be *first*, Additional Interest (including interest thereon), *second*, Current Interest, and *next*, mandatory redemption of the Outstanding Principal Amount, as adjusted and shown as advanced in the form of Advances for Value hereon. Failure to pay when due any installment of Current Interest or any amount of Outstanding Principal Amount due to insufficiency of the hereinafter defined Subordinated Incremental Property Taxes, whether at a Regular Interest Payment Date, at Stated Maturity, Final Maturity or otherwise, shall in no event be deemed to be an event of default hereon. The Registered Owner of this Note, by acceptance hereof, hereby expressly agrees and acknowledges that (i) there may be Additional Interest (including interest thereon) hereon, that is, that Current Interest may not have been paid, without any special notation having been made upon this Note, and (ii) the amounts due and payable of Outstanding Principal Amount hereof and interest hereon are subject to adjustment as provided in the hereinafter defined Redevelopment Agreement.

The principal of this Note shall be payable by check or draft in lawful money of the United States of America upon presentation at the principal office maintained for the purpose by the Village Treasurer, as paying agent and note registrar (the "*Note Registrar*"). Interest on this Note shall be paid to the Registered Owner hereof as shown on the Register at the close of business on the 15th day of the month immediately prior to the applicable Regular Interest Payment Date. Interest hereon shall be paid by check or draft of the Issuer, payable upon presentation thereof in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on the Register or at such other address furnished to the Note Registrar in writing or as directed by such Registered Owner, all as provided in the hereinafter defined Indenture.

This Note is a term note and is subject to mandatory redemption by operation of the 2016 Subordinate Lien Subaccount of the General Subaccount of the Special Tax Allocation Fund (the "*Note Fund*") at a price of par plus accrued interest without premium, on any date, whenever an annual Accounting shall demonstrate that there is on deposit in the Note Fund an amount in excess of the amount required to pay all Additional Interest and to pay Current Interest due and payable during the Note Year commencing on the January 1 next succeeding such Accounting. The Note Registrar shall make provision for the mandatory redemption of this Note to the fullest extent practicable from such excess.

The Issuer covenants that it will cause the Note Registrar to redeem this Note pursuant to the mandatory redemption required for this Note. Proper provision for mandatory redemption having been made, the Issuer covenants that the Outstanding Principal Amount hereof to be redeemed shall be payable as at Stated Maturity.

This Note is also subject to redemption prior to maturity, at the option of the Issuer, in whole or in part, from any available funds, on any date, at the redemption price of par plus accrued interest to the date fixed for redemption, and as further provided in the Ordinance.

Subject to the provisions of the hereinafter defined Indenture, this Note may be transferred as a whole but not in part. Upon surrender hereof at the principal office maintained for the purpose by the Note Registrar, accompanied by a written instrument or instruments of transfer in form satisfactory to the Note Registrar and duly executed by the Registered Owner or an attorney for such owner duly authorized in writing, the Note Registrar shall register this Note in the name of the new Registered Owner on the registration grid provided herein, and shall also enter the name and address of the new registered owner in the Note Registrar.

The person in whose name this Note is registered on the Note Register shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of or interest hereon shall be made only to or upon the order of the Registered Owner hereof or the owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon this Note to the extent of the sum or sums so paid.

This Note is issued pursuant to Division 74.4 of Article 11 of the Illinois Municipal Code (the "*TIF Act*"), and all laws amendatory thereof and supplemental thereto, and specifically as supplemented by the home rule powers of the Village pursuant to Section 6 of Article VII of the 1970 Constitution of the State of Illinois (collectively, the "*Act*"), and the principal of and interest, and premium, if any, hereon are payable solely from (i) a portion of the ad valorem taxes, if any, arising from the taxes levied upon taxable real property in the Bartlett Quarry Redevelopment Project Area heretofore designated by the Issuer in accord with the provisions of the Act (the "*Redevelopment Project Area*") by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area, which

taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such piece of property, all as determined in accordance with the provisions of the TIF Act (the "*Incremental Property Taxes*") (said portion of the Incremental Property Taxes being the "*Limited Incremental Property Taxes*"), and on deposit in and pledged to the 2016 Subordinate Lien Subaccount of the General Subaccount of the Bartlett Quarry Redevelopment Project Area Special Tax Allocation Fund (the "*Special Tax Allocation Fund*") heretofore established by the Village in connection with the designation of the Redevelopment Project Area and (ii) the investment earnings thereon (the Limited Incremental Property Taxes and the investment earnings thereon being, collectively, the "*Pledged Moneys*" under the hereinafter defined Ordinance). This Note is being issued for the purposes of paying or reimbursing a portion of certain costs of a redevelopment Project in the Redevelopment Project Area, all as more fully described in proceedings adopted by the President and Board of Trustees of the Village (the "*Corporate Authorities*") pursuant to the Act and in an ordinance authorizing the issuance of this Note adopted by the Corporate Authorities on the 16th day of August, 2016, and authorizing the issuance hereof (the "*Ordinance*"), and in that certain Redevelopment Agreement by and between the Village and the Developer, and relating to the Redevelopment Project Area (as supplemented or amended, the "*Redevelopment Agreement*"), to all the provisions of which the holder by the acceptance of this Note assents. Under the Act, the Ordinance, that certain Amended and Restated Indenture by and between the Village and Wells Fargo Bank, National Association, Chicago, Illinois as trustee (the "*Indenture*"), and the Redevelopment Agreement, the Incremental Property Taxes shall be deposited in the Special Tax Allocation Fund. Limited Incremental Property Taxes on deposit in the 2016 Subordinate Lien Subaccount of the General Subaccount of the Special Tax Allocation Fund shall be used first and

are pledged for paying the principal of and interest on this Note and then in making any further required payments to any funds and accounts as provided by the terms of the Ordinance and the Indenture. Terms used but not defined herein shall have the same meaning as provided in the Ordinance, the Indenture and the Redevelopment Agreement.

This Note, together with the interest thereon, is a limited obligation of the Issuer , payable solely from the Pledged Moneys and the amounts on deposit in and pledged to the 2016 Subordinate Lien Subaccount of the General Subaccount as provided in the Ordinance, the Indenture and the Redevelopment Agreement. Additional obligations on a parity with this Note may be issued as in the Ordinance provided. For the prompt payment of this Note, both principal and interest, as aforesaid, at Stated Maturity, the Pledged Moneys are hereby irrevocably pledged. THIS NOTE DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NO HOLDER OF THIS NOTE SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER FOR PAYMENT OF PRINCIPAL HEREOF OR INTEREST HEREON.

The Issuer hereby expressly finds and determines that the Final Maturity of this Note does not exceed the earlier of (i) the date which is twenty (20) years from the Dated Date or (ii) the date which is December 31 of the year following the twenty-third (23rd) year from the date of designation by the Corporate Authorities of the Redevelopment Project Area, to-wit: December 31, 2023.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Note did exist, have happened, been done and performed in regular and due form and time as required by law, and the Issuer hereby covenants and agrees that it has made provision for the segregation of the Pledged Moneys and that it will properly account for said taxes and will comply with all the covenants of and maintain

the funds and accounts as provided by the Ordinance, the Indenture and the Redevelopment Agreement.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Note Registrar.

The tables and forms following the signatures on this Note and entitled Advances for Value and Registered Owner Notation are an integral part of this Note as if in each case fully set forth at this place and are incorporated herein by this reference.

IN WITNESS WHEREOF the Village has caused this Note to be signed by the manual or duly authorized facsimile signatures of its President and by its Village Clerk and its corporate seal or a facsimile thereof to be hereunto affixed, all as of the date of delivery hereof, to wit, the 16<sup>th</sup> day of August, 2016.

VILLAGE OF BARTLETT, COOK, DUPAGE  
AND KANE COUNTIES, ILLINOIS

[SEAL]

By  
President, Village of Bartlett, Cook,  
DuPage and Kane Counties, Illinois

Attest:

\_\_\_\_\_  
Village Clerk, Village of Bartlett, Cook,  
DuPage and Kane Counties, Illinois

Date of Authentication: August 16, 2016.

CERTIFICATE  
OF  
AUTHENTICATION

Note Registrar and Paying Agent:  
Village Treasurer, Village of Bartlett,  
Cook, DuPage and Kane Counties,  
Illinois

This Note is the Note described in the within mentioned Ordinance and is the Subordinate Lien Tax Increment Allocation Revenue Note, Series 2016 (Bartlett Quarry Redevelopment Project), of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois.

Village Treasurer, as Note Registrar

By \_\_\_\_\_



**STATE OF ILLINOIS  
COUNTIES OF COOK, DUPAGE AND KANE  
VILLAGE OF BARTLETT**

**SUBORDINATE LIEN TAX INCREMENT ALLOCATION REVENUE NOTE, SERIES 2016  
(BARTLETT QUARRY REDEVELOPMENT PROJECT)**

**SOLE NOTE:  
REGISTERED  
NO. ONE**

**MAXIMUM AMOUNT:  
REGISTERED  
[\$10,400,000]**

**REGISTERED OWNER NOTATION**

This Note shall be registered on the Note Register of the Village kept for the purpose by the Village Treasurer, as Note Registrar. The principal and interest on this Note shall be payable only to or upon the order of the Registered Owner or such owner's legal representative. No registration hereof shall be valid unless signed by the Note Registrar.

| DATE OF<br>REGISTRATION | NAME OF<br>REGISTERED OWNER | SIGNATURE OF<br>VILLAGE TREASURER |
|-------------------------|-----------------------------|-----------------------------------|
| August 16, 2016         | _____                       | _____                             |
| _____                   | _____                       | _____                             |
| _____                   | _____                       | _____                             |
| _____                   | _____                       | _____                             |
| _____                   | _____                       | _____                             |
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| _____                   | _____                       | _____                             |

EXTRACT OF MINUTES of a regular public meeting of the President and Board of Trustees of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, held at the Village Hall, Bartlett, Illinois, in said Village at \_\_:\_\_ o'clock p.m. on the 16th day of August, 2016.

The meeting was called to order by the President and upon the roll being called, \_\_\_\_\_, the President. Upon the roll being called, the President and the following Trustees answered present at said location: \_\_\_\_\_

The following Trustees were allowed by a majority of the Trustees in accordance with and to the extent allowed by rules adopted by the President and Board of Trustees to attend the meeting by video or audio conference: \_\_\_\_\_

No Trustee was not permitted to attend the meeting by video or audio conference.

The following Trustees were absent and did not participate in the meeting in any manner or to any extent whatsoever: \_\_\_\_\_

The following were absent: \_\_\_\_\_

Trustee \_\_\_\_\_ presented and the Village Attorney explained in full an Ordinance that was laid before the President and Board of Trustees in words and figures and made available to any other person in attendance who requested one as follows:

Trustee \_\_\_\_\_ moved the adoption of said ordinance, and Trustee \_\_\_\_\_ seconded the motion. After a full and complete discussion thereof including a public recital of the nature of the matter being considered and such other information as would inform the public of the nature of the business being conducted, the President directed the Village Clerk to call the roll for a vote upon the motion to adopt said ordinance.

Upon the roll being called the following Trustees voted:

AYE:

\_\_\_\_\_

and the following voted:

NAY:

\_\_\_\_\_

The President then declared the motion carried and said ordinance adopted, approved the same in open meeting and directed the Village Clerk to record the same in full in the records of the President and Board of Trustees of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at the meeting.

Upon motion being duly made, seconded and carried, the meeting was adjourned.

\_\_\_\_\_  
Village Clerk

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF COOK            )

**CERTIFICATION OF ORDINANCE, MINUTES  
AND PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois (the "*Village*"), and that as such official I am the keeper of the records and files of the President and Board of Trustees of the Village (the "*Corporate Authorities*").

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 16th day of August, 2016, insofar as same relates to the adoption of an ordinance entitled:

AN ORDINANCE of the Village of Bartlett, Cook, DuPage and Kane Counties, Illinois, providing for the issuance of a not to exceed \$[10,400,000] Tax Increment Revenue Note, Series 2016 (Bartlett Quarry Redevelopment Project), and pledging certain incremental property tax revenues to the payment thereof.

(the "*Ordinance*"), a true, correct and complete copy of which Ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of the Ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all of the news media requesting such notice; that an agenda for said meeting (the "*Agenda*") was posted at the location where said meeting was held and at the principal office of the Corporate Authorities on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and not less than 48 hours in advance of holding said meeting; that the Agenda described or made specific reference to the Ordinance; that a true, correct and complete copy of the agenda as so posted is attached hereto; that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and that the Corporate Authorities have complied with all of the provisions of said Act and the Illinois Municipal Code, as amended, and with all of the procedural rules of the Corporate Authorities.

I do further certify that the Ordinance was published by authority of the Corporate Authorities in pamphlet form at \_\_\_\_ p.m. on the 16th day of August, 2016, and the Ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as Village Clerk located in the Village.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the seal of the Village, this 16<sup>th</sup> day of August, 2016.

---

Village Clerk

[SEAL] **Village Clerk to Attach Agenda**

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

**VIDEO/AUDIO ATTENDANCE CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Barlett, Cook, DuPage and Kane Counties, Illinois (the “*Village*”), and as such official I do further certify as follows:

1. That at the meeting of the President and Board of Trustees of the Village (the “*Corporate Authorities*”) on the 16th day of August, 2016 (the “*Meeting*”), \_\_\_\_\_ attended the Meeting by video or audio conference.

2. That said member(s) of the Corporate Authorities was/were prevented from physically attending the Meeting because of the reason(s) as follows:

MEMBER

REASON<sup>1</sup>

3. That said member(s) of the Corporate Authorities notified me before the Meeting that he/she/they wished to attend the Meeting by video or audio conference.

4. That attached hereto as *Exhibit 1* is a true, correct and complete copy of the rules adopted by the Corporate Authorities for allowing a member of the Corporate Authorities to attend a meeting of the Corporate Authorities by video or audio conference.

5. That the Meeting was duly called, noticed and held in strict compliance with all of the provisions of the Open Meetings Act of the State of Illinois, as amended, and the ordinances, resolutions, rules, regulations and proceedings of the Corporate Authorities.

<sup>1</sup> Section 7 of the Open Meetings Act of the State of Illinois, as amended, provides the following three reasons a person may be prevented from physically attending a meeting: (i) personal illness or disability; (ii) employment purposes or the business of the public body; or (iii) a family or other emergency.

IN WITNESS WHEREOF, I hereunto affix my official signature and the official corporate seal of the Corporate Authorities, this 16<sup>th</sup> day of August, 2016.

---

Village Clerk

[SEAL]

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VILLAGE OF BARTLETT, DUPAGE AND COOK AND KANE COUNTIES, ILLINOIS

AND

WELLS FARGO BANK, N.A., as Trustee

FIRST SUPPLEMENTAL TRUST INDENTURE

Dated as of August 1, 2016

Supplementing the Amended and Restated Indenture of Trust  
Dated August 1, 2007

VILLAGE OF BARTLETT, DuPAGE, COOK AND KANE COUNTIES, ILLINOIS

SENIOR LIEN TAX INCREMENT REVENUE BONDS, SERIES 2016  
(BARTLETT QUARRY REDEVELOPMENT PROJECT)

SUBORDINATE LIEN TAX INCREMENT REVENUE NOTE, SERIES 2016  
(BARTLETT QUARRY REDEVELOPMENT PROJECT)

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FIRST SUPPLEMENTAL INDENTURE OF TRUST

(This Table of Contents is not a part of  
this First Supplemental Indenture of Trust and is only for  
convenience of reference)

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FIRST SUPPLEMENTAL INDENTURE OF TRUST dated as of August 1, 2016, by and between the VILLAGE OF BARTLETT, DUPAGE, COOK AND KANE COUNTIES, ILLINOIS (the "*Issuer*"), a municipality and a home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois and Wells Fargo Bank, N.A., a national banking association duly organized, validly existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, with its principal corporate trust office located in the City of Chicago, Illinois (the "*Trustee*") as trustee.

#### RECITALS:

The Issuer and the Trustee have heretofore executed that certain Indenture of Trust dated as of August 1, 2000, as supplemented by that certain First Supplemental Indenture of Trust dated as of October 1, 2003, that certain Second Supplemental Indenture of Trust dated as of December 1, 2004, and that Third Supplemental Indenture of Trust dated as of May 1, 2006 (collectively, the "*Original Indenture*"). The Issuer and Trustee subsequently executed an amended and restated Indenture of Trust as of August 1, 2007 ("*Amended and Restated Indenture*"), which, together with the Original Indenture, among other things, permits the Issuer to issue its bonds for the purposes specified in the Tax Increment Allocation Redevelopment Act, as amended, and the Omnibus Bond Acts, as amended, and as further supplemented and, where necessary superseded, by the home rule powers of the Issuer pursuant to Section 6 of Article VII of the 1970 Constitution of the State of Illinois (collectively, the "*Act*").

The Issuer has agreed to issue its tax increment revenue bonds and to use the proceeds thereof for the purpose of financing a portion of the cost of site remediation and preparation, installation, acquisition and construction of public infrastructure and related costs in the heretofore designated Bartlett Quarry Redevelopment Project Area (the "*Area*") (the "*Project*").

The Issuer has entered into a Redevelopment and Financing Agreement (the "*Redevelopment Agreement*") dated as of November 4, 1999, by and between the Issuer and the Elmhurst-Chicago Stone Company (the "*Developer*"), specifying the terms and conditions of the redevelopment of the Area and the issuance of one or more series of tax increment revenue bonds of the Issuer (collectively, the "*Bonds*") to finance a portion of the costs of the Project. The Issuer has heretofore issued its Taxable Junior Lien Tax Increment Revenue Variable Rate Demand Bonds, Series 2000 (Bartlett Quarry Redevelopment Project) (the "*2000 Bonds*") pursuant to the Original Indenture, and for all purposes thereunder and hereunder, said initial series of Bonds were Junior Lien Bonds. Thereafter, the Issuer issued its Senior Lien Tax Increment Revenue Refunding Bonds, Series 2007 (Bartlett Quarry Redevelopment Project) (the "*Prior Bonds*"), which fully refunded the 2000 Bonds.

The Issuer has heretofore issued its Subordinate Lien Tax Increment Revenue Note, Series 2004 (Bartlett Quarry Redevelopment Project) (the "*Series 2004 Note*"), its Subordinate

Lien Tax Increment Revenue Note, Series 2006 (Bartlett Quarry Redevelopment Project) (the “*Series 2006 Note*”), and its Subordinate Lien Tax Increment Revenue Note, Series 2007 (Bartlett Quarry Redevelopment Project) (the “*Series 2007 Note*,” and together with the Series 2004 Note and 2006 Note, “*Prior Notes*”) pursuant to the Original Indenture, and for all purposes thereunder and hereunder, said Prior Notes were subordinate lien obligations.

The Issuer now contemplates the adoption of a Bond Ordinance (the “2016 Bond Ordinance”) to issue its Senior Lien Tax Increment Revenue Refunding Bonds, Series 2016 (Bartlett Quarry Project) (the “*Series 2016 Bonds*”) to fully refund the Series 2007 Notes. The Series 2006 Note has been previously paid in full.

Simultaneously with the 2016 Bond Ordinance, the Issuer also contemplates the adoption of an additional Bond Ordinance to authorize the execution and delivery of an additional series of notes, namely its Subordinate Lien Tax Increment Revenue Note, Series 2016 (Bartlett Quarry Redevelopment Project), which will be secured, ratably and equally with any hereafter issued subordinate lien obligations under the Original Indenture and subsequent ordinances (“*Future Notes*”), by the hereinafter defined Subordinated Incremental Property Taxes and for all purposes of the Original Indenture, will be a series of subordinate lien obligations (the “*Series 2016 Subordinate Lien Note*”). The Issuer has determined it is advisable and necessary to enter into this First Supplemental Indenture of Trust to the Amended and Restated Indenture (the “*First Supplemental Indenture*”) to provide for certain matters relating to the Series 2016 Bonds and the Series 2016 Subordinate Lien Note.

All things necessary to make the Series 2016 Subordinate Lien Note, when authenticated by the Trustee and issued as in this First Supplemental Indenture provided, the valid, binding and legal obligation of the Issuer according to the import thereof, and to constitute this First Supplemental Indenture a valid assignment and pledge of the amounts assigned and pledged to the payment of the principal of, premium, if any, and interest on the Series 2016 Bonds and the Series 2016 Subordinate Lien Note, and the creation, execution and delivery of the Series 2016 Bonds and this First Supplemental Indenture, and the creation, execution and issuance of the Series 2016 Bonds and the Series 2016 Subordinate Lien Note, subject to the terms hereof, have in all respects been duly authorized.

Accordingly, the Issuer and the Trustee agree as follows for the benefit of the other and for the benefit of the holders of the Series 2006 Bonds and the Series 2016 Subordinate Lien Note issued pursuant to and secured by this First Supplemental Indenture.

All terms used in the following Granting Clauses shall have the meanings set forth in Article I of the Original Indenture and Article I of this First Supplemental Indenture.

#### **GRANTING CLAUSE**

To secure the obligations of the Issuer to the holders of the Series 2016 Bonds and the Series 2016 Subordinate Lien Note, the Issuer has heretofore assigned to the Trustee and granted

to the Trustee (A) for the benefit of the holders of the Prior Bonds and the Series 2016 Bonds, a pledge of and security interest in all property granted to the Trustee in the Granting Clauses of the Original Indenture and (B) for the benefit of the holders of the Series 2016 Subordinate Lien Note, the Issuer hereby assigns and pledges to said holders, ratably and equally with any Future Note, a security interest in all right, title and interest of the Issuer in and to (i) all Subordinated Incremental Property Taxes and (ii) all funds and accounts established or continued hereunder and all Subordinated Incremental Property Taxes held from time to time by the Issuer as provided in this First Supplemental Indenture, but excluding the Municipal Portion, for the equal and proportionate benefit of all holders of the Series 2016 Subordinate Lien Note without priority or distinction as to lien or otherwise of any portion of said Series 2016 Subordinate Lien Note over any other portion of said Series 2016 Subordinate Lien Note, *provided* that (1) the Rebate Fund shall be held for the sole and exclusive benefit of the United States of America as provided in the Original Indenture, (2) the Senior Lien Bond and Interest Subaccount and the Senior Lien Debt Service Reserve Subaccount shall be held for the sole and exclusive benefit of the holders of the Senior Lien Bonds as provided in Section 6.5 of the Original Indenture, (3) the Junior Lien Bond and Interest Subaccount and the Junior Lien Debt Service Reserve Subaccount shall be held for the sole and exclusive benefit of the holders of the Junior Lien Bonds as provided in Section 6.5 of the Original Indenture and as to the extent in the Original Indenture provided, the Bank, with reference to the Variable Rate Bonds; (4) each Project Fund shall be held for the sole and exclusive benefit of the holders of the related Series of Bonds; (5) the Municipal Account shall be held for the sole and exclusive benefit of the Issuer as provided in the Original Indenture; (6) the Program Expenses Subaccount shall be held for the sole and exclusive purpose of paying Program Expenses and (7) any moneys derived from a drawing under the Credit Facility shall secure only the Variable Rate Bonds; and except as otherwise specifically provided in this First Supplemental Indenture or in any other Supplemental Indenture.

## **ARTICLE I.**

### **DEFINITIONS**

*Section 1.1. Definitions.* All words and phrases defined in Article I of the Agreement shall have the same meanings in this First Supplemental Indenture. All words and phrases defined in Article I of the Original Indenture shall have the same meanings in this First Supplemental Indenture.

All capitalized terms which are not specifically defined herein shall have the meanings set forth therefore in the Original Indenture or the Series 2016 Note Ordinance.

In addition, the following words and phrases shall have the following meanings:

*"Additional Interest"* shall have the meaning ascribed in Section 3 of the Series 2016 Note Ordinance.

*"Current Interest"* shall have the meaning ascribed in Section 3 of the Series 2016 Note Ordinance.

*"Note Registrar"* means the Village Treasurer, as note registrar and paying agent for the Series 2016 Subordinate Note, and successors or assigns duly qualified to act as Note Registrar hereunder.

*"Senior Lien Bond and Interest Subaccount"* means the Subaccount created pursuant to the Original Indenture.

*"Series 2016 Note Fund"* means the Series 2016 Subordinate Lien Note Subaccount created pursuant to Section 7 of the Series 2016 Note Ordinance.

*"Series 2016 Note Ordinance"* means the ordinance adopted on August 16, 2016 by the governing body of the Issuer and authorizing the issuance of the Series 2016 Subordinate Lien Note and the execution of this First Supplemental Indenture. The Series 2016 Note Ordinance is a "Bond Ordinance" for all purposes of the Original Indenture and this First Supplemental Indenture.

*"Series 2016 Subordinate Lien Note"* means the not to exceed \$10,000,000 Subordinate Lien Tax Increment Revenue Note, Series 2016 (Bartlett Quarry Redevelopment Project), of the Issuer.

*"Subordinated Incremental Property Taxes"* means that portion of the Limited Incremental Property Taxes on deposit in and to the credit of the Series 2016 Note Fund and pledged, ratably and equally with any Future Note, to the Series 2016 Subordinate Lien Note.

*"Trustee"* means Wells Fargo Bank, N.A.

*"Series 2016 Bonds"* means the Village's Senior Lien Tax Increment Revenue Bonds, Series 2016 (Bartlett Quarry Redevelopment Project).

*"Series 2016 Bond Ordinance"* means the Ordinance providing for issuance of the Series 2016 Bonds, adopted August 16, 2016 by the Village.

*Section 1.2. Rules of Construction.* The rules of construction set forth in Section 1.2 of the Original Indenture (as further amended from time to time in accordance with its terms and the terms hereof) shall apply hereto.

## ARTICLE II.

**APPLICATION OF PROCEEDS AND PAYMENT OF SERIES 2016 BONDS AND  
SERIES 2016 BONDS AND SUBORDINATE LIEN NOTE**

*Section 2.1. Application of Proceeds of Series 2016 Bonds.* The Village will cause the proceeds of the sale of the Series 2016 Bonds to be deposited with the Trustee as provided in the 2016 Bond Ordinance. The Trustee will hold those proceeds in trust for the benefit of the Bondholders and will apply the proceeds in accordance with the 2016 Bond Ordinance and this Section. The Series 2016 Bonds are issued to fully redeem the Series 2007 Note.

*Section 2.2. Source of Payment of Series 2016 Bonds.*

(a) The Trustee will make payments of principal of, premium, if any, and interest on the Series 2016 Bonds from moneys deposited in the hereinafter created "Senior Lien Bond and Interest Subaccount" as provided in Section 2.5(b). The Trustee will deposit in the Senior Lien Bond and Interest Subaccount all moneys available to the Trustee for the purpose of paying principal of, premium, if any, and interest on the Series 2016 Bonds. Moneys in the Senior Lien Bond and Interest Subaccount shall be used solely to pay principal of, premium, if any, and interest on the Series 2016 Bonds and the holders of the Junior Lien Bonds or any other Bonds and Notes shall not have any interest in said moneys.

(b) The Trustee will make transfers as needed to the credit of the Senior Lien Bond and Interest Subaccount of moneys deposited in the Senior Lien Debt Service Reserve Subaccount. The Trustee will deposit in the Senior Lien Debt Service Subaccount all moneys available to the Trustee to make deposits to the Senior Lien Debt Service Reserve Subaccount as provided in Section 2.5(c). Anything in this Indenture to the contrary notwithstanding, moneys in the Senior Lien Debt Service Reserve Subaccount shall be used solely and only to pay principal of, premium, if any, and interest on the Series 2016 Bonds, and the holders of the Junior Lien Bonds or any other Bonds and Notes shall not have any interest in said moneys.

*Section 2.3. Application of Proceeds of Series 2016 Subordinate Lien Note.* The Series 2016 Subordinate Lien Note is to be issued as a drawdown note to pay or reimburse the Developer for costs incurred by the Developer in connection with the Redevelopment Project approved by the Corporate Authorities on July 6, 1999 for the redevelopment of the Bartlett Quarry. All proceeds of the Series 2016 Subordinate Lien Note shall be deemed fully expended upon the relevant drawdown of the principal amount thereof

*Section 2.4. Source of Payments of Series 2016 Subordinate Lien Note.* (a) The Note Registrar will make payments of principal of, premium, if any, and interest on the Series 2016 Subordinate Lien Note from moneys deposited in the hereinafter created "Series 2016 Subordinate Lien Note Subaccount" of the General Subaccount of the Public Redevelopment Projects Account of the Special Tax Allocation Fund. The Village Treasurer will deposit in the Series 2016 Subordinate Note Subaccount all moneys as provided in Section 2.5(d) hereof for the purpose of paying principal of, premium, if any, and interest (being Current Interest and Additional Interest) on the Series 2016 Subordinate Lien Note, as provided in the Series 2016 Subordinate Lien Note Ordinance. Moneys in the Series 2016 Subordinate Note Subaccount shall be used solely to pay principal of, premium, if any, and interest (being Current Interest and

Additional Interest) on the Series 2016 Subordinate Lien Note and the holders of the Junior Lien Bonds or any other Bonds (other than any Future Note), if any, shall not have any interest in said moneys.

(b) Incidental to each Accounting, the Trustee will make transfers to the Village Treasurer of moneys to be deposited in the heretofore created "General Account" of the Public Redevelopment Projects Account of the Special Tax Allocation Fund. The Trustee will transfer to the Village Treasurer for deposit in the Series 2016 Note Fund all moneys as provided in Section 2.5(d) hereof. Anything in this First Supplemental Indenture to the contrary notwithstanding, moneys in the Series 2016 Subordinate Note Subaccount shall be used solely and only to pay principal of, premium, if any, and interest on Series 2016 Subordinate Lien Note, and the holders of the Junior Lien Bonds or any other Bonds (other than any Future Note), if any, shall not have any interest in said moneys.

(c) The proceeds of investments of any such moneys may be used to the same extent as the moneys invested could be used had they not been invested.

*Section 2.5. Special Tax Allocation Fund.* There is hereby continued the "Bartlett Quarry Redevelopment Project Area Special Tax Allocation Fund" heretofore created by an ordinance adopted by the Corporate Authorities on August 6, 1999 (the "*Special Tax Allocation Fund*"). The Issuer hereby expressly continues the accounts heretofore created within said Special Tax Allocation Fund pursuant to the Redevelopment Agreement and known as the "Public Redevelopment Projects Account" and the "Municipal Account."

The Special Tax Allocation Fund is a trust fund established under the Act for the purpose of carrying out the covenants, terms and conditions imposed upon the Issuer by the Act, the Original Indenture, this First Supplemental Indenture, any Bond Ordinance and the Redevelopment Agreement. The Issuer shall deposit or cause to be deposited into the Special Tax Allocation Fund all Incremental Property Taxes required to be deposited therein pursuant to the Act.

The Incremental Property Taxes are to be paid by the officers of the Counties who collect or receive the same (i) to the Treasurer or (ii) in the event that the Issuer files a Tax Escrow Agreement with the County Clerks, or either of them, directly to the Trustee. If and whenever the Treasurer receives any of the Incremental Property Taxes, he or she shall retain the Municipal Portion and shall immediately transmit the Limited Incremental Property Taxes to the Trustee for deposit into the Public Redevelopment Projects Account of the Special Tax Allocation Fund. In the event that the Issuer shall file a Tax Escrow Agreement with the County Clerks, or either of them, the Trustee shall immediately upon receipt of each distribution of Incremental Property Taxes transmit the Municipal Portion to the Treasurer for deposit into the Municipal Account of the Special Tax Allocation Fund and shall thereafter immediately deposit the Limited Incremental Property Taxes into the Public Redevelopment Projects Account of the Special Tax Allocation Fund for deposit to the separate accounts thereof as heretofore or hereinafter created.

The Bonds are secured, in the priority of lien and as otherwise herein provided, by a pledge of the Limited Incremental Property Taxes on deposit in the Public Redevelopment Projects Account of the Special Tax Allocation Fund, and such pledge is irrevocable until the

obligations of the Issuer are discharged under the Original Indenture and this First Supplemental Indenture.

There are hereby expressly continued the subaccounts heretofore created and established within the Public Redevelopment Projects Account as follows: the "Program Expenses Subaccount," the "Senior Lien Bond and Interest Subaccount," the "Senior Lien Debt Service Reserve Subaccount," the "Junior Lien Bond and Interest Subaccount," the "Junior Lien Debt Service Reserve Sub account," and the "General Subaccount." Within the General Subaccount there is hereby continued the heretofore created "Series 2016 Subordinate Lien Note Subaccount," now to be known as the "Subordinate Note Account." The Trustee shall hold as separate and segregated funds in trust under the Original Indenture and this First Supplemental Indenture each of the Program Expenses Subaccount, the Senior Lien Bond and Interest Subaccount, the Senior Lien Debt Service Reserve Subaccount, the Junior Lien Bond and Interest Subaccount, and the Junior Lien Debt Service Reserve Subaccount. The Issuer shall hold as a separate and segregated fund the General Subaccount; the Subordinate Note Subaccount shall be a separate and segregated fund within the General Subaccount and shall be held separate and apart and in trust for the registered owners of any Future Note and the Series 2016 Subordinate Lien Note. Each account shall be held separate and apart and shall be segregated from all other funds of the Issuer. The Limited Incremental Property Taxes on deposit in the aforesaid accounts of the Public Redevelopment Projects Account shall be used by the Trustee or the Issuer, respectively, solely and only for the purpose of carrying out the terms and conditions of the Original Indenture and this First Supplemental Indenture, any other Supplemental Indenture and any Bond Ordinance, all as authorized and provided by the Act.

The Trustee shall credit the Limited Incremental Property Taxes, on each Accounting Date, without any further official action or direction, in the following accounts in the order in which hereinafter mentioned, as follows:

(a) *Program Expenses Subaccount.* The Trustee shall first credit to the Program Expenses Subaccount, that amount certified by the Issuer on or before each Accounting Date of Limited Incremental Property Taxes, and/or, if so directed in a Bond Ordinance, Pledged Revenues to be deposited into and credited to the Program Expenses Subaccount. Moneys on deposit in the Program Expenses Subaccount shall be used to pay or reimburse any administrative expenses related to or incurred in connection with a Series of Bonds, including, specifically, (i) the sum necessary to pay all costs and expenses of the Trustee, any registrar or any paying agent for any Series of Bonds, (ii) and for any other Series of Bonds as provided in a Bond Ordinance, fees related to the calculation or verification of any required payment to the United States of America pursuant to Section 148(f) of the Code, and (iii) expenses of the Issuer relating specifically to the administration of, or provision of governmental services to, the Area and the Redevelopment Project, *provided, however,* that (A) while any Variable Rate Bonds remain outstanding, the aggregate amount of Limited Incremental Property Taxes so deposited into the Program Expenses Subaccount shall not exceed the amount of [\$25,000.00] in any Bond Year, (B) while the Series 2016 Subordinate Lien Note remains outstanding, the aggregate amount of Limited Incremental Property Taxes so deposited into the Program Expenses Account shall not exceed the amount of [\$25,000.00] in any

Bond Year (which amount shall be in addition to, and not included in, said initial deposit under (iii)(A)) and (C) for any other Series of Bonds, the aggregate amount of Limited Incremental Property Taxes so deposited into the Program Expenses Subaccount shall not exceed for any Bond Year the amount provided in the relevant Bond Ordinance.

(b) *The Senior Lien Bond and Interest Subaccount.* While any Senior Lien Bonds are outstanding, the Trustee shall on each Accounting Date next determine the amount of Pledged Moneys necessary to pay the Current Debt Service Requirement for Senior Lien Bonds for the next succeeding Bond Year and shall determine the amount, if any, on deposit in and to the credit of the Pledged Revenues Fund and pledged to the payment of a Series of Senior Lien Bonds. On each Accounting Date the Trustee shall next credit to and shall immediately transfer for deposit into the Senior Lien Bond and Interest Subaccount the remaining amount of Limited Incremental Property Taxes (after making the hereinabove specified deposit to the Program Expenses Subaccount). If the Limited Incremental Property Taxes are insufficient to establish a balance sufficient to pay the Senior Lien Current Debt Service Requirement for the next succeeding Bond Year, the Trustee shall *first* transfer and deposit funds from the Limited Incremental Sales Tax Fund to the Senior Lien Bond and Interest Subaccount as necessary to establish a credit balance sufficient to pay such Senior Lien Current Debt Service Requirement. The Trustee shall next determine the amount, if any, of Pledged Revenues necessary to establish a credit balance sufficient to pay such Senior Lien Current Debt Service Requirement and shall *next* transfer funds from the Pledged Revenues Fund as authorized by a Senior Lien Bond Ordinance or a Bond Order and as necessary to establish a balance sufficient to pay such Senior Lien Current Debt Service Requirement. Any Bond Order may further direct the Trustee to transfer funds from or to retain funds in the Pledged Revenues Fund in excess of the Senior Lien Current Debt Service Requirement. If on any Accounting Date the Trustee shall determine that there are Limited Incremental Property Taxes in the Senior Lien Bond and Interest Subaccount in excess of the amount necessary to pay such Senior Lien Current Debt Service Requirement, such excess Limited Incremental Property Taxes shall next be transferred by the Trustee to the Senior Lien Debt Service Reserve Subaccount as described below.

Except as hereinafter or in any Supplemental Indenture provided, moneys to the credit of the Senior Lien Bond and Interest Subaccount shall be used solely and only for the purpose of paying principal of and premium, if any, and interest on the Senior Lien Bonds as the same become due upon maturity or mandatory redemption.

(c) *The Senior Lien Debt Service Reserve Subaccount.* While any Senior Lien Bonds remain outstanding, and only if a Senior Lien Debt Service Reserve Requirement has been established under any Senior Lien Bond Ordinance, on each Accounting Date the Trustee shall next credit to the Senior Lien Debt Service Reserve Account, until the amount to the credit of the Senior Lien Debt Service Reserve Subaccount aggregates such Senior Lien Debt Service Reserve Requirement, the remaining amount of the Limited Incremental Property Taxes after making the hereinabove specified deposit to the Senior Lien Bond and Interest Subaccount. If on any Accounting Date there are insufficient funds in the Senior Lien Debt Service Reserve Subaccount to establish a credit balance

therein equal to such Senior Lien Debt Service Reserve Requirement, the Trustee shall transfer *first*, Limited Incremental Sales Taxes, if any, from the Limited Incremental Sales Tax Fund and *next*, Pledged Revenues, if any, from any Pledged Revenues Fund as authorized by a Senior Lien Bond Ordinance and as necessary to establish such balance. Thereafter no such payments shall be made by the Trustee into the Senior Lien Debt Service Reserve Subaccount except that, when any money is paid out of said account, payments shall be resumed and continued until such account has been restored to an aggregate amount equal to the Senior Lien Debt Service Reserve Requirement. Monies on deposit in the Senior Lien Debt Service Reserve Subaccount may be used to redeem Senior Lien Bonds. Amounts on deposit in the Senior Lien Debt Service Reserve Subaccount may be pledged to pay principal of any specified Senior Lien Bonds under a related Bond Ordinance or Bond Order.

The procurement and deposit of a Reserve Fund Insurance Policy with the Trustee shall be treated as a proper deposit in lieu of cash to the credit of the Senior Lien Debt Service Reserve Subaccount to the stated amount of such policy or facility then in force and available to draw upon. Reference is made to Section 6.6 of the Original Indenture for certain covenants which may be made with respect to such policy or facility. The Trustee may require a certificate signed by a Designated Officer and an Opinion of Counsel as to the suitability of a given policy or facility for deposit hereunder, and it is expressly provided that while any Variable Rate Bonds remain outstanding, the Trustee is required to obtain the prior consent of the Bank before accepting the deposit of any such Reserve Fund Insurance Policy.

Whenever the Trustee has credited to and deposited into the Junior Lien Bond and Interest Subaccount and the Junior Lien Debt Service Reserve Subaccount all amounts, if any, required to be deposited therein, after satisfying any requirement pursuant to any Junior Lien Bond Order related to Junior Lien Bonds, if any, the Trustee shall promptly remit the remaining amount of Limited Incremental Property Taxes, if any, after making any required deposits to the Treasurer for credit to the following Subaccount of the Public Redevelopment Projects Account of the Special Tax Allocation Fund:

(d) *The General Subaccount.* All Limited Incremental Property Taxes remaining to the credit of the Public Redevelopment Projects Account of the Special Tax Allocation Fund, after crediting the required amounts to the respective subaccounts hereinabove provided for, shall be promptly transmitted by the Trustee to the Treasurer for credit to the Subordinate Note Subaccount of the General Subaccount and while any portion of any Future Note or the Series 2016 Subordinate Lien Note remains outstanding, the Subordinated Incremental Property Taxes shall be applied by the Village Treasurer solely and only to the payment of principal of and interest on any Future Note and the Series 2016 Subordinate Lien Note at Stated Maturity or as called for mandatory or optional redemption as provided in the Series 2016 Note Ordinance.

Whenever no portion of any Future Note or the Series 2016 Subordinate Lien Note shall be outstanding, moneys on deposit in the General Subaccount shall be transferred by the Treasurer first, if necessary, to the Trustee to remedy any deficiencies in any prior subaccounts in the Public Redevelopment Projects Account of the Special Tax Allocation Fund; second, to the

hereinafter created Rebate Fund as needed to maintain the Tax Exempt status of any Bonds issued on a Tax Exempt basis; and thereafter, together with any moneys on deposit in and to the credit of the Municipal Account, at the further discretion of the Corporate Authorities, as follows, in any order of priority mentioned:

- (i) for the purpose of paying any Redevelopment Project costs, including any expenses of the Trustee;
- (ii) for the purpose of redeeming any Bonds;
- (iii) for the purpose of purchasing any Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase;
- (iv) for the purpose of refunding, advance refunding or prepaying any Bonds;
- (v) for the purpose of establishing such additional reserves as may be deemed necessary by the Corporate Authorities;
- (vi) for the purpose of paying principal of or premium or interest on any obligations of the Issuer issued to pay Redevelopment Project costs, whether or not secured by a pledge of monies on deposit in the Special Tax Allocation Fund;
- (vii) for the purpose of reimbursing the Issuer for any transfers made from any lawfully available funds of the Issuer, including, specifically, the Limited Incremental Sales Taxes, to the Public Redevelopment Projects Account of the Special Tax Allocation Fund;
- (viii) for the purpose of distributing such funds to the taxing districts or municipal corporations having the power to tax real property in the Area in accordance with the Act; or
- (ix) for any other purpose related to the Area or the Redevelopment Project pursuant to the Act.

Bonds may be issued secured solely by Limited Incremental Property Taxes held in and to the credit of the General Subaccount, and such Bonds (which shall expressly include any Future Note, the Series 2016 Subordinate Lien Note and any Additional Bonds) shall be Subordinate Lien Obligations and shall be in all respects subordinate in right of payment and lien and junior to Senior Lien Bonds and Junior Lien Bonds, if any. The Issuer hereby expressly reserves unto itself the unconditional power to issue any obligations, whether notes, bonds, contracts, or otherwise, relating to the Area and the Redevelopment Project and payable from the Municipal Account, it being expressly agreed and understood that no moneys on deposit in the

Municipal Account, regardless of source, comprise any portion of the Trust Estate pledged hereunder.

As of any Accounting Date, and at such other times as the Issuer may direct the Trustee, the Trustee shall transfer funds to the credit of the Senior Lien Debt Service Reserve Subaccount in excess of the Senior Lien Debt Service Reserve Requirement to the Senior Lien Bond and Interest Subaccount and the Village Treasurer shall transfer funds to the credit of the General Subaccount to remedy any deficiency in any prior account on any date and as requested by the Trustee.

When all Bonds and Redevelopment Project costs have been paid or provided for, all moneys remaining in the Public Redevelopment Projects Account of the Special Tax Allocation Fund may be used by the Issuer for any lawful purpose under the Act.

*Section 2.6. Project Fund.* There is hereby created the "Series 2016 Tax Increment Revenue Project Fund," into which funds may be deposited for the Project.

*Section 2.7. No Pledge of the Municipal Account.* It is hereby expressly covenanted, agreed and provided that no moneys on deposit in and to the credit of the Municipal Account have been encumbered by the provisions of this Indenture, are pledged or will be available to pay the principal of, premium, if any, and interest on any Future Note or the Series 2016 Subordinate Lien Note.

### ARTICLE III.

#### MISCELLANEOUS

*Section 3.1. Limitation of Rights.* With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from the Original Indenture or this First Supplemental Indenture, any Prior Bonds, any Future Note or the Series 2016 Subordinate Lien Note is intended or shall be construed to give to any person or company other than the parties hereto, the Issuer, the Developer, and the owners of any Future Note or the Series 2016 Subordinate Lien Note, any legal or equitable right, remedy or claim under or with respect to this First Supplemental Indenture or any covenants, conditions and provisions herein contained; this First Supplemental Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Issuer, the Developer, and the owners from time to time of the Series 2016 Subordinate Lien Note as herein provided.

*Section 3.2. Severability.* If any provision of this First Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatever.

*Section 3.3. Counterparts.* This First 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 3.4. Applicable Provisions of Law.* This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

*Section 3.5. Captions.* The captions or headings in this First 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 First Supplemental Indenture.

IN WITNESS WHEREOF, the Village of Bartlett, DuPage, Cook and Kane Counties, Illinois, and LaSalle Bank National Association have caused this First Supplemental Indenture of Trust to be executed in their respective names and their respective seals to be hereunto affixed and attested by their duly authorized officers, all as of the day first above written.

Signature blocks