
TRUST INDENTURE

BETWEEN

**THE SULLIVAN COUNTY INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION**

AND

**MANUFACTURERS AND TRADERS TRUST COMPANY,
AS TRUSTEE**

Dated as of June 1, 2016

\$64,170,000

**THE SULLIVAN COUNTY
INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS (ADELAAR PROJECT),
SERIES 2016A**

\$9,170,000

**THE SULLIVAN COUNTY
INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS (ADELAAR PROJECT),
SERIES 2016B**

\$9,035,000

**THE SULLIVAN COUNTY
INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS (ADELAAR PROJECT),
SERIES 2016C**

\$5,935,000

**THE SULLIVAN COUNTY
INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS (ADELAAR PROJECT),
SERIES 2016D**

\$21,765,000

**THE SULLIVAN COUNTY INFRASTRUCTURE
LOCAL DEVELOPMENT CORPORATION
REVENUE BONDS (ADELAAR PROJECT),
SERIES 2016E**

THIS TRUST INDENTURE (i) AFFECTS TANGIBLE AND INTANGIBLE PERSONAL PROPERTY, (ii) CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS AND (iii) IS INTENDED TO CONSTITUTE A SECURITY AGREEMENT UNDER THE UNIFORM COMMERCIAL CODE.

TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1	Definitions.....	5
Section 1.2	Rules of Construction	14

ARTICLE II ESTABLISHMENT OF TRUST

Section 2.1	Establishment of Trust	14
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ARTICLE III GENERAL TERMS AND CONDITIONS OF BONDS

Section 3.1	Authority for Indenture	15
Section 3.2	Indenture Constitutes Contract	15
Section 3.3	Authorization of Series 2016 Bonds; Form and Details of Bonds.....	15
Section 3.4	Book Entry Provisions	17
Section 3.5	Payment of Bonds; Special Obligations	19
Section 3.6	Execution of Bonds.....	19
Section 3.7	Authentication of Bonds	19
Section 3.8	Registration, Transfer and Exchange	20
Section 3.9	Charges for Exchange or Transfer	20
Section 3.10	Mutilated, Lost, Stolen or Destroyed Bonds.....	20
Section 3.11	Destruction of Bonds	21
Section 3.12	Application of Proceeds of Series 2016 Bonds.....	21

ARTICLE IV REDEMPTION OF BONDS

Section 4.1	Redemption of Bonds	24
Section 4.2	Optional Redemption of the Series 2016 Bonds.....	25
Section 4.3	Special Mandatory Redemption of Series 2016 Bonds	25
Section 4.4	Mandatory Sinking Fund Redemption of Series 2016 Bonds	25
Section 4.5	Selection of Bonds for Redemption	28
Section 4.6	Notice of Redemption	28
Section 4.7	Payment of Redeemed Bonds	29

ARTICLE V ISSUANCE OF BONDS

Section 5.1	Issuance of Bonds	29
Section 5.2	Security for Bonds	29
Section 5.3	Conditions of Issuing Bonds.....	30

ARTICLE VI PROJECT FUND

Section 6.1	Project Fund; Capitalized Interest Account	33
Section 6.2	Payments from Project Fund.....	34
Section 6.3	Disposition of Balance in Project Fund	34
Section 6.4	Net Proceeds Account.....	35

ARTICLE VII FUNDS AND ACCOUNTS

Section 7.1	Establishment of Funds.....	36
Section 7.2	Revenue Fund	36
Section 7.3	Bond Fund.....	38
Section 7.4	Administrative Expense Fund.....	38
Section 7.5	Debt Service Reserve Fund.....	39
Section 7.6	Rebate Fund	40
Section 7.7	Disposition of Balances in Funds	40

ARTICLE VIII INVESTMENT OF FUNDS

Section 8.1	Investment of Funds.....	40
Section 8.2	Valuation of Investments	41
Section 8.3	Reserved.....	41
Section 8.4	Investments through Trustee's Bond Department	41

ARTICLE IX GENERAL COVENANTS OF THE ISSUER

Section 9.1	Payment of Bonds	41
Section 9.2	Covenants and Representations	42
Section 9.3	Deposit of Revenues	42
Section 9.4	Reserved.....	42
Section 9.5	Priority of Security Interest.....	42
Section 9.6	Trustee May Enforce Issuer's Rights to Service Fee	43
Section 9.7	Further Assurances.....	43
Section 9.8	Financial Records and Statements	43
Section 9.9	Compliance with Laws	43
Section 9.10	Covenant Against Arbitrage Bonds	43
Section 9.11	Filing of Documents and Security Instruments	44
Section 9.12	Covenant Regarding Adjustment of Debts	44
Section 9.13	Rating Solicitation Covenant.....	44

ARTICLE X THE ADMINISTRATOR

Section 10.1	Appointment of Administrator.....	44
Section 10.2	Duties of Administrator	44
Section 10.3	Qualifications, Resignation, Removal and Appointment of Successor Administrator	45
Section 10.4	Rights of Administrator	46

ARTICLE XI DEFAULTS AND REMEDIES

Section 11.1	Events of Default	46
Section 11.2	No Acceleration	46
Section 11.3	Other Remedies; Rights of Owners	47
Section 11.4	Effect of Discontinuance or Abandonment.....	47
Section 11.5	Rights of Owners	47
Section 11.6	Restriction on Owners' Action	47

Section 11.7	Power of Trustee to Enforce	48
Section 11.8	Remedies Not Exclusive	48
Section 11.9	Waiver of Events of Default; Effect of Waiver	48
Section 11.10	Application of Money	48
Section 11.11	Notice of Certain Defaults; Opportunity to Cure Such Defaults	49

ARTICLE XII TRUSTEE AND PAYING AGENT

Section 12.1	Appointment and Acceptance of Duties	50
Section 12.2	Responsibilities	50
Section 12.3	Powers.....	50
Section 12.4	Compensation; Indemnification.....	52
Section 12.5	No Duty to Maintain Insurance.....	52
Section 12.6	Notice of Event of Default.....	52
Section 12.7	Action Upon Default.....	52
Section 12.8	Limitation of Liability.....	53
Section 12.9	Ownership of Bonds	53
Section 12.10	No Duty to Invest.....	53
Section 12.11	Reports by Trustee	53
Section 12.12	Resignation	53
Section 12.13	Removal	54
Section 12.14	Appointment of Successor Trustee	54
Section 12.15	Successor to be Bank or Trust Company	54
Section 12.16	Failure to Appoint a Successor Trustee	54
Section 12.17	Acceptance by Successor Trustee.....	55
Section 12.18	Merger or Consolidation	55
Section 12.19	Reserved.....	55
Section 12.20	Notice of Occurrence of Event of Default	55
Section 12.21	Intervention by Trustee	55
Section 12.22	Appointment of and Acceptance of Paying Agent	55
Section 12.23	Resignation or Removal of Paying Agent; Appointment of Successor	56
Section 12.24	Trustee's Rights in Bankruptcy Proceeding	56

ARTICLE XIII EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS

Section 13.1	Execution of Consents, Etc	56
Section 13.2	Other Evidence.....	57

ARTICLE XIV MODIFICATION OF INDENTURE, SUPPLEMENTAL INDENTURES AND MODIFICATION OF PROJECT DOCUMENTS

Section 14.1	Supplemental Indentures Without Consent of Owners.....	57
Section 14.2	Supplemental Indentures With Consent of Owners.....	58
Section 14.3	Trustee Authorized to Enter Into Supplemental Indenture.....	59
Section 14.4	Opinion of Counsel.....	59
Section 14.5	Amendment of Project Documents.....	59

ARTICLE XV DISCHARGE OF INDENTURE

Section 15.1 Discharge of Indenture.....60
Section 15.2 Bonds Deemed to be Paid60

ARTICLE XVI MISCELLANEOUS

Section 16.1 Limitation of Liability of Directors, Officers, etc.....61
Section 16.2 Interested Parties61
Section 16.3 Severability of Invalid Provisions.....61
Section 16.4 Notice61
Section 16.5 Counterparts62
Section 16.6 Governing Law62
Section 16.7 Successors and Assigns.....62

Exhibit A – Form of Series 2016 Bonds

TRUST INDENTURE

THIS TRUST INDENTURE, made as of June 1, 2016 (the "Indenture"), is by and between **THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION**, a not-for-profit local development corporation duly organized and existing under the laws of the State of New York (the "Issuer"), having its principal office at One Cablevision Center, Ferndale, New York 12734 and **MANUFACTURERS AND TRADERS TRUST COMPANY**, a New York banking corporation, as trustee (in such capacity, the "Trustee"), having its principal office at One M&T Plaza, 7th Floor, Buffalo, New York 14203.

WITNESSETH:

WHEREAS, pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York (the "State"), as amended (hereinafter collectively called the "Act"), and pursuant to its certificate of incorporation filed on February 10, 2016, (as amended, the "Certificate"), the Issuer was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, the Act further authorizes the Issuer to issue its bonds for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of and interest on any such bonds so issued and any agreements made in connection therewith, to pledge certain revenues and receipts to secure the payment of such bonds and interest thereon; and

WHEREAS, by resolution adopted on June 13, 2016 (the "Bond Resolution"), the Issuer determined to issue its (A) Revenue Bonds (Adelaar Project), Series 2016A in the aggregate principal amount of \$64,170,000 (the "Series 2016A Bonds"), (B) Revenue Bonds (Adelaar Project), Series 2016B in the aggregate principal amount of \$9,170,000 (the "Series 2016B Bonds"), (C) Revenue Bonds (Adelaar Project), Series 2016C in the aggregate principal amount of \$9,035,000 (the "Series 2016C Bonds"), (D) Revenue Bonds (Adelaar Project), Series 2016D in the aggregate principal amount of \$5,935,000 (the "Series 2016D Bonds") and (E) Revenue Bonds (Adelaar Project), Series 2016E in the aggregate principal amount of \$21,765,000 (the "Series 2016E Bonds"; and, together with the Series 2016A Bonds, the Series 2016B Bonds, the Series 2016C Bonds and the Series 2016D Bonds, the "Series 2016 Bonds"), all for the purpose of financing a certain project (the "Project") consisting of the (i) acquisition and/or construction of certain public infrastructure improvements, including, but not be limited to,: (a) soil erosion and sediment controls; (b) clearing and grubbing; (c) earthwork; (d) creation of wetlands; (e) landscaping; (f) installation of electrical systems; (g) construction of sewer and water systems; (h) creation of new roads; and (i) improvement of existing roads; (j) lighting; and (k) drainage (collectively, the "Public Infrastructure Improvements"), to be designed, engineered, constructed, and equipped by the Developer (as defined below) on behalf of the Issuer, (ii) to fund the Debt

Service Reserve Fund, (iii) to fund the payment of capitalized interest on the Series 2016 Bonds prior to and during construction accrued through June 1, 2019, (iv) to fund the payment of administrative expenses of the Issuer through June 1, 2019 and (v) to fund the costs of issuing the Series 2016 Bonds, with such Public Infrastructure Improvements being designed, engineered, constructed, equipped, operated and maintained in connection with that certain integrated lifestyle resort to be developed on approximately 1,675 acres of land in the Town of Thompson, Sullivan County, New York; and

WHEREAS, The Issuer and the Town of Thompson, New York (the "Town"), have entered into a certain Public Infrastructure Services Agreement, dated June 16, 2016 (the "Service Agreement"), pursuant to which (i) the Issuer is obligated to construct, install and equip the Public Infrastructure Improvements and (ii) the Town is obligated to levy and collect the Special Assessments (as defined in the Service Agreement) and remit the Service Fees (as defined in the Service Agreement) to pay for the Public Infrastructure Improvements. The Issuer and EPR Concord II, L.P. ("EPR"), EPT Concord II, LLC ("EPT") and Adelaar Developer, LLC ("Adelaar"; and, together with EPR and EPT, the "Developer"), have entered into a certain Public Infrastructure Construction and Funding Agreement, dated June 16, 2016 (the "Funding Agreement") whereby the Developer is obligated to construct, install and equip the Public Infrastructure Improvements on behalf of the Issuer; and

WHEREAS, the Public Infrastructure Improvements are being constructed, installed and equipped to support the Developer's plans to develop a reputable, comprehensive, integrated destination resort and community consisting of, among other things, the construction and equipping of a casino (the "Casino Project"), golf course (the "Golf Course Project"), an entertainment village consisting of dining and retail shops (the "Entertainment Village Project") and a waterpark project consisting of a hotel and indoor and outdoor waterparks (the "Waterpark Project"); and

WHEREAS, the Casino Project is the subject of that certain Lease, dated December 28, 2015 (as the same may be amended, supplemented or restated, the "Casino Lease"), by and between EPT and Montreign Operating Company, LLC ("Montreign"), pursuant to which such Casino Lease, EPT has leased an approximately 186-acre parcel of land located the Town (the "Casino Land") to Montreign and Montreign has agreed to undertake the construction and operation of the Casino Project; and

WHEREAS, the Golf Course Project is the subject of that certain Lease, dated March 6, 2015 (as the same may be amended, supplemented or restated, the "Golf Course Ground Lease"), by and between EPR and Adelaar, pursuant to which such Golf Course Ground Lease, EPR has ground leased an approximately 236-acre parcel of land located in the Town (the "Golf Course Land") to Adelaar and which Adelaar has subleased such Golf Course Land to Empire Resorts Real Estate I, LLC ("Empire Resorts I") for purposes of construction and operation of the Golf Course Project pursuant to that certain Sub-Lease, dated December 28, 2015, by and between Adelaar and Empire Resorts I; and

WHEREAS, the Entertainment Village Project is the subject of that certain Lease, dated March 6, 2015 (as the same may be amended, supplemented or restated, the "Entertainment

Village Ground Lease"), by and between EPR and Adelaar, pursuant to which such Entertainment Village Ground Lease, EPR has ground leased an approximately 22-acre parcel of land located in the Town (the "Entertainment Village Land") to Adelaar and which Adelaar has subleased such Entertainment Village Land to Empire Resorts Real Estate II, LLC ("Empire Resorts II) for purposes of construction and operation of the Entertainment Village Project pursuant to that certain Sub-Lease, dated December 28, 2015, by and between Adelaar and Empire Resorts II; and

WHEREAS, the Waterpark Project is the subject of that certain Lease, dated September 27, 2013, (as same may be amended, supplemented or restated, the "Waterpark Ground Lease") by and between EPT and Adelaar HWP LLC (the "Waterpark Tenant") pursuant to which EPT has ground leased an approximately 132-acre parcel of land located within the Town to the Waterpark Tenant for purposes of construction and operation of the Waterpark Project; and

WHEREAS, during the term of the Casino Lease, Montreign has the option to purchase the Casino Land, the Golf Course Land and the Entertainment Village Land pursuant to that certain Purchase Option Agreement, dated December 28, 2015, by and among Adelaar, EPT, EPR and Montreign; and

WHEREAS, the Series 2016 Bonds will be initially purchased by (i) Oppenheimer Rochester Limited Term New York Municipal Fund, (ii) Oppenheimer Rochester Fund Municipals and (iii) Oppenheimer Rochester AMT-Free New York Municipal Fund (collectively, the "Purchaser") pursuant to a certain Bond Purchase Agreement, dated June 16, 2016 (the "Bond Purchase Agreement"), by and among the Purchaser, the Issuer, EPT, EPR, Adelaar and Gates Capital Corporation, as Underwriter (the "Underwriter"); and

WHEREAS, the Series 2016 Bonds and the Trustee's certificate of authentication to be endorsed thereon are all to be in substantially the form attached hereto as **Exhibit A**, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture; and

WHEREAS, all things necessary to make the Series 2016 Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid, binding and legal special obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid lien on the revenues and receipts herein made to the payment of the principal of and interest on the Series 2016 Bonds, have been done and performed, and the creation, execution and delivery of this Indenture, and the creation, execution and issuance of the Series 2016 Bonds, subject to the terms hereof, have in all respects been duly authorized.

The Issuer covenants and agrees with the Trustee and the Owners, from time to time, of the Bonds, as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. The terms set forth below will have the following meanings in this Indenture unless the context clearly requires otherwise:

"Act" means Section 1411 of the Not-For-Profit Corporation Law of the State of New York as amended.

"Additional Bonds" means any bonds, other than the Series 2016 Bonds issued pursuant to Section 5.3(b) hereof.

"Adelaar" shall have the meaning ascribed to such term in the recitals hereto.

"Administrative Expense Fund" means the fund by that name established by Section 7.1 hereof.

"Administrative Expenses" means costs directly related to the administration of the Issuer, including (i) the costs of computing the Special Assessments and preparing the annual Special Assessment schedules and the costs of collecting the Special Assessments (whether by the Town or otherwise); (ii) the costs of remitting the Service Fee to the Trustee, (iii) the fees and costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under this Indenture; (iv) the fees and costs of the Administrator in the discharge of the duties required of it under this Indenture and the Administrator Agreement, (v) any administrative expenses of the Issuer (including costs of official meetings of the Issuer, fees paid to its legal counsel and other consultants and advisors); (vi) the costs of the Issuer of complying with arbitrage rebate requirements; (vii) the costs of the Issuer incurred as a result of the Issuer identifying another Person and (viii) the costs and expenses of the Issuer incurred as a result of compliance with Section 9.13 hereof. Administrative Expenses shall also include amounts advanced or costs incurred by the Issuer or the Administrator for any administrative purpose of the Issuer, including costs in connection with establishing the Issuer, amounts paid by the Issuer to make rebate payments in accordance with Section 9.10 of this Indenture, and costs of complying with securities disclosure requirements.

"Administrative Expenses Service Fee" shall have the meaning ascribed to such term in the Service Agreement.

"Administrator" means the entity selected by the Issuer to perform any and all tasks set forth in Section 10.2 hereof and those tasks specified in the Administrator Agreement, initially, MuniCap, Inc., a Maryland corporation.

"Administrator Agreement" means the Agreement for Administrative Services, dated as of June 1, 2016, by and between the Issuer and the Administrator, as such may be amended from time to time.

"Authorized Denominations" means, initially, \$100,000 plus any integral multiple of \$5,000 in excess thereof, provided, however, on or following the Completion Date, if the Issuer

can obtain an investment grade rating on the Bonds then "Authorized Denominations" shall mean \$5,000 plus any integral multiple in excess thereof.

"Authorized Developer Representative" means any person or persons designated to act on behalf of the Developer by a certificate filed with the Trustee.

"Authorized Issuer Representative" means the President/Chief Executive Officer of the Issuer, or any person or persons designated to act on behalf of the Issuer by a certificate signed by the President/Chief Executive Officer and filed with the Trustee.

"Beneficial Owners" means, during any period when the Bonds are held in book entry form, any owner of any Bonds as shown on the records of the participants of DTC or any successor securities depository, and during any period when the Bonds are issued in certificated form, any registered owner of any Bonds.

"Bond" or "Bonds" means the Series 2016 Bonds issued pursuant to this Indenture, and any Additional Bonds issued under this Indenture, but will not include any subordinate debt or any bonds or other evidence of indebtedness of the Issuer issued from time to time under any other indenture, trust agreement, resolution or similar instrument.

"Bond Counsel" means Harris Beach PLLC or any other attorney or a firm of attorneys (designated by the Issuer) of nationally recognized standing in matters pertaining to the validity of and the tax-exempt nature of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America.

"Bond Fund" means the fund established by Section 7.1 hereof.

"Bond Purchase Agreement" shall have the meaning ascribed to such term in the recitals hereto.

"Bond Resolution" shall have the meaning ascribed to such term in the recitals hereto.

"Bonds Service Fee" shall have the meaning ascribed to such term in the Service Agreement.

"Business Day" means any day other than (a) a Saturday or Sunday, (b) a day on which commercial banks in the State, or the jurisdiction in which the designated corporate trust office of the Trustee or the Paying Agent is located, are authorized by law to close, (c) a day on which the New York Stock Exchange is closed, or (d) such other days as may be specified in a Supplemental Indenture.

"Capitalized Interest Period" means the period of time from the date of issuance of the Series 2016 Bonds accrued through June 1, 2019.

"Closing" means, with respect to the Series 2016 Bonds, the date such Series 2016A Bonds are issued and delivered by the Issuer to the Purchaser. The Closing Date for the Series 2016 Bonds is June 16, 2016.

"Code" means the Internal Revenue Code of 1986, as amended, and the final, temporary and proposed regulations of the United States Department of the Treasury promulgated thereunder. References to Sections of the Code shall be construed also to refer to successor and renumbered sections.

"Completion Date" means the date of completion of the Public Infrastructure Improvements as determined under Section 6.3 hereof.

"Cost" or "Costs" means all costs incurred by or on behalf of the Issuer in connection with the acquisition, expansion, construction, development, improvement, equipping, planning and financing of the Public Infrastructure Improvements or any portion of the Public Infrastructure Improvements, including, without limitation, the payment or reimbursement of costs of issuance of the Series 2016 Bonds, including, without limitation, the reasonable costs of legal and financial consultants incurred by the Issuer, the Town, the Developer and the Trustee in connection with the creation of the Issuer and the issuance of the Series 2016 Bonds, and the funding of such funds and accounts as are provided in this Indenture, the cost of all lands, properties, rights, easements, franchises and permits acquired, the cost of all machinery and equipment, financing charges, interest prior to and during construction and for up to approximately three years after completion of construction, cost of engineering and legal expenses, plans, specifications and other expenses necessary or incident to construction of the Public Infrastructure Improvements.

"Counsel" means such attorney or firm of attorneys who are duly admitted to practice law before the highest court of any state of the United States of America, who, unless otherwise provided in this Indenture, may be an employee of the Issuer or the Town or an employee or officer of the Trustee.

"County" means Sullivan County, a municipal corporation of the State, together with its successors and assigns.

"Debt Service Reserve Fund" means the fund established in Section 7.1 hereof.

"Debt Service Reserve Fund Replenishment Guaranty" means the Debt Service Reserve Fund Replenishment Guaranty, dated as of June 1, 2016, by and between the Limited Guarantor, the Issuer and the Trustee, as such may be amended from time to time.

"Debt Service Reserve Requirement" means an amount equal to six (6) months of the maximum principal and interest due on the Series 2016 Bonds in the current or any future Fiscal Year.

"Developer" shall have the meaning ascribed to such term in the recitals hereto.

"Developer's Continuing Disclosure Agreement" means the Developer Continuing Disclosure Agreement, dated as of June 1, 2016, executed and delivered by Adelaar and the Administrator, and acknowledged by the Corporation and the Trustee, as such Agreement may be amended from time to time.

"Disclosure Agreements" means the Issuer's Continuing Disclosure Agreement and the Developer's Continuing Disclosure Agreement.

"Districts" means, collectively, the Drainage District, the Lighting District, the Road District, the Sewer District and the Water District.

"Drainage District" shall mean the Adelaar Resort Drainage District.

"DTC" means The Depository Trust Company, New York, New York.

"Engineer" means any independent engineering or architectural firm or individual architect or engineer retained or approved by the Issuer as Engineer for purposes of this Indenture, which Engineer may be an employee of the Issuer or the Town, unless otherwise provided in this Indenture.

"EPR" shall have the meaning ascribed to such term in the recitals hereto.

"EPT" shall have the meaning ascribed to such term in the recitals hereto.

"Event of Default" means any Event of Default specified in Section 11.1 hereof.

"Financial Consultant" means, initially, Gates Capital Corporation, and subsequently any investment banking firm or financial advisory firm knowledgeable and experienced in assessing the creditworthiness of organizations such as the Issuer or entities involved in similar transactions and acceptable to the Majority Holders.

"Fiscal Year" means the period of twelve months beginning each January 1 and ending each December 31 or such other period of twelve months as may be established by the Issuer as its annual accounting period.

"Fitch" means Fitch Ratings, Inc., its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized rating agency designated by the Issuer.

"Government Certificates" mean certificates representing ownership of either United States Treasury bond principal at maturity or coupons for accrued periods of interest, which bonds or coupons are held by a bank or trust company, organized and existing under the laws of the United States of America or any of its states acceptable to the Trustee and the Issuer, in the capacity of custodian independent of the seller of the certificates.

"Government Obligations" means (i) any bonds or other obligations of the United States of America which, as to principal and interest, constitute direct obligations of or are guaranteed by the United States of America, (ii) any bonds, debentures, participation certificates, notes or other obligations of any agency or other corporation which has been or may hereafter be created by or pursuant to an Act of Congress of the United States as an agency or instrumentality thereof, the bonds, debentures, participation certificates, notes or other obligations, (iii) any bond or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any state (a) which are not callable prior to maturity or as to which

irrevocable instructions have been given to the trustee or other fiduciary of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (b) which are secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (iii), as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) hereof which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (iii) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (iii), as appropriate; and (iv) any certificates or other evidences of an ownership interest in obligations of the character described in clauses (i) and (ii) hereof or in specific portions thereof, including, without limitation, portions consisting solely of the principal thereof or solely of the interest thereon.

"Indenture" means this Trust Indenture, by and between the Issuer and the Trustee, as it may be modified, altered, amended and supplemented from time to time in accordance with its terms.

"Interest Payment Date" means May 1 and November 1 of each year, commencing November 1, 2016.

"Issuer" means (i) The Sullivan County Infrastructure Local Development Corporation and its successors and assigns and (ii) any not-for-profit corporation resulting from or surviving any consolidation or merger to which The Sullivan County Infrastructure Local Development Corporation or its successors or assigns may be a party.

"Issuer's Continuing Disclosure Agreement" means the Corporation Continuing Disclosure Agreement, dated as of June 1, 2016, executed and delivered by the Issuer, the Trustee and the Administrator, as such Agreement may be amended from time to time.

"Land" shall have the meaning ascribed to such term in the recitals hereto.

"Letter of Representations" means the letter dated June 2, 2016, from the Issuer to DTC and any amendment or supplement thereto.

"Lighting District" means the Adelaar Resort Lighting District.

"Lien" means any interest in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including but not limited to a security interest arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" includes reservations, exceptions, encroachments, easements, rights of way, covenants, conditions, restrictions, leases and other similar encumbrances, including but not limited to, mechanics',

materialmen's, warehousemen's and carriers' liens and other similar encumbrances affecting real property. For the purposes hereof, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

"Limited Guarantor" means, EPR Properties, a Maryland Real Estate Investment Trust and its successors and assigns.

"Majority Holders" means the Beneficial Owners of more than 50% of the aggregate principal amount of Bonds Outstanding.

"Moody's" means Moody's Investors Service, Inc., its successors and assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized rating agency designated by the Issuer.

"Net Proceeds" mean the proceeds from any insurance recovery or condemnation award in respect of the Public Infrastructure Improvements that are deposited by or on behalf of the Issuer with the Trustee and remaining after payment of attorneys' fees, costs and expenses, fees and expenses of the Issuer and the Trustee and all other expenses incurred in collection of the gross proceeds.

"Opinion of Counsel" means a written opinion of any Counsel, in form and substance acceptable to the Trustee.

"Outstanding" means, at any date, the aggregate of all Bonds authorized, issued, authenticated and delivered under this Indenture, except:

- (a) Bonds cancelled or surrendered to the Trustee for cancellation;
- (b) Bonds deemed to have been paid as provided in Section 15.1 or 15.2 hereof; and
- (c) Bonds in lieu of or in substitution for which other Bonds have been authenticated and delivered pursuant to this Indenture unless proof satisfactory to the Trustee is presented that any such Bond is held by a bona fide Owner.

Bonds that are owned by the Issuer will be disregarded and deemed not to be Outstanding for the purpose of any determination hereunder; provided, however, that for the purpose of determining whether the Trustee will be protected in relying upon any request, demand, authorization, direction, notice, consent or waiver, only Bonds that a Responsible Officer of the Trustee actually knows to be so owned by the Issuer (after the Issuer has provided written notice to such effect to the Trustee) will be disregarded.

"Owner" means the Person in whose name a particular Bond is registered on the records of the Trustee.

"Parcel" means a lot or parcel of land with a tax map identification number assigned by the Town for real property tax purposes.

"Paying Agent" means any paying agent for the Bonds (and may include the Trustee) and its successor or successors appointed pursuant to the provisions of any Supplemental Indenture. Unless otherwise provided in a Supplemental Indenture, the Trustee will be the Paying Agent.

"Permitted Investments" means:

(a) Bonds, notes and other evidences of indebtedness to which the full faith and credit of the State is pledged for the payment of principal and interest or which are unconditionally guaranteed as to the payment of principal and interest by the State;

(b) Government Obligations;

(c) Government Certificates;

(d) Bonds, notes and other evidence of indebtedness of any county, city, town, district, authority or other public body of the State upon which there is no default; provided that such bonds, notes and other evidences of indebtedness are either direct obligations of, or unconditionally guaranteed by the county, city, town, district, authority or other public body and revenue bonds issued by agencies or authorities of the State or its political subdivisions upon which there is no default that are rated in one of the two highest debt rating categories by each of the Rating Agencies, without regard to any refinement or gradation of such rating category by numerical modifier or otherwise;

(e) Bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development, Asian Development Bank or African Development Bank;

(f) "Prime quality" commercial paper, with a maturity of 270 days or less, of issuing corporations organized under the laws of the United States, or of any state thereof, including paper issued by banks and bank holding companies. "Prime quality" shall be as rated by at least two of the following: Moody's, within its NCO/Moody's rating of Prime 1 (P-1), by S&P, within its rating of A-1, by Fitch, within its rating of F-1, or by their corporate successors, provided that at the time of any such investment:

(i) The issuing corporation, or its guarantor, has a net worth of at least \$50,000,000; and

(ii) The net income of the issuing corporation, or its guarantor, has averaged \$3,000,000 per year for the previous five years; and

(iii) All existing senior bonded indebtedness of the issuer, or its guarantor, is rated A or better by at least two of the following: Moody's, S&P or Fitch;

(g) Corporate notes with a rating at least Aa by Moody's and AA by S&P without regard to any numerical refinement or gradation of such rating category by numerical modifier or otherwise, with a maturity of not more than five years;

(h) Direct and general obligations of any state of the United States to the payment of principal of and interest on which the full faith and credit of such state is pledged;

(i) Certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least A-1 by S&P and P-1 by Moody's for maturities of one year or less and a rating of at least AA by S&P and Aa by Moody's for maturities longer than one year and not exceeding five years;

(j) Banker's acceptances with banks rated in one of the two highest debt rating categories by both of the Rating Agencies, without regard to any refinement or gradation of such rating category by numerical modifier or otherwise; and

(k) Such other investments as requested by the Issuer in writing and certified by the Issuer, provided they are rated in one of the two highest debt or other rating categories by both of the Rating Agencies without regard to any numerical refinement or other gradation of such rating.

(l) Investment agreements, including guaranteed investment contracts, repurchase agreements and forward delivery agreements, that are obligations of an entity whose senior long term debt obligations, deposit rating or claims-paying ability are rated, or guaranteed by an entity whose obligations are rated, (at the time the investment is entered into) not lower than A2 by Moody's or its equivalent from a Nationally Recognized Statistical Rating Organization as defined by the Securities and Exchange Commission.

Any money held by the Trustee in the Bond Fund, the Reserve Account of the Administrative Expenses Fund or in the Debt Service Reserve Fund will be separately invested and reinvested by the Trustee, at the written request of and as directed by an Authorized Issuer Representative, only in investments described in paragraphs (a), (b), (c), (d), (e), (f) and (h) above.

Investment in a money market fund or in the shares of any other management type investment company registered under the Investment Company Act of 1940, the investments of which fund or company are exclusively in obligations or securities described above, or secured by obligations or securities described above, will be considered investments in obligations described in such paragraphs, including any such fund maintained by the Trustee (including any proprietary mutual fund of the Trustee or any affiliate of the Trustee for which the Trustee or an affiliate of the Trustee serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor).

The Trustee shall not be responsible for determining whether any investment that it is directed to make by the Issuer is permitted by law.

"Person" means an individual, partnership, corporation, limited liability company, trust or unincorporated organization, and a government or agency or political subdivision or branch thereof.

"Principal Payment Date" means any date on which a payment of principal (including sinking fund installment) of the Bonds is due.

"Project" shall have the meaning ascribed to such term in the recitals hereto.

"Project Documents" means, collectively, the Indenture, the Service Agreement, the Tax Certificate and Agreement, the Series 2016 Bonds, the Bond Purchase Agreement, the Debt Service Reserve Fund Replenishment Guaranty, the Issuer's Continuing Disclosure Agreement, the Developer's Continuing Disclosure Agreement and the Administrator Agreement.

"Project Fund" means the fund established in Section 7.1 hereof.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Rating Agency" or "Rating Agencies" means Moody's, S&P and Fitch, or any of them and their successors and assigns.

"Rebate Amount" means the amount, if any, required to be rebated to the United States pursuant to Section 148(f) of the Code.

"Rebate Fund" means the fund established in Section 7.1 hereof.

"Reserve Account Requirement" means the amount required to be on deposit in the Reserve Account of the Administrative Fund as described in Section 7.2(e) hereof.

"Responsible Officer" means, when used with respect to the Trustee, any vice president, assistant vice president, senior associate or other officer of the Trustee within the corporate trust office specified in Section 16.4 hereof (or any successor corporate trust office) having direct responsibility for the administration of this Indenture.

"Revenue Fund" means the fund established in Section 7.1 hereof.

"Road District" means the Adelaar Road District.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies Inc., its successors and their assigns, and, if such entity shall for any reason no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Series 2016 Bonds" shall have the meaning ascribed to such term in the recitals hereto.

"Service Fee" shall have the meaning ascribed to such term in the Service Agreement.

"Service Agreement" shall have the meaning ascribed to such term in the recitals hereto.

"Sewer District" means the Adelaar Resort Sewer District.

"Special Assessments" shall have the meaning ascribed to such term in the Service Agreement.

"State" means the State of New York.

"Supermajority Holders" means the Beneficial Owners of more than 66^{2/3}% of the aggregate principal amount of Bonds Outstanding.

"Supplemental Indenture" means any indenture supplemental to or amendatory of this Indenture as originally executed, which is duly executed and delivered in accordance with the provisions of this Indenture.

"Tax Certificate and Agreement" means the Tax Certificate and Agreement, dated June 16, 2016, executed and delivered by the Issuer.

"Town" means the Town of Thompson, Sullivan County, New York.

"Trustee" means Manufacturers and Traders Trust Company, a New York banking corporation, and its successor or successors under this Indenture.

"Trust Estate" means all Property which may from time to time become subject to the Lien of this Indenture.

"Underwriter" means Gates Capital Corporation.

"Water District" means the Adelaar Resort Water District.

Section 1.2 Rules of Construction. Except where the context otherwise requires, (a) singular words will connote the plural number as well as the singular and vice versa, and (b) pronouns inferring the masculine gender will include the feminine and neuter genders and vice versa. All references to particular articles or sections are references to articles or sections of this Indenture unless otherwise indicated. The headings and Table of Contents in this Indenture are solely for convenience of reference and will not constitute a part of this Indenture, nor will they affect its meaning, construction or effect. All references to the payment of Bonds are references to the payment of the principal of and premium, if any, and interest on Bonds.

ARTICLE II

ESTABLISHMENT OF TRUST

Section 2.1 Establishment of Trust. In order to provide for the payment of the principal of and the premium, if any, and interest on the Bonds and to secure the performance of all of the obligations of the Issuer under the Bonds and subject to the terms of this Indenture, the

Issuer pledges, assigns and grants to the Trustee a security interest in the following (the "Trust Estate"):

(a) The funds, accounts, money and investments held by the Trustee and the Paying Agent pursuant to the terms of this Indenture, other than the Rebate Fund and the Administrative Expense Fund;

(b) All right, title and interest of the Issuer in and to the Service Agreement, including all payments, revenues and receipts payable or receivable thereunder and all liens and security interests granted thereunder; and

(c) All other property of any kind mortgaged, pledged or hypothecated by the Issuer or by anyone on its behalf and with its written consent at any time as and for additional security under this Indenture and any Supplemental Indenture in favor of the Trustee to hold and apply it subject to the terms of this Indenture and any Supplemental Indenture.

The property described above, which secures the payment of the principal of and premium, if any, and interest on the Bonds in accordance with the provisions of this Indenture, is to be held in trust for the equal and proportionate benefit and security of the Owners from time to time of the Bonds, except as otherwise provided in, and subject to its application in accordance with the terms of, this Indenture.

ARTICLE III

GENERAL TERMS AND CONDITIONS OF BONDS

Section 3.1 Authority for Indenture. This Indenture has been executed and delivered pursuant to the Bond Resolution. The Issuer has ascertained that the execution of and the transactions contemplated by this Indenture are necessary or convenient in order to undertake the Project and that each covenant or agreement in this Indenture is reasonable and proper for protecting and enforcing the rights and remedies of the Owners.

Section 3.2 Indenture Constitutes Contract. In consideration of the purchase and acceptance of the Bonds by the Owners, the provisions of this Indenture will be a part of the contract of the Issuer with the Owners of the Bonds and will constitute a contract among the Issuer, the Trustee and the Owners from time to time of the Bonds.

Section 3.3 Authorization of Series 2016 Bonds; Form and Details of Bonds.

(a) No Bonds may be authenticated and issued under the provisions of this Indenture except in accordance with Article V hereof. There are authorized to be issued the Series 2016 Bonds of the Issuer in the aggregate principal amount of up to \$110,075,000. The Series 2016 Bonds will be issued in five (5) series, the Series 2016A Bonds in the aggregate principal amount of \$64,170,000, the Series 2016B Bonds in the aggregate principal amount of \$9,170,000, the Series 2016C Bonds in the aggregate principal amount of \$9,035,000, the Series 2016D Bonds in the aggregate principal amount of \$5,935,000 and the Series 2016E Bonds in the aggregate principal amount of \$21,765,000, each as fully registered bonds, without coupons. The Series 2016A Bonds shall be sold, purchased, issued and funded on the date of the Closing.

The Series 2016B Bonds shall be sold and purchased on the date of the Closing and will be issued and funded in an additional tranche on October 3, 2016. The Series 2016C Bonds shall be sold and purchased on the date of the Closing and will be issued and funded in an additional tranche on January 3, 2017. The Series 2016D Bonds shall be sold and purchased on the date of the Closing and will be issued and funded in an additional tranche on April 3, 2017. The Series 2016E Bonds shall be sold and purchased on the date of the Closing and will be issued and funded in an additional tranche on June 1, 2017. Each Series 2016 Bond will (i) be dated the date of the Closing of the Series 2016A Bonds, (ii) be issued in Authorized Denominations; provided that if necessary to effectuate the partial redemption of any Series 2016 Bond pursuant to a Supplemental Indenture or Sections 4.3 or 4.4 hereof, Series 2016 Bonds in the principal amount equal to the unredeemed portion, but not less than \$5,000 may be issued, and (iii) be numbered from AR-1, BR-1, CR-1, DR-1 and ER-1, respectively, upwards.

The Series 2016A Bonds will bear interest from the date of the Closing, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2016 at the interest rate shown below with respect to the Series 2016A bonds and shall mature on the date and in the principal amount shown below. The Series 2016B Bonds shall bear interest from October 3, 2016, their date of issuance, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2016, at the interest rate shown below with respect to the Series 2016B bonds and shall mature on the date and in the principal amount shown below. The Series 2016C Bonds shall bear interest from January 3, 2017, their date of issuance, payable semi-annually on May 1 and November 1 of each year, commencing May 1, 2017, at the interest rate shown below with respect to the Series 2016C bonds and shall mature on the date and in the principal amount shown below. The Series 2016D Bonds shall bear interest from April 3, 2017, their date of issuance, payable semi-annually on May 1 and November 1 of each year, commencing May 1, 2017, at the interest rate shown below with respect to the Series 2016D bonds and shall mature on the date and in the principal amount shown below. The Series 2016E Bonds shall bear interest from June 1, 2017, their date of issuance, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2017, at the interest rate shown below with respect to the Series 2016E bonds and shall mature on the date and in the principal amount shown below:

<u>Series of Bonds</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>
Series 2016A-1	November 1, 2031	4.850%	\$15,085,000
Series 2016A-2	November 1, 2049	5.350	49,085,000
Series 2016B-1	November 1, 2031	4.850	2,165,000
Series 2016B-2	November 1, 2049	5.350	7,005,000
Series 2016C-1	November 1, 2031	4.850	2,115,000
Series 2016C-2	November 1, 2049	5.350	6,920,000
Series 2016D-1	November 1, 2031	4.850	1,395,000
Series 2016D-2	November 1, 2049	5.350	4,540,000
Series 2016E-1	November 1, 2031	4.850	5,110,000
Series 2016E-2	November 1, 2049	5.350	16,655,000

With the consent of and at the direction of 100% of the Owners of the Series 2016 Bonds, the Trustee shall exchange the single term Series 2016 Bond for several serial and/or term Series

2016 Bonds (the "Modified Bonds") as directed by such Owners. The maturity dates and maturity amounts of the Modified Bonds shall match the mandatory sinking fund schedule as set forth in Section 4.4 herein. The interest rate for the Modified Bonds will be the same rate borne by the single term Series 2016 Bond. The Modified Bonds will be issued in book-entry form with DTC and the expenses associated with obtaining new CUSIPs and DTC, and reasonable fees of the Trustee and the Issuer shall be paid by the Owners requesting the Modified Bonds.

(b) The principal of and redemption premium, if any, and interest on the Bonds are payable in lawful money of the United States of America. The principal of and redemption premium, if any, on the Bonds will be payable upon presentation and surrender of the Bonds at the designated corporate trust office of the Paying Agent except that, for so long as Cede & Co. or other nominee of DTC is the sole registered Owner of the Bonds, principal of and redemption premium, if any, on the Bonds will be paid as provided in the Letter of Representations. Interest on the Bonds will be paid by check or draft mailed by the Paying Agent on each interest payment date to the Owners of the Bonds at their addresses as they appear on the registration books of the Issuer maintained by the Trustee. The registered owners will be determined on the April 15 or October 15, as appropriate, which next precedes each Interest Payment Date, unless otherwise provided pursuant to a Supplemental Indenture.

Notwithstanding the foregoing, if the Owner of any Bond (i) owns at least \$1,000,000 in aggregate principal amount of Bonds and (ii) has provided satisfactory written notice regarding payment via wire transfer to the Trustee including, without limitation, the Owner's wire transfer information necessary to effect such wire transfer, then interest will be paid to such Owner by wire transfer. Interest on the Bonds will be computed on the basis of a year of 360 days of twelve 30-day months, unless otherwise provided pursuant to a Supplemental Indenture.

(c) The Series 2016 Bonds will be issued in substantially the form set forth in **Exhibit A** to this Indenture, with appropriate variations, omissions and insertions as permitted or required by this Indenture. Any Additional Bonds will be issued in substantially the form set forth in the related Supplemental Indenture. There may be endorsed on the Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law.

Section 3.4 Book Entry Provisions.

(a) The Bonds will be issued in fully registered form and registered in the name of Cede & Co., a nominee of DTC, and immobilized in the custody of DTC physically or through DTC's FAST System. One fully registered Bond for all fungible bonds of a series and maturity will be registered to Cede & Co. Beneficial Owners will not receive physical delivery of Bonds. Individual purchases of Bonds may be made in book-entry form only in original principal amounts of Authorized Denominations, subject to Section 3.3(a) hereof. Payments of the principal of and premium, if any, and interest on the Bonds will be made to DTC or its nominee as registered owner of the Bonds on the applicable payment date.

Transfer of the payments of the principal of and redemption premium, if any, and interest on the Bonds to the participants of DTC, which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations (the "Participants"), is the

responsibility of DTC. Transfer of the payments of the principal of and redemption premium, if any, and interest on the Bonds to their Beneficial Owners by the Participants is the responsibility of the Participants and other nominees of the Beneficial Owners.

Transfer of ownership interest in the Bonds will be made by DTC and its Participants, acting as nominees of the Beneficial Owners of the Bonds, in accordance with rules specified by DTC and its Participants. Neither the Issuer nor the Trustee makes any assurances that DTC, its Participants or other nominees of the Beneficial Owners of the Bonds will act in accordance with those rules or on a timely basis. For every transfer and exchange of beneficial ownership interest in the Bonds, the Beneficial Owner may be charged sums sufficient to cover any tax, fee or other governmental charge that may be imposed in relation to it.

THE ISSUER, THE PAYING AGENT AND THE TRUSTEE DISCLAIM ANY RESPONSIBILITY OR OBLIGATIONS TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (i) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT, (ii) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THE BONDS, (iii) THE DELIVERY BY DTC OR ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS INDENTURE TO BE GIVEN TO BONDHOLDERS, (iv) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS, OR (v) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

So long as Cede & Co., or its successor, is the registered owner of the Bonds, as nominee of DTC, references in this Indenture to the Owners of the Bonds means Cede & Co. and does not mean the Beneficial Owners of the Bonds.

(b) The Issuer will appoint a substitute securities depository in the event that:

(i) DTC determines not to continue to act as securities depository for the Bonds; or

(ii) The Trustee (at the written direction of the Owners of 100% of the Bonds) or the Issuer has determined to use a substitute securities depository.

(c) Replacement Bonds (the "Replacement Bonds") will be issued directly to Beneficial Owners of the Bonds but only in the event that:

(i) under the circumstances described in (b)(i) or (b)(ii) above, the Issuer is unable to locate another qualified securities depository; or

(ii) The Trustee (at the written direction of the Owners of 100% of the Bonds) or the Issuer has determined not to continue the book-entry system of transfer.

Replacement Bonds will be substantially in the form set forth in **Exhibit A** to this Indenture. In the event the Trustee or the Issuer makes the determination described in clauses

(c)(i) or (c)(ii) above (the Trustee and the Issuer undertake no obligation to make any investigation to determine the occurrence of any events that would permit the Trustee or the Issuer to make any such determination) and the Trustee or the Issuer has made provisions to notify the Beneficial Owners of Bonds by mailing an appropriate notice to DTC, the Issuer will execute and the Trustee will, upon receipt of Issuer's written request in writing, authenticate and deliver to the Participants, the appropriate Replacement Bonds to which the Participants are entitled. The Trustee is entitled to conclusively rely on the records provided by DTC as to the Participants entitled to receive Replacement Bonds.

Section 3.5 Payment of Bonds; Special Obligations. The principal of and redemption premium, if any, and interest on the Bonds will be payable in lawful money of the United States of America, but only from the amounts received by the Issuer pursuant to the Service Agreement. If the date of maturity of the principal of any Bonds or the date fixed for the payment of interest on or the redemption of any Bonds is not a Business Day, then payment of the principal and premium, if any, and interest need not be made on such date, but may be made on the next succeeding Business Day, and, if made on such next succeeding Business Day, no additional interest will accrue for the period after such date of maturity or date fixed for redemption.

The Bonds do not constitute a pledge of the faith and credit of the Issuer and the premium, if any, and interest thereon shall be special obligations of the Issuer payable solely from the Trust Estate. THE BONDS AND INTEREST THEREON ARE NOT A DEBT OF THE STATE, THE COUNTY, OR OF ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER), THE TOWN AND NEITHER THE STATE, THE TOWN (INCLUDING ANY SPECIAL IMPROVEMENT DISTRICTS THEREIN), THE COUNTY NOR ANY SUCH POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) SHALL BE LIABLE THEREON.

Section 3.6 Execution of Bonds. The Bonds will be executed on behalf of the Issuer by, or bear the facsimile signature of, an Authorized Issuer Representative, and the seal, if any, of the Issuer (which may be a facsimile) will be affixed (or reproduced, imprinted or engraved if a facsimile).

If any of the officers who have signed or sealed any of the Bonds or whose facsimile signature is on the Bonds ceases to be an officer of the Issuer before the Bonds so signed and sealed have been actually authenticated by the Trustee or delivered by the Issuer, the Bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the person or persons who signed or sealed the Bonds or whose facsimile signature is on the Bonds had not ceased to be an officer of the Issuer. Any Bond may be signed and sealed on behalf of the Issuer by those persons who, at the actual date of the execution of the Bond, are an Authorized Issuer Representative, although at the date of the Bond they were not officers of the Issuer.

Section 3.7 Authentication of Bonds. No Bond will be secured by this Indenture or be valid for any purpose unless there is endorsed on the Bond the Trustee's certificate of authentication, substantially in the form provided in **Exhibit A** hereto. The Trustee will authenticate each Bond with the signature of an authorized representative of the Trustee, but it

will not be necessary for the same person to authenticate all of the Bonds. The Trustee's certificate of authentication on any Bond issued by the Issuer will be conclusive evidence and the only competent evidence that the Bond has been duly authenticated and delivered under this Indenture.

Section 3.8 Registration, Transfer and Exchange. The Issuer will cause books for the registration and registration of transfer or exchange of the Bonds to be kept at the designated corporate trust office of the Trustee. The Issuer appoints the Trustee as its registrar and transfer agent to keep such books and to make registrations and registrations of transfer or exchange under such reasonable regulations as the Issuer or the Trustee may prescribe.

Upon surrender for registration of transfer or exchange of any Bond at the designated corporate trust office of the Trustee, the Issuer will execute and the Trustee will authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of like date, tenor and of any Authorized Denomination for the aggregate principal amount which the Owner is entitled to receive, subject in each case to such reasonable regulations as the Issuer or the Trustee may prescribe. All Bonds presented for registration of transfer, exchange, redemption or payment will be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance satisfactory to the Issuer and the Trustee, duly executed by the registered Owner or by the Owner's duly authorized attorney-in-fact or legal representative. No Bond may be registered to bearer.

New Bonds delivered upon any transfer or exchange will be valid limited obligations of the Issuer evidencing the same debt as the Bonds surrendered and will be secured by this Indenture and entitled to the benefits of this Indenture to the same extent as the Bonds surrendered. Registrations of transfers or exchange shall be made by the Trustee within such time periods as are customary in the municipal securities industry.

Section 3.9 Charges for Exchange or Transfer. Except as provided in Section 3.10, no charge will be made for any registration of transfer or exchange of Bonds, but the Issuer or the Trustee may require payment by the Owner of the Bonds of a sum sufficient to cover any applicable tax, fee or other governmental charge that may be imposed in relation to it.

Section 3.10 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Outstanding Bond is mutilated, lost, stolen or destroyed, the Issuer will execute, and, upon the Issuer's request in writing, the Trustee will authenticate and deliver, a replacement Bond in the same principal amount and maturity and of like tenor as the mutilated, lost, stolen or destroyed Bond in exchange and substitution for a mutilated Bond, or in lieu of and substitution for a lost, stolen or destroyed Bond.

Application for exchange and substitution of mutilated, lost, stolen or destroyed Bonds will be made to the Trustee at its designated corporate trust office and the applicant will furnish to the Issuer and the Trustee security or indemnification to their satisfaction. In every case of loss, theft or destruction of a Bond, the applicant will also furnish to the Issuer and the Trustee evidence to their satisfaction of the loss, theft or destruction and of the identity of the applicant, and in every case of mutilation of a Bond, the applicant will surrender the Bond so mutilated for cancellation.

Notwithstanding the foregoing provisions of this Section, in the event any Bond has matured and no default has occurred which is then continuing in the payment of the principal of or premium, if any, or interest on the Bond, the Issuer may authorize the payment of the Bond (without surrender except in the case of a mutilated Bond) instead of issuing a substitute Bond, provided the evidence described above and the security or indemnification is furnished as provided in this Section.

The Issuer and the Trustee may charge the Owner their reasonable fees and expenses (including reasonable attorneys' fees, costs and expenses) in connection with the issuance of any substitute Bond. Every substitute Bond issued pursuant to the provisions of this Section will constitute a contractual limited obligation of the Issuer, whether or not the lost, stolen or destroyed Bond is found or delivered at any time, or is enforceable by anyone, and will be entitled to all of the benefits of this Indenture equally and proportionally with any and all other Bonds duly issued under this Indenture to the same extent as the Bond in substitution for which such substitute Bond was issued.

The provisions of this Section are exclusive and will preclude (to the extent lawful) all of the rights and remedies with respect to the payment of mutilated, lost, stolen, or destroyed Bonds, including those granted by any law or statute now existing or hereafter enacted.

Section 3.11 Destruction of Bonds. Any temporary or mutilated Bond surrendered to the Trustee, or any Bond redeemed or paid at maturity, or any Bond delivered for transfer, exchange or replacement, or purchased pursuant to instructions from the Issuer, shall be destroyed and the Trustee shall, upon written request of the Issuer, deliver a certificate of destruction of such Bond to the Issuer.

Section 3.12 Application of Proceeds of Series 2016 Bonds.

(a) On the date of Closing, the Trustee will apply the proceeds from the Series 2016A Bonds as follows:

(1) The sum of \$285,000 of the proceeds of the Series 2016A Bonds in the Administration Account of the Administrative Expense Fund;

(2) The sum of \$95,000 of the proceeds of the Series 2016A Bonds in the Reserve Account of the Administrative Expense Fund;

(3) The sum of \$9,933,107.09 of the proceeds of the Series 2016A Bonds will be deposited in the Capitalized Interest Account of the Project Fund;

(4) The sum of \$7,283,555.59 of the proceeds of the Series 2016A Bonds will be deposited in the Sewer District Subaccount of the Construction Account of the Project Fund;

(5) The sum of \$8,571,982.48 of the proceeds of the Series 2016A Bonds will be deposited in the Water District Subaccount of the Construction Account of the Project Fund;

(6) The sum of \$8,673,133.29 of the proceeds of the Series 2016A Bonds will be deposited in the Drainage District Subaccount of the Construction Account of the Project Fund;

(7) The sum of \$8,308,337.56 of the proceeds of the Series 2016A Bonds will be deposited in the Lighting District Subaccount of the Construction Account of the Project Fund;

(8) The sum of \$18,515,803.98 of the proceeds of the Series 2016A Bonds will be deposited in the Road District Subaccount of the Construction Account of the Project Fund; and

(9) The sum of \$1,388,330.01 of the proceeds of the Series 2016A Bonds will be deposited in the Cost of Issuance Account of the Project Fund.

(b) Subject to satisfaction of the conditions set forth in the Bond Purchase Agreement, on October 3, 2016, the Trustee will apply the proceeds from the Series 2016B Bonds as follows:

(1) The sum of \$1,276,721.29 of the proceeds of the Series 2016B Bonds will be deposited in the Capitalized Interest Account of the Project Fund;

(2) The sum of \$3,325.93 of the proceeds of the Series 2016B Bonds will be deposited in the Cost of Issuance Account of the Project Fund;

(3) The sum of \$1,951,948.50 of the proceeds of the Series 2016B Bonds will be deposited in the Sewer District Subaccount of the Construction Account of the Project Fund;

(4) The sum of \$1,857,930.90 of the proceeds of the Series 2016B Bonds will be deposited in the Water District Subaccount of the Construction Account of the Project Fund;

(5) The sum of \$1,281,641.22 of the proceeds of the Series 2016B Bonds will be deposited in the Drainage District Subaccount of the Construction Account of the Project Fund;

(6) The sum of \$560,832.93 of the proceeds of the Series 2016B Bonds will be deposited in the Lighting District Subaccount of the Construction Account of the Project Fund; and

(7) The sum of \$2,237,599.23 of the proceeds of the Series 2016B Bonds will be deposited in the Road District Subaccount of the Construction Account of the Project Fund.

(c) Subject to satisfaction of the conditions set forth in the Bond Purchase Agreement, on January 3, 2017, the Trustee will apply the proceeds from the Series 2016C Bonds as follows:

(1) The sum of \$1,139,967.30 of the proceeds of the Series 2016C Bonds will be deposited in the Capitalized Interest Account of the Project Fund;

(2) The sum of \$5,079.92 of the proceeds of the Series 2016C Bonds will be deposited in the Cost of Issuance Account of the Project Fund;

(3) The sum of \$1,951,948.50 of the proceeds of the Series 2016C Bonds will be deposited in the Sewer District Subaccount of the Construction Account of the Project Fund;

(4) The sum of \$1,857,930.90 of the proceeds of the Series 2016C Bonds will be deposited in the Water District Subaccount of the Construction Account of the Project Fund;

(5) The sum of \$1,281,641.22 of the proceeds of the Series 2016C Bonds will be deposited in the Drainage District Subaccount of the Construction Account of the Project Fund;

(6) The sum of \$560,832.93 of the proceeds of the Series 2016C Bonds will be deposited in the Lighting District Subaccount of the Construction Account of the Project Fund; and

(7) The sum of \$2,237,599.23 of the proceeds of the Series 2016C Bonds will be deposited in the Road District Subaccount of the Construction Account of the Project Fund.

(d) Subject to satisfaction of the conditions set forth in the Bond Purchase Agreement, on April 3, 2017, the Trustee will apply the proceeds from the Series 2016D Bonds as follows:

(1) The sum of \$671,127.66 of the proceeds of the Series 2016D Bonds will be deposited in the Capitalized Interest Account of the Project Fund;

(2) The sum of \$3,903.82 of the proceeds of the Series 2016D Bonds will be deposited in the Cost of Issuance Account of the Project Fund;

(3) The sum of \$1,301,299.00 of the proceeds of the Series 2016D Bonds will be deposited in the Sewer District Subaccount of the Construction Account of the Project Fund;

(4) The sum of \$1,238,620.60 of the proceeds of the Series 2016D Bonds will be deposited in the Water District Subaccount of the Construction Account of the Project Fund;

(5) The sum of \$854,427.48 of the proceeds of the Series 2016D Bonds will be deposited in the Drainage District Subaccount of the Construction Account of the Project Fund;

(6) The sum of \$373,888.62 of the proceeds of the Series 2016D Bonds will be deposited in the Lighting District Subaccount of the Construction Account of the Project Fund; and

(7) The sum of \$1,491,732.82 of the proceeds of the Series 2016D Bonds will be deposited in the Road District Subaccount of the Construction Account of the Project Fund.

(e) Subject to satisfaction of the conditions set forth in the Bond Purchase Agreement, on June 1, 2017, the Trustee will apply the proceeds from the Series 2016E Bonds as follows:

(1) The sum of \$2,277,755.02 of the proceeds of the Series 2016E Bonds will be deposited in the Capitalized Interest Account of the Project Fund;

(2) The sum of \$3,536.92 of the proceeds of the Series 2016E Bonds will be deposited in the Cost of Issuance Account of the Project Fund;

(3) The sum of \$3,903,897.00 of the proceeds of the Series 2016E Bonds will be deposited in the Sewer District Subaccount of the Construction Account of the Project Fund;

(4) The sum of \$3,715,861.80 of the proceeds of the Series 2016E Bonds will be deposited in the Water District Subaccount of the Construction Account of the Project Fund;

(5) The sum of \$2,563,282.44 of the proceeds of the Series 2016E Bonds will be deposited in the Drainage District Subaccount of the Construction Account of the Project Fund;

(6) The sum of \$1,121,665.86 of the proceeds of the Series 2016E Bonds will be deposited in the Lighting District Subaccount of the Construction Account of the Project Fund;

(7) The sum of \$4,475,198.46 of the proceeds of the Series 2016E Bonds will be deposited in the Road District Subaccount of the Construction Account of the Project Fund; and

(8) The sum of \$3,703,802.50 of the proceeds of the Series 2016E Bonds will be deposited in the Debt Service Reserve Fund.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.1 Redemption of Bonds. The Bonds may not be called for mandatory redemption or redemption at the option of the Issuer except as provided in this Article IV or, solely with respect to Additional Bonds, in a Supplemental Indenture.

Section 4.2 Optional Redemption of the Series 2016 Bonds. The Series 2016 Bonds are subject to redemption by the Issuer on or after November 1, 2026, in whole or in part at any time, at a Redemption Price equal to 100% of the principal amount of each Series 2016 Bond or portion thereof to be redeemed, plus accrued interest, if any, to the date fixed for redemption.

The Issuer shall give the Trustee written notice of its exercise of its option to redeem the Series 2016 Bonds at least 45 days before the date fixed for redemption.

Section 4.3 Special Mandatory Redemption of Series 2016 Bonds. The Series 2016 Bonds are subject to special mandatory redemption in whole or in part at any time in minimum amounts of \$5,000, at a redemption price equal to the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption by application of money remaining on or after the Completion Date in the various subaccounts of the Construction Account of the Project Fund not reserved by the Issuer for the payment of any remaining part of the Public Infrastructure Improvements or from any amounts in the Net Proceeds Account which shall be transferred to the Redemption Account of the Bond Fund in accordance with Section 6.3 hereof and applied to the redemption of the Series 2016 Bonds.

Section 4.4 Mandatory Sinking Fund Redemption of Series 2016 Bonds.

(a) The Series 2016A Bonds are required to be redeemed in part before maturity by the Issuer on November 1 in the years and amounts set forth below, at a redemption price equal to the principal amount of the Series 2016A Bonds to be redeemed, plus accrued interest to the redemption date:

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
2020	\$ 955,000	2035	\$1,975,000
2021	1,005,000	2036	2,080,000
2022	1,050,000	2037	2,190,000
2023	1,100,000	2038	2,310,000
2024	1,155,000	2039	2,430,000
2025	1,215,000	2040	2,560,000
2026	1,270,000	2041	2,700,000
2027	1,330,000	2042	2,845,000
2028	1,395,000	2043	2,995,000
2029	1,465,000	2044	3,155,000
2030	1,535,000	2045	3,325,000
2031	1,610,000	2046	3,505,000
2032	1,690,000	2047	3,690,000
2033	1,780,000	2048	3,885,000
2034	1,875,000	2049	4,095,000

* Final Maturity

The amount of the Series 2016A Bonds to be redeemed pursuant to mandatory sinking fund redemption may be reduced in accordance with the provisions of Section 7.3(b) hereof.

(b) The Series 2016B Bonds are required to be redeemed in part before maturity by the Issuer on November 1 in the years and amounts set forth below, at a redemption price equal to the principal amount of the Series 2016B Bonds to be redeemed, plus accrued interest to the redemption date:

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
2020	\$135,000	2035	\$280,000
2021	145,000	2036	295,000
2022	150,000	2037	315,000
2023	160,000	2038	330,000
2024	165,000	2039	345,000
2025	175,000	2040	365,000
2026	185,000	2041	385,000
2027	190,000	2042	405,000
2028	200,000	2043	430,000
2029	210,000	2044	450,000
2030	220,000	2045	475,000
2031	230,000	2046	500,000
2032	240,000	2047	525,000
2033	255,000	2048	555,000
2034	270,000	2049	585,000

* Final Maturity

The amount of the Series 2016B Bonds to be redeemed pursuant to mandatory sinking fund redemption may be reduced in accordance with the provisions of Section 7.3(b) hereof.

(c) The Series 2016C Bonds are required to be redeemed in part before maturity by the Issuer on November 1 in the years and amounts set forth below, at a redemption price equal to the principal amount of the Series 2016C Bonds to be redeemed, plus accrued interest to the redemption date:

Redemption Date	Principal Amount	Redemption Date	Principal Amount
2020	\$135,000	2035	\$280,000
2021	140,000	2036	295,000
2022	150,000	2037	310,000
2023	155,000	2038	325,000
2024	160,000	2039	345,000
2025	170,000	2040	360,000
2026	180,000	2041	380,000
2027	185,000	2042	400,000
2028	195,000	2043	420,000
2029	205,000	2044	445,000
2030	215,000	2045	470,000
2031	225,000	2046	495,000
2032	240,000	2047	520,000
2033	250,000	2048	545,000
2034	265,000	2049	575,000

* Final Maturity

The amount of the Series 2016C Bonds to be redeemed pursuant to mandatory sinking fund redemption may be reduced in accordance with the provisions of Section 7.3(b) hereof.

(d) The Series 2016D Bonds are required to be redeemed in part before maturity by the Issuer on November 1 in the years and amounts set forth below, at a redemption price equal to the principal amount of the Series 2016D Bonds to be redeemed, plus accrued interest to the redemption date:

Redemption Date	Principal Amount	Redemption Date	Principal Amount
2020	\$ 90,000	2035	\$185,000
2021	95,000	2036	195,000
2022	100,000	2037	200,000
2023	100,000	2038	215,000
2024	105,000	2039	225,000
2025	110,000	2040	235,000
2026	115,000	2041	250,000
2027	125,000	2042	265,000
2028	130,000	2043	275,000
2029	135,000	2044	290,000
2030	140,000	2045	305,000
2031	150,000	2046	325,000
2032	155,000	2047	340,000
2033	165,000	2048	360,000
2034	175,000	2049	380,000

* Final Maturity

The amount of the Series 2016D Bonds to be redeemed pursuant to mandatory sinking fund redemption may be reduced in accordance with the provisions of Section 7.3(b) hereof.

(e) The Series 2016E Bonds are required to be redeemed in part before maturity by the Issuer on November 1 in the years and amounts set forth below, at a redemption price equal to the principal amount of the Series 2016E Bonds to be redeemed, plus accrued interest to the redemption date:

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
2020	\$325,000	2035	\$ 670,000
2021	340,000	2036	705,000
2022	355,000	2037	745,000
2023	375,000	2038	785,000
2024	390,000	2039	825,000
2025	410,000	2040	870,000
2026	430,000	2041	915,000
2027	450,000	2042	965,000
2028	475,000	2043	1,015,000
2029	495,000	2044	1,070,000
2030	520,000	2045	1,125,000
2031	545,000	2046	1,190,000
2032	575,000	2047	1,250,000
2033	605,000	2048	1,320,000
2034	635,000	2049	1,390,000

* Final Maturity

The amount of the Series 2016E Bonds to be redeemed pursuant to mandatory sinking fund redemption may be reduced in accordance with the provisions of Section 7.3(b) hereof.

Section 4.5 Selection of Bonds for Redemption. If less than all Bonds are to be redeemed, the Bonds to be called for redemption shall be selected by the Trustee by lot, subject to the requirements of DTC.

Section 4.6 Notice of Redemption. In the case of any redemption of Bonds, the Trustee will give in its own name or in the name of the Issuer, notice, as provided for in this Section, that the Bonds (which shall be identified by maturity and CUSIP numbers) have been called for redemption and, in the case of Bonds to be redeemed in part only, the principal amount of the Bonds that have been called for redemption, that they will be due and payable on the date fixed for redemption (specifying the date) upon surrender of the Bonds at the designated corporate trust office of the Trustee, at the applicable redemption price (specifying the price) together with any accrued interest to such date, and that all interest on the Bonds to be redeemed will cease to accrue on and after such date.

If at the time of the mailing of the notice of optional redemption the Issuer shall not have deposited with the Trustee money that together with the maturing principal of and interest on any securities also deposited shall be sufficient to redeem all the Bonds called for optional redemption, such notice may state that it is conditional and subject to the deposit or transfer of the redemption money with the Trustee not later than the opening of business on the redemption date, and that such notice shall be of no effect unless such money is so deposited.

Such notice will be mailed postage prepaid, not less than thirty (30) nor more than sixty (60) days before the date fixed for redemption, to the Owners of the Bonds called for redemption, at their respective addresses as they appear on the registration books maintained by the Trustee. The receipt of notice will not be a condition precedent to the redemption, and failure to mail any notice to an Owner will not affect the validity of the proceedings for the redemption of Bonds of any other Owner.

Section 4.7 Payment of Redeemed Bonds. If notice of redemption has been given as provided in Section 4.6 hereof, the Bonds called for redemption will be due and payable on the date fixed for redemption at a redemption price equal to the principal amount of and premium, if any, on said Bonds, together with accrued interest to the date fixed for redemption. Payment of the redemption price will be made by the Paying Agent upon surrender of the Bonds. If less than the full principal amount of a Bond is called for redemption, the Issuer will execute and deliver and the Trustee will authenticate, upon surrender of the Bond, and without charge to the Owner, Bonds for the unredeemed portion of the principal amount of the Bond so surrendered.

If any Bond has been duly called for redemption and payment of the principal of and premium, if any, and unpaid interest accrued to the date fixed for redemption on the Bond has been made or provided for, then, notwithstanding that the Bond called for redemption has not been surrendered for cancellation, interest on the Bond will cease to accrue from the redemption date, and, from and after the redemption date, said Bond will no longer be entitled to any lien, benefit or security under this Indenture, and its Owner will have no rights in respect of the Bond except to receive payment of the principal of and redemption premium, if any, and unpaid interest accrued thereon to the date fixed for redemption.

ARTICLE V

ISSUANCE OF BONDS

Section 5.1 Issuance of Bonds.

(a) The Issuer will not issue any bonds, notes or other evidences of indebtedness or incur any obligation or indebtedness which will be secured by a Lien on the Trust Estate or other funds pledged by this Indenture to the payment of the Bonds except for Bonds issued under and in accordance with this Indenture; provided, however, that nothing contained in this Indenture will prevent the Issuer from issuing or incurring indebtedness payable out of or secured by a Lien on the Trust Estate to be derived on and after the date the Lien on the Trust Estate as provided in this Indenture is discharged as provided in Section 15.1 hereof.

(b) Subject to the provisions set forth in subsection (a) of this Section, the Issuer may issue from time to time bonds, notes and other evidences of indebtedness for any lawful purpose.

Section 5.2 Security for Bonds. This Indenture constitutes a continuing, irrevocable pledge of the Trust Estate of the Issuer pledged in Article II to secure payment of the principal of and redemption premium, if any, and interest on all Bonds that may, from time to time, be executed, authenticated and delivered under this Indenture. Except as otherwise provided in this

Indenture, Bonds will in all respects be equally and ratably secured under this Indenture with other Bonds without preference, priority or distinction on account of the time of their authentication, delivery or maturity, so that Bonds at any time Outstanding under this Indenture will have the same right, lien and preference under this Indenture with like effect as if they had all been executed, authenticated and delivered simultaneously with other Bonds.

Section 5.3 Delivery of Bonds.

(a) Upon the execution and delivery of this Indenture, the Issuer shall on the date of Closing execute and deliver the Series 2016A Bonds to the Trustee and the Trustee shall authenticate the Series 2016A Bonds and deliver them to the Purchaser in accordance with the directions of the Issuer and the provisions of this Section 5.3. On October 3, 2016, the Issuer shall execute and deliver the Series 2016B Bonds and deliver them to the Trustee and the Trustee shall authenticate the Series 2016B Bonds and deliver them to the Purchaser in accordance with the directions of the Issuer and the provisions of this Section 5.3. On January 3, 2017, the Issuer shall execute and deliver the Series 2016C Bonds and deliver them to the Trustee and the Trustee shall authenticate the Series 2016C Bonds and deliver them to the Purchaser in accordance with the directions of the Issuer and the provisions of this Section 5.3. On April 3, 2017, the Issuer shall execute and deliver the Series 2016D Bonds and deliver them to the Trustee and the Trustee shall authenticate the Series 2016D Bonds and deliver them to the Purchaser in accordance with the directions of the Issuer and the provisions of this Section 5.3. On June 1, 2017, the Issuer shall execute and deliver the Series 2016E Bonds and deliver them to the Trustee and the Trustee shall authenticate the Series 2016E Bonds and deliver them to the Purchaser in accordance with the directions of the Issuer and the provisions of this Section 5.3.

(b) Prior to or simultaneously with the issuance and authentication of any Bonds by the Trustee, the Issuer will deliver or cause to be delivered to the Trustee:

(i) An original executed counterpart of this Indenture and the other Project Documents;

(ii) A certified copy of the Bond Resolution of the Issuer authorizing the issuance of the Series 2016 Bonds and the execution and delivery of this Indenture and any other document to which the Issuer is a party;

(iii) An Opinion or Opinions of Counsel, who is not an employee of the Issuer or the Trustee, dated as of the Closing Date, subject to customary exceptions and qualifications, to the effect that this Indenture and other Project Documents to which the Issuer is a party has been duly authorized, executed and delivered by the Issuer;

(iv) An opinion of Bond Counsel, dated as of the Closing Date, subject to customary exceptions and qualifications, to the effect that the issuance of the Series 2016 Bonds has been duly authorized, that the Series 2016 Bonds are valid and binding limited obligations of the Issuer entitled to the benefits and security of this Indenture and that the interest on the Series 2016 Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes;

(v) An opinion of counsel to the Trustee, dated as of the Closing Date, subject to customary exceptions and qualifications, as to the valid existence of the Trustee, the due authorization, execution and delivery by the Trustee of this Indenture and such other matters as the Issuer, the Underwriter or Bond Counsel may reasonably request;

(vi) An opinion of counsel to the Developer, dated as of the Closing Date, subject to customary exceptions and qualifications, as to the valid existence of the Developer, the due authorization, execution and delivery by the Developer of the Project Documents to which it is a party and such other matters as the Issuer, the Underwriter, the Trustee or Bond Counsel may reasonably request;

(vii) An opinion of counsel to the Town, dated as of the Closing Date, subject to customary exceptions and qualifications, as to the valid existence of the Town, the due authorization, execution and delivery by the Town of the Project Documents to which it is a party and such other matters as the Issuer, the Underwriter, the Trustee or Bond Counsel may reasonably request;

(viii) A request and authorization of the Issuer, signed by an Authorized Issuer Representative, to the Trustee and the Paying Agent to authenticate and deliver the Series 2016 Bonds as directed in the request upon payment to the Trustee for the account of the Issuer of the amount specified in the request;

(ix) A certificate of an Authorized Issuer Representative that no Event of Default exists under the provisions of the Indenture and that no condition exists, that with the passage of time or the giving of notice would become an Event of Default under the Indenture;

(x) A certificate of the Underwriter for the Series 2016 Bonds as to the Debt Service Reserve Requirement; and

(xi) such other documents as the Trustee, its counsel, the Issuer, its counsel or Bond Counsel may reasonably require.

(c) Additional Bonds may be issued in Authorized Denominations under this Indenture for the purpose of refunding or defeasing Outstanding Bonds, providing funds to the Issuer to purchase Outstanding Bonds or, upon obtaining the consent of the Supermajority Holders, to finance the construction of the Public Infrastructure Improvements. Before the issuance and authentication of any such Additional Bonds, the Issuer will deliver or cause to be delivered to the Trustee:

(i) An executed Supplemental Indenture authorizing the issuance of such Additional Bonds and setting forth their terms;

(ii) A certified copy of a resolution of the Issuer authorizing the execution and delivery of the Additional Bonds and the Supplemental Indenture;

(iii) An Opinion or Opinions of Counsel to the Issuer, who is not an employee of the Issuer or the Trustee, subject to customary exceptions and qualifications, to the effect that the Supplemental Indenture has been duly authorized, executed and delivered by the Issuer;

(iv) An opinion of Bond Counsel, subject to customary exceptions and qualifications, to the effect that the issuance of such Additional Bonds has been duly authorized, that the Additional Bonds are valid and binding limited obligations of the Issuer entitled to the benefits and security of this Indenture and that the issuance of such Additional Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2016 Bonds;

(v) A request and authorization of the Issuer, signed by an Authorized Issuer Representative, to the Trustee and the Paying Agent to authenticate and deliver such Additional Bonds upon payment to the Trustee for the account of the Issuer of the amount specified in such request;

(vi) A certificate of an Authorized Issuer Representative that no Event of Default exists under the provisions of the Indenture and that no condition exists, that with the passage of time or the giving of notice would become an Event of Default hereunder;

(vii) With respect to Additional Bonds to finance construction of the Public Infrastructure Improvements, a certificate of an Authorized Developer Representative certifying that all Public Infrastructure Improvements to have been financed in their entirety with the proceeds of Bonds previously issued have been completed, except if such Additional Bonds are issued to complete the Public Infrastructure Improvements;

(viii) With respect to Additional Bonds to finance construction of the Public Infrastructure Improvements, evidence that the Debt Service Reserve Fund has been fully funded or will be fully funded upon issuance of the proposed Additional Bonds;

(ix) With respect to Additional Bonds to finance construction of the Public Infrastructure Improvements, the Issuer shall obtain a valuation (the "Valuation") of all property within the District subject to the Special Assessments based upon either, or a combination of, (1) an appraisal by an appraiser acceptable to the Issuer who is a member of the Appraisal Institute or (2) the full value of such property as determined through the Town's property tax assessment process and application of the State equalization rate established for the applicable tax roll, demonstrating the amount of the appraised fair market value or the aggregate assessed value, as the case may be. The amount of the Valuation shall be not less than three (3) times the aggregate of the principal amount of all Outstanding Bonds and the proposed Additional Bonds. In addition, the Service Agreement shall be amended such that the Town shall have agreed therein to levy additional Special Assessments necessary to pay the debt service on such Additional Bonds, together with any issuance costs associated with the Additional Bonds;

(x) Evidence satisfactory to the Trustee that the Issuer has made provision as required by the Indenture for the payment or redemption of any Bonds of the Issuer to be refunded;

(xi) In the case of Additional Bonds issued to purchase or refund Outstanding Bonds, a written determination by a firm of independent certified public accountants or of financial consultants that the proceeds (excluding accrued interest) of the Additional Bonds, together with any other money deposited with the Trustee for such purpose and the investment income to be earned on funds held by the Trustee for payment or redemption of any Bonds of the Issuer to be purchased or refunded, will be sufficient to pay, whether upon redemption or at maturity, the principal of and redemption premium, if any, and interest on the Bonds of the Issuer to be purchased or refunded and unless otherwise provided for, the estimated expenses incident to the payment or refunding;

(xii) In the case of Additional Bonds issued to purchase or refund Outstanding Bonds, a written determination by a firm of independent certified public accountants or of financial consultants that after the issuance of the Additional Bonds and the provision for payment or redemption of all Bonds of the Issuer to be refunded or paid, either (A) the Debt Service for each Fiscal Year in which there will be Outstanding Bonds not to be refunded or paid will not be more than the Debt Service for such Fiscal Year on all Outstanding Bonds immediately before the issuance of the Additional Bonds, including the Bonds of the Issuer to be refunded or paid or (B) net present value savings shall be achieved with respect to the Bonds being refunded or paid and the Service Fee shall be sufficient to cover debt service on all Outstanding Bonds;

(xiii) A certificate of the underwriter for the Additional Bonds as to the Debt Service Reserve Requirement; and

(xiv) such other documents as the Trustee, its counsel, the Issuer, its counsel or Bond Counsel may reasonably require.

ARTICLE VI

PROJECT FUND

Section 6.1 Project Fund; Capitalized Interest Account. The Trustee will deposit into each account of the Project Fund (a) the portion of the proceeds of the Series 2016 Bonds specified in Section 3.12 hereof and (b) any Net Proceeds to be used to repair, reconstruct or restore any portion of the Public Infrastructure Improvements as directed by the Issuer.

In accordance with Section 7.2 hereof, the Trustee will transfer money in the Capitalized Interest Account to the Interest Account of the Bond Fund on or before each Interest Payment Date.

Interest earned on and any profit realized from the investment of money in the Capitalized Interest Account will be retained in the Capitalized Interest Account and used to make the transfers described above. Any amounts remaining after the Interest Payment Date on

June 1, 2019, shall be transferred to the Interest Account of the Bond Fund to be applied to the payment of interest on the Series 2016 Bonds, or, if Bond Counsel requires and written notice of such requirement is delivered prior to June 1, 2019, to the Redemption Account of the Bond Fund to be used to redeem Series 2016 Bonds in accordance with Section 4.3 hereof.

Section 6.2 Payments from Project Fund. The Trustee will use money in the various subaccounts created under the Construction Account of the Project Fund to pay Costs as evidenced by the requisitions and certificates provided for in this Section 6.2. As conditions precedent to each disbursement from various subaccounts of the Construction Account of the Project Fund and the Net Proceeds Account of the Project Fund, the Issuer will file or cause to be filed with the Trustee an executed copy of a requisition in substantially the form of Exhibit D to the Funding Agreement.

Upon receipt of each requisition and statement the Trustee will make payment from the applicable account and subaccount of the Project Fund in accordance with the requisition.

Interest accruing on and any profit realized from the investment of money in the Project Fund will be retained in the Project Fund as part of the account or subaccount in which the investment is held.

Notwithstanding anything to the contrary contained herein, subject to compliance by the Issuer with the terms of this Indenture, the Issuer hereby directs the Trustee to disburse the proceeds of the Bonds from the Cost of Issuance Account of the Project Fund in accordance with the closing statement prepared by the Underwriter and if there remains any balance after such disbursement, transfer such balance to the Construction Account of the Project Fund in accordance with the closing statement prepared by the Underwriter.

Notwithstanding anything to the contrary contained herein, the Developer may not requisition any amounts from the Project Fund relating to the construction and maintenance of a new water storage tank and related infrastructure and improvements (the "Water Storage Tank") to be built by the Village of Monticello (the "Village") and financed with a portion of the proceeds of the Series 2016 Bonds to replace an existing 400,000 gallon water storage tank on West Broadway in the Village, until the Developer provides to the Issuer and the Trustee a copy of the executed an agreement relating to the Water Storage Tank in a form acceptable to the Issuer.

Section 6.3 Disposition of Balance in Project Fund. Upon the completion of the Public Infrastructure Improvements and upon the Trustee's receipt of a certificate, signed by an Authorized Issuer Representative, stating the date of completion and which items of the Public Infrastructure Improvements, if any, have not been paid and the amount of money that should be reserved in the Project Fund, the balance of any money remaining in the various subaccounts of the Construction Account of the Project Fund in excess of the amount to be reserved for payment of unpaid items of the Public Infrastructure Improvements will, at the written direction of the Issuer, be deposited in the Redemption Account of the Bond Fund, to be used to redeem the Series 2016 Bonds in accordance with Section 4.3 hereof.

Any excess money will either be used before the expiration of the applicable temporary period under Section 148 of the Code during which it may be invested at an unrestricted yield or will be invested in order to comply with any limitations imposed by the Code, all as directed in writing by the Issuer. The Issuer may direct the Trustee in writing to invest gross proceeds at an unrestricted yield after the expiration of the applicable temporary period in an amount permitted by the minor portion provisions set forth in Treas. Regs. Section 1.148-2(g) of the Code provided that the Issuer delivers to the Trustee an opinion of Bond Counsel that such action will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 6.4 Net Proceeds Account. Amounts on deposit in the Net Proceeds Account of the Project Fund shall not be commingled with any other subaccount, account or fund established under this Indenture. No sale or investment proceeds of any Bonds and no Service Fees may be deposited in the Net Proceeds Account. The Issuer hereby assigns to the Trustee its rights in any Net Proceeds deposited with the Trustee. The Issuer agrees to have any such Net Proceeds paid directly to the Trustee. The Issuer agrees to notify the Trustee immediately in writing in the case of damage, destruction or loss of all or any material portion of the Public Infrastructure Improvements as a result of fire or other casualty or condemnation or loss of title but only to the extent the Issuer has actual knowledge of any such damage, destruction or loss. The Trustee shall hold any such Net Proceeds paid to or for the benefit of the Issuer in the Net Proceeds Account subject to further written instructions of the Issuer. Unless the Issuer makes the election described in the following paragraph, the Net Proceeds may be disbursed in accordance with this Section 6.4 to promptly repair, reconstruct and restore the Public Infrastructure Improvements to substantially the same condition as before the damage, destruction, loss of title or condemnation with such alterations and additions as the Issuer may determine and which will not impair the capacity or character of the Public Infrastructure Improvements for their intended use. If the Net Proceeds are not sufficient to pay in full the costs of such repair, reconstruction and restoration, the Issuer may, but shall not be obligated to, pay any excess costs from other available funds or make the election described in the following paragraph. Any balance of Net Proceeds remaining after payment of the cost of any such repair or restoration shall be transferred to the Redemption Account of the Bond Fund and used to redeem Series 2016 Bonds in accordance with Section 4.3 hereof. The Issuer shall deliver to the Trustee a certificate indicating the completion of such repair or restoration executed by an Engineer prior to such transfer.

If, upon the finding of an Engineer that all or a material portion of the Public Infrastructure Improvements shall have been damaged, destroyed or lost, and such event renders the Public Infrastructure Improvements unsuitable for use by the Issuer, the Issuer may elect not to restore the Public Infrastructure Improvements in full or part but to apply Net Proceeds in full or part to the optional redemption or other redemption or defeasance of the Bonds in the manner otherwise permitted by this Indenture. The Net Proceeds shall be transferred to the Redemption Account of the Bond Fund or an escrow account, at the written direction of the Issuer. The Issuer at the time of such election shall deliver to the Trustee an opinion of Bond Counsel that the proposed application of Net Proceeds will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

ARTICLE VII

FUNDS AND ACCOUNTS

Section 7.1 Establishment of Funds. The following funds are hereby established under this Indenture and shall be held by the Trustee:

(a) The Sullivan County Infrastructure Local Development Corporation Project Fund (Adelaar Project), Series 2016 (the "Project Fund"), within which there shall be four (4) accounts: (1) the Construction Account within which there shall be five (5) subaccounts, (i) the Sewer District Subaccount, (ii) the Water District Subaccount, (iii) the Drainage District Subaccount, (iv) the Lighting District Subaccount and (v) the Road District Subaccount, (2) the Capitalized Interest Account, (3) the Net Proceeds Account, and (4) the Cost of Issuance Account;

(b) The Sullivan County Infrastructure Local Development Corporation Revenue Fund (Adelaar Project), Series 2016 (the "Revenue Fund");

(c) The Sullivan County Infrastructure Local Development Corporation Bond Fund (Adelaar Project), Series 2016 (the "Bond Fund"), in which there shall be three (3) accounts: (1) the Interest Account, (2) the Principal Account and (3) the Redemption Account;

(d) The Sullivan County Infrastructure Local Development Corporation Administrative Expense Fund (Adelaar Project), Series 2016 (the "Administrative Expense Fund"), within which there shall be two (2) accounts: (1) the Administration Account and (2) the Reserve Account;

(e) The Sullivan County Infrastructure Local Development Corporation Debt Service Reserve Fund (Adelaar Project), Series 2016 (the "Debt Service Reserve Fund"); and

(f) The Sullivan County Infrastructure Local Development Corporation Rebate Fund (Adelaar Project), Series 2016 (the "Rebate Fund").

Section 7.2 Revenue Fund. Except as set forth in Section 7.7 hereof, the Issuer will cause the Service Fee to be paid to the Trustee and such other money as the Issuer may determine in accordance with the Service Agreement, and promptly following receipt, the Trustee shall deposit such funds into in the Revenue Fund and thereafter, the Trustee will make transfers from the Revenue Fund to the following funds and accounts in accordance with the Service Agreement:

(a) To the Administration Account of the Administrative Expense Fund, the Administrative Expenses Service Fee collected to pay Administrative Expenses as provided in a written notice by the Issuer or the Administrator, on behalf of the Issuer, to the Trustee, and any other funds necessary to pay Administrative Expenses;

(b) To the Rebate Fund, the amount, if any, equal to any Rebate Amount accrued (based on the most recent report of the Administrator filed with the Trustee and the

Issuer pursuant to Section 10.2(a)(v) hereof), but not previously paid or provided for in the Rebate Fund.

(c) To the appropriate accounts of the Bond Fund, the amount necessary to make the following deposits:

(i) FIRST: in accordance with Section 5.2(a)(i) of the Service Agreement, the portion of the Bonds Service Fee attributable to interest in the Interest Account in an amount which, together with other amounts, if any, on deposit therein (after taking into consideration any amount to be transferred from the Capitalized Interest Account) will equal the amount of interest due on the Series 2016 Bonds on the next succeeding Interest Payment Date; and

(ii) SECOND, in accordance with Section 5.2(a)(i) of the Service Agreement, the portion of the Bonds Service Fee attributable to principal in the Principal Account in an amount which, together with other amounts, if any, on deposit therein, will equal the principal amount (including any sinking fund installment), if any, due with respect to the Series 2016 Bonds on the next succeeding Principal Payment Date.

(d) To the Debt Service Reserve Fund, if the amount in the Debt Service Reserve Fund is less than the Debt Service Reserve Requirement, in accordance with Section 5.2(a)(iv) of the Service Agreement, the Reserve Fund Service Fee in the amount of money necessary, in addition to amounts on deposit therein, to equal the Debt Service Reserve Requirement.

(e) To the Reserve Account in the Administrative Expense Fund, the portion of the Administrative Expenses Services Fee attributable to fund the hereinafter defined Reserve Account Requirement and made in accordance with Section 5.2(a)(iii) of the Service Agreement, in an amount equal to \$95,000 (the "Reserve Account Requirement").

Following the initial deposits to the Reserve Account set forth above, the Reserve Account shall be maintained in an amount at least equal to the Reserve Account Requirement.

Notwithstanding the foregoing, so long as money is on deposit in the Capitalized Interest Account on the date required for any transfer into the Interest Account, as set forth above, the Trustee shall, prior to making any transfer into the Interest Account, from the Revenue Fund, transfer to the Interest Account, from the Capitalized Interest Account, the lesser of (x) the interest on such Bonds coming due on the next succeeding Interest Payment Date, net of amounts then on deposit in the Interest Account, and (y) the amount remaining on deposit in the Capitalized Interest Account. In making the foregoing transfers from the Revenue Fund, the Trustee shall conclusively rely on a report furnished by the Administrator filed with the Trustee pursuant to Section 10.2(a)(i) hereof setting forth the amount of Service Fees collected in accordance with the Service Agreement to be applied as set forth above.

Notwithstanding anything to the contrary contained herein, in the event the Service Fee is insufficient to make deposits in accordance with the Service Agreement, the Trustee will make transfers from the Revenue Fund to the preceding funds and accounts in the preceding order of priority.

Section 7.3 Bond Fund.

(a) The Trustee will pay from the Principal Account the principal (including sinking fund installments) of the Series 2016 Bonds when due. The Trustee will pay from the Interest Account the interest on the Series 2016 Bonds when due. The Trustee will use money in the Redemption Account to redeem the Series 2016 Bonds pursuant to any redemption provision exercised by the Issuer or special mandatory redemption provisions or, if directed by an Authorized Issuer Representative, to purchase Bonds on the open market; provided, however, no money will be used to purchase Bonds to the extent it is required to pay the redemption price of any Bonds for which notice of redemption has been given as provided in Section 4.6 hereof.

(b) There shall, at the option of the Issuer, be applied or credited against any sinking fund requirement for Bonds the principal amount of any Bonds of such Series and maturity that have been previously defeased or redeemed (other than by mandatory sinking fund redemption) before each such mandatory sinking fund redemption date or that have been purchased by the Issuer or the Trustee on behalf of the Issuer and delivered to the Trustee for cancellation at least seventy (70) days before each such mandatory sinking fund redemption date, provided such funds have not previously been applied as a credit against any mandatory sinking fund redemption payment.

(c) On the Business Day immediately preceding a Principal Payment Date or Interest Payment Date but after the transfers from the Revenue Fund required pursuant to Section 7.2 hereof, the Trustee will determine if the balance on deposit in the Principal Account and the Interest Account will be sufficient (after taking into consideration any amount to be transferred from the Capitalized Interest Account) to pay the principal and interest due and payable on the Principal Payment Date or Interest Payment Date, and if a deficiency exists, will promptly notify the Issuer of such fact. If on any Principal Payment Date or Interest Payment Date following the required transfers from the Revenue Fund the balances on deposit in the Principal Account and the Interest Account are insufficient to pay the principal and interest due and payable on Outstanding Series 2016 Bonds, the Trustee will transfer the amount of the deficiency from, first, the Reserve Account of the Administrative Expense Fund as provided in Section 7.4 hereof and, second, if necessary, from the Debt Service Reserve Fund as provided in Section 7.5 hereof to the appropriate account of the Bond Fund.

(d) The Trustee shall deposit amounts received in connection with an optional redemption of the Series 2016 Bonds in accordance with Section 4.2 hereof in the Redemption Account of the Bond Fund and use such proceeds for the redemption of Series 2016 Bonds.

(e) The Trustee shall deposit amounts received in accordance with Section 7.4(a) hereof.

(f) Interest received on and any profit realized from the investment of money in the Bond Fund will become a part of the account in which the investment is held.

Section 7.4 Administrative Expense Fund.

(a) Money deposited in the Administration Account shall be held in trust by the Trustee and shall be applied by the Trustee to pay Administrative Expenses upon receipt by

the Trustee of a written request signed by an Authorized Issuer Representative specifying (a) the amount to be withdrawn, (b) the Person to whom such amount is to be paid, (c) the nature of such Administrative Expense and (d) that such amount is a proper charge against the Administration Account of the Administrative Expense Fund. Interest received on and any profit realized from the investment of money in the Administration Account of the Administrative Expense Fund will become a part of such account. Amounts in the Administration Account of the Administrative Expense Fund are not pledged to the payment of principal of, redemption premium, if any, or interest on the Bonds. Upon the Completion Date and after the Trustee's receipt of a certificate from an Authorized Issuer Representative stating the date of completion, any money remaining on deposit in the Administrative Expense Fund from the initial deposit and associated interest earnings on such deposit made pursuant to Section 3.12 hereof shall be transferred to the Interest Account of the Bond Fund.

(b) Money deposited in the Reserve Account of the Administrative Expense Fund shall be held in trust by the Trustee and shall be used to pay Administrative Expenses and to cure any deficiencies in the Bond Fund necessary to make payment of principal and interest on the Bonds prior to the Trustee making payments from the Debt Service Reserve Fund for such purpose. Interest received on and any profit realized from the investment of money in the Reserve Account of the Administrative Expense Fund will become a part of such account. Amounts in the Reserve Account of the Administrative Expense Fund are pledged to the payment of principal of, redemption premium, if any, and interest on the Bonds. Funds in the Reserve Account of the Administrative Fund shall be transferred to the Administration Account of the Administrative Expense Fund upon receipt by the Trustee of a certificate from an Authorized Issuer Representative that the funds are required to pay Administrative Expenses.

Section 7.5 Debt Service Reserve Fund.

(a) If amounts on deposit in the various accounts of the Bond Fund are insufficient to make payments of principal of, redemption premium, if any, or interest on the Bonds when due, the Trustee, after making transfers from the Reserve Account of the Administrative Expense Fund, will transfer money from the Debt Service Reserve Fund to the appropriate account of the Bond Fund to the extent necessary to pay principal (including sinking fund installments) of and interest on the Bonds when due. If the amount on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Requirement, the Trustee will either (i) if the Debt Service Reserve Fund Replenishment Guaranty is in effect, draw upon the Debt Service Reserve Fund Guaranty and collect sufficient moneys from the Limited Guarantor to restore the Debt Service Reserve Fund to the Debt Service Reserve Requirement or (ii) if the Debt Service Reserve Fund Guaranty is not in effect, transfer funds from the Revenue Fund to the Debt Service Reserve Fund to restore the Debt Service Reserve Requirement, to the extent and in the manner provided in Section 7.2 hereof.

(b) Within ten (10) days after each Principal Payment Date and Interest Payment Date and at such other times as the Issuer may request in writing, the Trustee will determine if the balance on deposit in the Debt Service Reserve Fund is at least equal to the Debt Service Reserve Requirement. In making such determination, (i) the Trustee shall take into account any reduction in the Debt Service Reserve Requirement that will result from any principal payment to be made on such Principal Payment Date or Interest Payment Date and (ii)

securities in which money in the Debt Service Reserve Fund is invested will be valued in the manner set forth in Section 8.2 hereof. If a deficit exists in the Debt Service Reserve Fund, the Trustee will promptly notify the Limited Guarantor (if the Debt Service Reserve Fund Guaranty is in effect), the Issuer and the Company of the deficit. If the amount on deposit in the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement, the Trustee will transfer the excess to the Interest Account of the Bond Fund, or upon the written request of the Authorized Issuer Representative to the Administration Account of the Administrative Expense Fund, within five (5) Business Days after such determination, provided that before the end of the Capitalized Interest Period, notwithstanding anything to the contrary contained herein, the Trustee will transfer the excess to the Capitalized Interest Account within five (5) Business Days after such determination.

Section 7.6 Rebate Fund. The Trustee shall hold money in the Rebate Fund in trust to be applied to pay any Rebate Amount. The Trustee shall pay to the Issuer or to such place as the Issuer may direct, upon written request of an Authorized Issuer Representative, the Rebate Amount required to be paid to the United States at the times, in the manner and as calculated in accordance with Section 148(f) of the Code. The Trustee shall have no responsibility for computation of the Rebate Amount the manner or time of delivery, and the Issuer shall cause the Rebate Amount to be calculated, and the manner and time of delivery to be determined, in accordance with the requirements of Section 148(f) of the Code.

The Issuer may direct the Trustee in writing to use money in the Administration Account of the Administrative Expense Fund in such amounts as the Issuer may specify, in order to deposit the Rebate Amount in the Rebate Fund. The Administrator shall compute any Rebate Amount annually and, if necessary to provide sufficient money to pay the Rebate Amount, shall increase the Administrative Expenses as appropriate to have funds available in the Administration Account of the Administrative Expense Fund to pay the Rebate Amount. Amounts in the Rebate Fund are not pledged to the payment of principal of, redemption premium, if any, or interest on the Bonds.

Section 7.7 Disposition of Balances in Funds. When the balances on deposit in the Bond Fund, the Reserve Account of the Administrative Expense Fund and the Debt Service Reserve Fund are sufficient to pay or redeem all of the Bonds then Outstanding, the Issuer may direct the Trustee in writing to transfer the balances in such Funds to the Redemption Account of the Bond Fund to be held by the Trustee for the payment or redemption of Bonds at the earliest practicable date and for no other purpose.

ARTICLE VIII

INVESTMENT OF FUNDS

Section 8.1 Investment of Funds.

(a) Any money held in any funds, accounts and subaccounts established by this Indenture may be separately invested and reinvested by the Trustee, at the written request of and as directed by an Authorized Issuer Representative in Permitted Investments.

(b) All investments will be held by or under the control of the Trustee and while so held will be deemed a part of the fund or account in which the money was originally held. Any loss resulting from such investments shall be charged to the fund or account in which the money was held. The Trustee and the Issuer will sell and reduce to cash a sufficient amount of investments whenever the cash balance in any fund or account is insufficient for its purposes.

(c) Reserved.

(d) Money in funds, accounts and subaccounts held by the Trustee in the Project Fund may be pooled and commingled for purposes of investment.

(e) The Trustee may conclusively rely upon the Issuer's written instructions as to both the suitability and legality of all directed investments. Ratings of investments shall be determined at the time of purchase of such investments and without regard to ratings subcategories. The Trustee shall have no responsibility to monitor the ratings of investments after the initial purchase of such investments. Confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered to the Issuer or the Administrator.

Section 8.2 Valuation of Investments.

(a) In computing the amount in any fund created by this Indenture, obligations purchased as an investment of money will be valued at their cost or market value, whichever is lower.

(b) Investments (except repurchase agreements) in funds and accounts shall be valued (i) not less often than annually nor more often than monthly, provided, however, the investments in the Debt Service Reserve Fund shall be valued at least ten days after each Interest Payment Date and Principal Payment Date and at any time upon request by the Issuer and (ii) upon any draw upon the Debt Service Reserve Fund.

Section 8.3 Reserved.

Section 8.4 Investments through Trustee's Bond Department. The Trustee may make investments permitted by Section 8.1 through its own bond department or commercial banking department or those of its affiliates as directed in writing by the Issuer and may charge its customary fees for such trades.

ARTICLE IX

GENERAL COVENANTS OF THE ISSUER

Section 9.1 Payment of Bonds. The Issuer will promptly pay the principal of, premium, if any, and interest on every Bond issued under and secured by this Indenture at the places, on the dates and in the manner specified in this Indenture and the Bonds; provided, however, that such obligations are limited obligations of the Issuer and are payable solely from the Service Fee and other property pledged and assigned by this Indenture to secure payment of

the Bonds. Nothing in this Indenture or in the Bonds shall be deemed to pledge the full faith and credit of the Issuer or the Town to the payment of the Bonds.

Section 9.2 Covenants and Representations. The Issuer will faithfully observe and perform all of its covenants, conditions and agreements contained in this Indenture and in every Bond executed, authenticated and delivered under this Indenture; provided that the pecuniary liability of the Issuer under any such covenant, condition or agreement for any default or breach by the Issuer will be limited solely to and satisfied solely from the sources of payment described in Section 9.1 hereof. The Issuer represents that (a) it is duly authorized under the Constitution and laws of the State to issue the Bonds and to execute this Indenture and to pledge the Service Fee and the funds in the manner and to the extent set forth in this Indenture; (b) all action on its part necessary for the execution and delivery of this Indenture and the other Project Documents has been duly and effectively taken; and (c) the Bonds in the hands of the Owners are and will be valid and enforceable limited obligations of the Issuer.

Section 9.3 Deposit of Revenues. The Issuer hereby covenants that it will deposit, or cause to be deposited, with the Trustee for its account sufficient funds from the payments and receipts derived by the Issuer pursuant to the Service Agreement, this Indenture or otherwise as may be required to pay the principal of and interest on the Bonds as the same become due and payable.

The Issuer shall not agree to any amendments to, or termination of, the Service Agreement that may materially and adversely affect the amount of Service Fees received or the time such amounts are received unless the Majority Holders have consented in accordance with procedures substantially identical to those employed for Supplemental Indentures contemplated by Section 14.2 hereof. Without limiting the scope of any other permissible amendments to the Service Agreement, the Service Agreement may be amended without the consent of any Owner for purposes substantially analogous to those enumerated for Supplemental Indentures entered into pursuant to Section 14.1 hereof.

Not later than the 10th day of each month, the Trustee shall provide the Administrator with a notice stating the amount then on deposit in all funds and accounts held by the Trustee hereunder. Each year by August 15th, the Administrator shall inform the Issuer, in writing, of the amount of Special Assessments collected or to be collected in accordance with the Service Agreement, including the installments of Special Assessments, if any, needed to be collected pursuant to the Service Agreement to provide for payment of the Bonds, the replenishment of the Debt Service Fund and Administrative Expenses. The receipt of or failure to receive such notice by the Administrator from the Trustee shall in no way affect the obligations of the Administrator under this Section 9.3. Upon receipt of such notice, the Administrator shall ascertain the relevant parcels on which the Special Assessments are to be collected, taking into account any parcel splits during the preceding and then current Fiscal Year.

Section 9.4 Reserved.

Section 9.5 Priority of Security Interest. The Issuer hereby covenants that this Indenture is a first Lien upon the Trust Estate and the Issuer agrees not to create or suffer to be

created any Lien, having priority or preference over this Indenture upon the Trust Estate or any part thereof.

Section 9.6 Trustee May Enforce Issuer's Rights to Service Fee. The Trustee, subject to the provisions of this Indenture reserving certain rights to the Issuer and respecting actions by the Trustee in its name or in the name of the Issuer, may enforce for and on behalf of the Owners all rights of the Issuer under the Service Agreement and all rights of the Issuer providing for the delivery and receipt of the Service Fee whether or not the Issuer is in default under this Indenture.

Section 9.7 Further Assurances. Subject to the provisions of Section 9.1, the Issuer will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments and transfers as the Trustee may reasonably require to further assure the effective transfer, conveyance, pledge and assignment to the Trustee of all the rights and funds assigned by this Indenture to secure the payment of the principal of and premium, if any, and interest on the Bonds. The Issuer will fully cooperate with the Trustee and the Owners in protecting the rights and security of the Owners.

Section 9.8 Financial Records and Statements. The Issuer will maintain proper books and records in which full and correct entries will be made in accordance with generally accepted accounting principles of all of its business and affairs. The Issuer will have an annual audit made by an independent certified public accountant or accountants and, promptly upon completion of such audit, will furnish the Trustee copies of such audit certified by such accountant. The reports, statements, audits and other documents required to be furnished by the Issuer to the Trustee and by the Trustee to the Issuer pursuant to any provision hereof shall be available for inspection by any Beneficial Owner at the corporate trust office designated by the Trustee upon giving at least five (5) days' prior written notice to the Trustee. The Trustee shall act only as a repository for, and shall have no obligation to review, take any action in respect of, or be deemed to have knowledge of any Event of Default disclosed in, any financial statements or other documents submitted to the Trustee pursuant to this Section 9.8.

Section 9.9 Compliance with Laws. The Issuer will at all times comply with all laws of the United States of America and of the State applicable to it.

Section 9.10 Covenant Against Arbitrage Bonds. Notwithstanding any other provision of this Indenture, so long as the Series 2016 Bonds or any Additional Bonds, the interest on which is excluded from the gross income of the Owner thereof for federal income tax purposes collectively, "Additional Tax-Exempt Bonds"), shall be Outstanding, the Issuer shall not use, or direct or permit the use of, the proceeds of the Series 2016 Bonds or any Additional Tax-Exempt Bonds, or any other moneys within its control (including without limitation any moneys in the accounts of the Bond Fund, which are dedicated to the payment of the principal of and interest on the Series 2016 Bonds or any Additional Tax-Exempt Bonds and the proceeds of any insurance award with respect to the Public Infrastructure Improvements) in such a manner as would cause the Series 2016 Bonds or any Additional Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of such quoted term in Section 148 of the Code and the Issuer further covenants that it will comply with the requirement of such section and all regulations thereunder.

Section 9.11 Filing of Documents and Security Instruments.

(a) The Issuer hereby covenants that it will cause to be filed all documents including, without limitation, continuation statements under the Uniform Commercial Code of the State, in such manner and in such places as may be required by law in order to create, protect and maintain in force the Lien of, and the security interests created by, this Indenture.

(b) Pursuant to the Uniform Commercial Code of the State, the Issuer hereby appoints and authorizes the Trustee, as its lawful agent and attorney, without the signature of the Issuer, to file any UCC-1 financing statements or UCC-3 financing statements as directed by Bond Counsel or the Issuer as are necessary or advisable in order to perfect the Trustee's security interest in the Trust Estate and shall pay to the Trustee, on demand, any expenses incurred by the Trustee in connection with the preparation and filing of such statements. The Trustee will have no duty or obligation to determine that any such filings it is directed to make are necessary or advisable in order to perfect the Trustee's security interest in the Trust Estate.

Section 9.12 Covenant Regarding Adjustment of Debts. In any case under Chapter 9 of Title 11 of the United States Bankruptcy Code involving the Issuer as debtor, the Issuer, unless compelled by a court of competent jurisdiction, shall neither list the Trust Estate or any part thereof as an asset or property of the Issuer nor list any amounts owed upon the Bonds Outstanding as a debt of or claim against the Issuer.

Section 9.13 Rating Solicitation Covenant. So long as any Bonds are Outstanding, the Issuer agrees, not later than sixty (60) days after receipt of a written request executed by the Majority Holders, to retain a Financial Consultant, at its sole cost and expense, but it being understood that such cost and expense would be deemed an Administrative Expense, to assess the likelihood of whether the Issuer could obtain from any of the Rating Agencies a credit rating of "Baa3" or "BBB-" (or equivalent rating) or better (an "Investment Grade Credit Rating"). The Issuer will provide the Financial Consultant such information as it may reasonably request in order to assist it in making such assessment. If the Financial Consultant determines that such rating is obtainable, the Issuer will, at its sole cost and expense, but it being understood that such cost and expense would be deemed an Administrative Expense, solicit and make a good faith effort to obtain such rating. If the Issuer obtains such rating, the requirement of this Indenture to solicit a rating will be of no further force and effect so long as such rating is neither reduced below and Investment Grade Credit Rating nor withdrawn.

ARTICLE X

THE ADMINISTRATOR

Section 10.1 Appointment of Administrator. MuniCap, Inc., a Maryland corporation, is hereby appointed by the Issuer as Administrator hereunder. The Administrator undertakes to perform such duties as specifically set forth in the Administrator Agreement or as are specifically set forth in this Indenture and as set forth in this Article X, and no implied covenants or obligations shall be read into this Indenture against the Administrator.

Section 10.2 Duties of Administrator.

(a) The Administrator by its acceptance hereof agrees to perform the following in connection with the Bonds:

(i) determine and calculate the annual Special Assessments and report such amounts to the Town, the Issuer and the Trustee with a request to the Town to collect such Special Assessments;

(ii) review and reconcile account statements delivered to the Administrator pursuant to Sections 9.3 and 12.11 hereof;

(iii) reserved;

(iv) prepare an annual report for submission to the Issuer containing a budget showing all Service Fees collected or to be collected and an explanation of the methodology employed to calculate the amount of Special Assessments to be levied by the Town;

(v) if requested by the Issuer, prepare calculations annually in accordance with Section 148 of the Code and provide a report thereon to the Trustee and the Issuer within forty-five (45) days of the Issuer's request;

(vi) reserved;

(vii) perform such other duties as are set forth in this Indenture and in the Administrator Agreement.

(b) In the event of a failure by the Administrator to comply with any provisions of this Section 10.2, any Owner or the Trustee may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Administrator to comply with its obligations under this Section 10.2.

Section 10.3 Qualifications, Resignation, Removal and Appointment of Successor Administrator. Any successor Administrator appointed pursuant to the provisions of this Section 10.3 shall be an individual or entity with the ability, as determined by the Issuer, to perform the duties of the Administrator under this Indenture and as more particularly set forth in the Administrator Agreement. Such successor Administrator shall enter into an agreement with the Issuer substantially in the form of the Administrator Agreement.

The Issuer may remove the Administrator initially appointed and any successor thereto upon sixty (60) days' written notice to the Administrator, and shall appoint a successor or successors thereto. The Issuer shall provide prior written notice to the Trustee of any intention to remove or replace, including replacement as a result of resignation, the Administrator and the identity of any proposed successor thereto. The Trustee shall have thirty (30) days from the date of such notice to provide the Issuer in writing of the rejection of the proposed successor, the failure of which will be deemed acceptance, and unless the Majority Holders disapprove in writing, then the successor shall be appointed.

The Administrator may resign from its obligations hereunder and under the Administrator Agreement upon completion of the services to be rendered for any year upon sixty (60) days' written notice to the Issuer and the Trustee. Any resignation or removal of the Administrator shall become effective upon acceptance of appointment by the successor Administrator.

If no appointment of a successor Administrator shall be made pursuant to the provisions of this Section 10.3 within 60 days following receipt by the Issuer or the Trustee of the written notice of the resignation of the Administrator, the Issuer shall assume the obligations of the Administrator hereunder.

Section 10.4 Rights of Administrator. The Administrator shall be afforded the same rights with respect to limitation of responsibilities, liability, notice, compensation and indemnification given to the Trustee pursuant to Sections 12.2, 12.4 and 12.8 hereof.

ARTICLE XI

DEFAULTS AND REMEDIES

Section 11.1 Events of Default. Each of the following will be an Event of Default hereunder:

- (a) Payment of interest on any Bond is not made when due and payable;
- (b) Payment of the principal of or premium, if any, on any Bond is not made when due and payable;
- (c) Subject to Section 11.11 hereof, default in the observance or performance of any other covenant, condition or agreement on the part of the Issuer under this Indenture or in the Bonds;
- (d) Appointment by a court of competent jurisdiction of a receiver for all or any substantial part of the Trust Estate or the filing by the Issuer of any petition for reorganization of the Issuer or rearrangement or readjustment of the obligations of the Issuer under provisions of any applicable bankruptcy or insolvency law; or
- (e) An Event of Default under any Project Document.

Section 11.2 No Acceleration. The principal of the Bonds is not subject to acceleration upon the occurrence and continuation of an Event of Default.

Section 11.3 Other Remedies; Rights of Owners.

(a) Except as set forth in Section 11.2 hereof, upon the occurrence and continuation of an Event of Default, the Trustee may pursue any available remedy, at law or in equity, to enforce the payment of the principal of and premium, if any; and interest on the Bonds, to enforce any covenant or condition under this Indenture or to remedy any Event of Default hereunder or any event of default under any other Project Document.

(b) Upon the occurrence and continuation of an Event of Default, and if requested so to do in writing by the Majority Holders and having been indemnified as provided in Section 12.7 hereof, the Trustee will exercise such of the rights and powers conferred by this Section as the Trustee, being advised by its Counsel, deems most effective to enforce and protect the interests of the Owners.

Section 11.4 Effect of Discontinuance or Abandonment. If any proceeding taken by the Trustee on account of any Event of Default has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee, then the Issuer and the Trustee will be restored to their former positions and rights under this Indenture and all rights, remedies and powers of the Trustee will continue as though no such proceeding had been taken.

Section 11.5 Rights of Owners. Anything in this Indenture to the contrary notwithstanding, upon the occurrence and continuation of any Event of Default, the Majority Holders will have the right, upon providing the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred (including reasonable attorneys' fees, costs and expenses of the Trustee and those of the Administrator), by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under this Indenture.

Section 11.6 Restriction on Owners' Action. In addition to the other restrictions on the rights of Owners to request action upon the occurrence of an Event of Default and to enforce remedies set forth in this Article, no Owner of any of the Bonds will have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or any remedy under this Indenture or the Bonds, unless (a) the Owner has given to the Trustee written notice of an Event of Default; (b) the Majority Holders also have made written request of the Trustee to institute the suit, action, proceeding or other remedy, after the right to exercise the powers or rights of action, as the case may be, has accrued, and have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in this Indenture or to institute the action, suit or proceeding in its or their name; (c) there has been offered to the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities (including reasonable attorneys' fees, costs and expenses) to be incurred; and (d) the Trustee has not complied with the request within a reasonable time. Such notification, request and offer of indemnity are declared, at the option of the Trustee, to be conditions precedent to the execution of the trusts of this Indenture or for any other remedy under this Indenture. It is intended that no one or more Owners of the Bonds secured by this Indenture will have any right to affect, disturb or prejudice the security of this Indenture, or to enforce any right under this Indenture or the Bonds, except in the manner provided for in this Indenture, and that all proceedings at law or in equity will be instituted, had and maintained in the manner provided in

this Indenture and for the benefit of all Owners of Outstanding Bonds. Nothing in this Indenture will affect or impair the right of the Owners to enforce payment of the Bonds in accordance with their terms.

Section 11.7 Power of Trustee to Enforce. All rights of action under this Indenture or under any of the Bonds secured by it which are enforceable by the Trustee may be enforced without the possession of any of the Bonds, or their production at the trial or other related proceedings. Any suit, action or proceedings instituted by the Trustee may be brought in its own name, as trustee, for the equal and ratable benefit of the Owners of the Bonds subject to the provisions of this Indenture. When the Trustee incurs costs or expenses (including attorneys' fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 11.8 Remedies Not Exclusive. No remedy in this Indenture conferred on or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy, and each remedy is cumulative, and is in addition to every other remedy given under this Indenture or now or hereafter existing at law, in equity or by statute.

Section 11.9 Waiver of Events of Default; Effect of Waiver. The Trustee will waive any Event of Default and its consequences at the written request of the Majority Holders. If any Event of Default with respect to the Bonds has been waived as provided in this Indenture, the Trustee will promptly give written notice of the waiver to the Issuer and by first class mail, postage prepaid, to all Owners of Outstanding Bonds if the Owners had previously been given notice of the Event of Default. No waiver, rescission and annulment will extend to or affect any subsequent Event of Default or impair any right, power or remedy available under this Indenture.

No delay or omission of the Trustee or of any Owner to exercise any right, power or remedy accruing upon any default or Event of Default will impair any such right, power or remedy or will be construed to be a waiver of or acquiescence in any such default or Event of Default. Every right, power and remedy given by this Article to the Trustee and to the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.10 Application of Money. Any money received by the Trustee pursuant to this Article will, after payment of the costs and expenses of the proceedings resulting in the collection of the money, the expenses, liabilities and advances incurred or made by the Trustee or the Issuer (including reasonable attorneys' fees, costs and expenses) and the fees (whether ordinary or extraordinary) of the Trustee, be deposited in the Bond Fund and applied as follows:

(a) Unless the principal of all of the Outstanding Bonds is due and payable, all money will be applied:

First - To the payment of Administrative Expenses, to the persons entitled to it without any discrimination or privilege; and

Second - To the payment to the persons entitled to it of all installments of interest then due on the Bonds, in order of the maturity of the installments of such interest and, if the money

available is not sufficient to pay in full any particular installment, then ratably, according to the amounts due on such installment, to the persons entitled to it, without any discrimination or privilege; and

Third - To the payment to the persons entitled to it of the unpaid principal of and premium, if any, on any of the Bonds that has become due (other than Bonds matured or called for redemption for the payment of which money is held pursuant to the provisions of this Indenture), in the order of their due dates and, if the amount available is not sufficient to pay in full the principal of the Bonds and premium, if any, due on any particular date, then ratably, according to the amount of principal due on such date, to the persons entitled to it without any discrimination or privilege; and

Fourth - To be held for the payment to the persons entitled to it when due of the principal of and premium, if any, and interest on the Bonds that may thereafter become due either at maturity or upon call for redemption before maturity and, if the amount available is not sufficient to pay in full the Bonds due on any particular date, together with interest and premium, if any, then due and owing, then ratably, according to the amount of principal due on such date, to the persons entitled to it without any discrimination or privilege.

(b) If the principal of all of the Outstanding Bonds is due and payable, to the payment of the principal of and interest then due and unpaid on the Outstanding Bonds without preference or priority of any principal over interest or interest over principal or of any installment of interest over any other installment of interest, or of any such Outstanding Bond over any other such Outstanding Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled to it without any discrimination or privilege except as to any difference in the respective amounts of interest specified in the Outstanding Bonds.

(c) Whenever money is to be applied pursuant to the provisions of this Section, it will be applied at such times, and from time to time, as the Trustee determines, in its sole discretion. If subsection (b) of this Section is applicable, the Trustee will apply promptly to the payment of the Bonds any money it receives under this Article. Whenever the Trustee applies such money, it will fix the date on which payment is to be made, and interest on the amount of principal to be paid on such date will cease to accrue as of said fixed date. The Trustee will give, by mailing by first class mail, email or other similar electronic means notice of the deposit with it of any such money and of the fixing of any such date.

Section 11.11 Notice of Certain Defaults; Opportunity to Cure Such Defaults. Anything in this Indenture to the contrary notwithstanding, no default under subsection (c) of Section 11.1 hereof will constitute an Event of Default until actual written notice of the default is given to the Issuer by the Trustee or by the Majority Holders, and the Issuer has had (a) 30 days after receipt of the notice with respect to any default in the payment of money or (b) 90 days after receipt of the notice of any other default to correct the default or to cause the default to be corrected; provided, however, that if the default cannot be corrected within the applicable period, it will not constitute an Event of Default if corrective action is instituted by the Issuer within the applicable period and diligently pursued until the default is corrected.

ARTICLE XII

TRUSTEE AND PAYING AGENT

Section 12.1 Appointment and Acceptance of Duties. The Trustee accepts and agrees to the trusts created by this Indenture, but only upon the additional terms set forth in this Article, to all of which the Issuer, and the Owners, by their purchase and acceptance of the Bonds, agree.

Section 12.2 Responsibilities. The recitals, statements and representations contained in this Indenture and the Bonds will be taken and construed as made by and on the part of the Issuer, and not by the Trustee, and the Trustee does not assume, and will not have, any responsibility or obligation for the correctness of any such recitals, statements and representations. The Trustee makes no representation as to (a) the validity of the execution by the Issuer of this Indenture, the Bonds or any other document to which the Issuer is a party, (b) the sufficiency of the security for the Bonds, (c) the right, title or interest of the Issuer therein, (d) the technical or financial feasibility of the Public Infrastructure Improvements, (e) the compliance of the Public Infrastructure Improvements with the Act or (f) the tax-exempt status of the Series 2016 Bonds. The Trustee will have no responsibility for any funds other than those funds actually paid to or received or held by it under this Indenture. The Trustee, prior to the occurrence of the Event of Default and after curing all Events of Default, need perform only those duties that are specifically set forth in this Indenture. No implied covenants or obligations will be read into this Indenture against the Trustee. No provision of this Indenture will require the Trustee to expend or risk the Trustee's own funds or otherwise incur any financial liability in the performance of any of the Trustee's duties or in the exercise of any of the Trustee's rights or powers. The Trustee will not be required to deposit or apply any monies into any fund or account until its actual receipt of the monies designated for such deposit. The Trustee will not be responsible or liable for any loss suffered in connection with any investments made in accordance with this Indenture. During the existence of an Event of Default as set forth in Section 12.7 hereof, the Trustee will use the same degree of skill and care in performing its duties under this Indenture as a prudent person would use and exercise under the circumstances in the conduct of his or her own affairs.

The Trustee is not accountable for the use or application by the Issuer of any of the Bonds or the proceeds of the Bonds, or the use or application of any money paid over by the Trustee in accordance with any provision of this Indenture.

Section 12.3 Powers. The Trustee may execute any of the trusts or powers of, and perform the duties required of it under this Indenture by or through attorneys, agents, receivers, or employees, and will be entitled to obtain and conclusively rely on advice of counsel concerning all matters of trust and the Trustee's duties under this Indenture. As a condition to the taking, omission or suffering of any action under this Indenture, the Trustee may demand and act on an Opinion of Counsel and will not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance on such Opinion of Counsel.

The rights, privileges, protections, immunities and benefits given to the Trustee, including (without limitation) its rights to be indemnified, are extended to, and shall be

enforceable by the Trustee in each of its capacities hereunder and by the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture and final payment of the Bonds.

The Trustee is under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Owners unless such holders have offered to the Trustee security or indemnity satisfactory to the Trustee as to its terms, coverage, duration, amount and otherwise with respect to the costs, expenses and liabilities (including reasonable attorneys' fees, costs and expenses) which may be incurred by it in compliance with such request or direction.

In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of holders of Bonds, each representing less than a majority in aggregate principal amount of the Bonds Outstanding, pursuant to the provisions of this Indenture, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

The permissive right of the Trustee to take the actions permitted in this Indenture shall not be construed as an obligation or duty to do so.

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

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

The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

The Trustee agrees to accept and act upon written instructions or directions pursuant to this Indenture or any other document reasonably related to the Series 2016 Bonds sent by the Issuer by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that (i) the Issuer shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing and (ii) the Issuer shall send an executed version with original signatures of such

instructions as soon as reasonably possible to the Trustee. If the Issuer elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including, without limitation, the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 12.4 Compensation; Indemnification. The Issuer will pay to the Trustee compensation for all services rendered by the Trustee under this Indenture, including extraordinary fees and expenses relating to performance of services by the Trustee upon the occurrence or continuation of an Event of Default as provided for by agreement between the Trustee and the Issuer.

To the extent permitted by law, the Issuer shall indemnify and hold the Trustee (in its several capacities hereunder) harmless from and against any loss, liability or expenses (including reasonable attorneys' fees, costs and expenses) incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of the office of Trustee under this Indenture and related documents, including the costs of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder.

Section 12.5 No Duty to Maintain Insurance. The Trustee will have no obligation to effect or renew any policies of insurance and will have no liability for the failure of the Issuer to effect or renew insurance or to report or file claims or proofs of loss for any loss or damage insured against or which may occur.

Section 12.6 Notice of Event of Default. The Trustee will not be required to take notice, or be deemed to have notice, of, any default or Event of Default other than a default or Event of Default under subsections (a) or (b) of Section 11.1 hereof, or unless a Responsible Officer of the Trustee is specifically notified in writing of the default or Event of Default by the Issuer or the Majority Holders and in the absence of such notice the Trustee may conclusively assume that no such default or Event of Default exists (other than under subsections (a) or (b) of Section 11.1 hereof). The Trustee may, however, require of the Issuer full information and advice at any time as to the performance of any of the covenants, conditions and agreements contained in this Indenture.

Section 12.7 Action Upon Default. The Trustee will be under no obligation to take any action in respect of any default or Event of Default, or toward the execution or enforcement of any of the trusts created by this Indenture or to institute, appear in or defend any related suit or other proceeding, unless requested in writing to do so by the Issuer or the Majority Holders, and if in the Trustee's opinion the action may tend to involve the Trustee in expense or liability, unless furnished, from time to time as often as the Trustee may require, with reasonable security and indemnity satisfactory to the Trustee.

Section 12.8 Limitation of Liability. The Trustee may conclusively rely upon, and will be fully protected and will incur no liability in acting, refraining from acting or proceeding in good faith upon any resolution, notice, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which the Trustee in good faith believes to be genuine and to have been authorized or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, and the Trustee will be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon them as conclusive evidence of the truth and accuracy of the statements. Any calculation to be made pursuant to this Indenture shall be made by the Issuer, and the Trustee may conclusively rely on such calculation and shall bear no liability for any such reliance. The Trustee will not be bound to recognize any Person as an Owner of any Bond or to take any action at an Owner's request unless the Bond is deposited with the Trustee or evidence satisfactory to the Trustee of the ownership of the Bond is furnished to the Trustee. Before the Trustee acts or refrains from acting, the Trustee may require a certificate of an appropriate officer or officers of the Issuer or an Opinion of Counsel (who may be an employee of the Issuer only if consented to by the Trustee) or Bond Counsel, as appropriate. The Trustee will not be answerable for other than its negligence or willful misconduct; however no provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct.

Section 12.9 Ownership of Bonds. The Trustee and any affiliate under common control with the Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds issued under this Indenture, and may join in or take any action which any Owner may be entitled to take with like effect as if the Trustee were not a party to this Indenture. The Trustee and any affiliate under common control with the Trustee, as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer and may act as depository, trustee, or agent for any committee or body of Owners of the Bonds or other obligations of the Issuer as freely as if it were not Trustee under this Indenture.

Section 12.10 No Duty to Invest. Absent specific instructions of the Issuer pursuant to Article VIII hereof, the Trustee will be under no duty to invest money held by it pursuant to this Indenture. The Trustee will be under no liability for interest on any money which the Trustee may at any time receive under any of the provisions of this Indenture, except such as the Trustee may agree with the Issuer to pay.

Section 12.11 Reports by Trustee. The Trustee will provide written reports to the Issuer and the Administrator by the 10th day of each month of (a) the balances in all funds held by the Trustee under this Indenture as required by Section 9.3, and (b) all money received and expended by it under the terms of this Indenture. The Trustee shall also provide to the Issuer such information in its possession as may be reasonably requested in writing by the Issuer to enable the Issuer to calculate any amounts required to be rebated to the United States of America pursuant to, and otherwise to maintain compliance with, Section 148 of the Code and any other federal or State law or regulation applicable to the Issuer or its affairs.

Section 12.12 Resignation. The Trustee may at any time and for any reason resign and be discharged of the trusts created by this Indenture by executing an instrument in writing

resigning the trust and specifying the date when the resignation will take effect, and filing the instrument with the Issuer not less than 30 days before the effective date of the resignation. The resignation will take effect on the day specified in the instrument, unless a successor Trustee has not been appointed and accepted such appointment by that date as provided for in this Article, in which event the resignation will take effect immediately on the appointment of and acceptance by a successor Trustee of the trusts under this Indenture.

Section 12.13 Removal. The Trustee at any time and for any reason may be removed by an instrument in writing, filed with the Issuer and the Trustee so removed and executed by the Majority Holders. In addition, provided no Event of Default has occurred and is continuing, the Issuer at any time may remove the Trustee by an instrument in writing filed with the Trustee and the Owners.

Section 12.14 Appointment of Successor Trustee. If at any time the Trustee resigns, is removed, or is dissolved, or if the Trustee's property or affairs are taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason a vacancy exists in the office of the Trustee, then unless an Event of Default has occurred and is continuing, a successor may be appointed by the Issuer by an instrument in writing filed with the Trustee, signed by an Authorized Issuer Representative. The agreement between the successor Trustee and the Issuer shall have terms that are substantially similar to the terms of the agreement between the Issuer and the predecessor Trustee or shall otherwise be approved by the Issuer. Copies of the instrument will be promptly delivered by the Issuer to the predecessor Trustee and to the successor Trustee so appointed and written notice given to the Owners by the successor Trustee. If an Event of Default has occurred and is continuing, a successor Trustee may be appointed by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, by an instrument or instruments in writing filed with an Authorized Issuer Representative, signed by such Owners or their attorneys-in-fact duly authorized in writing. Copies of each instrument will be promptly delivered by the Issuer to the predecessor Trustee and to the successor Trustee so appointed and written notice given to the Owners.

Section 12.15 Successor to be Bank or Trust Company. Any successor to the Trustee under this Indenture appointed pursuant to Section 12.14 must be (a) a bank or trust company organized and doing business under the laws of the United States of America or any of its states with trust powers, in good standing and having a reported capital, surplus and undivided profits of not less than \$50,000,000, or (b) a subsidiary trust company under the provisions of Section 6.1-32.7(a) of the Trust Subsidiary Act, or any successor provision of law, and whose capital, surplus and undivided profits, together with that of its parent bank or bank holding company, as the case may be, is not less than \$50,000,000, if such a bank, trust company or subsidiary trust company, willing and able to accept the trust on reasonable or customary terms can, with reasonable effort, be located.

Section 12.16 Failure to Appoint a Successor Trustee. If at any time the Trustee resigns and no appointment of a successor Trustee is made pursuant to the provisions of this Article before the effective date of the resignation specified in the notice, then the Trustee or any Owner may apply to any court of competent jurisdiction to appoint a successor Trustee. The court may,

after such notice, if any, as the court may deem proper and prescribe, appoint a successor Trustee.

Section 12.17 Acceptance by Successor Trustee. Any successor Trustee appointed under this Article will execute, acknowledge and deliver to the Issuer an instrument accepting the appointment under this Indenture, and thereupon the successor Trustee, without any further act, deed or conveyance, will become duly vested with all the estates, property, rights, powers, trusts, duties and obligations of the successor Trustee's predecessor in trust under this Indenture, with like effect as if originally named Trustee. Upon request of the successor Trustee, the Trustee ceasing to act and the Issuer will execute and deliver an instrument transferring to the successor Trustee all of the property, rights, powers and trusts under this Indenture of the Trustee so ceasing to act, and the Trustee so ceasing to act will pay over to the successor Trustee all money and other assets held by the Trustee under this Indenture.

Section 12.18 Merger or Consolidation. Any corporation or association into which any Trustee is merged or with which the Trustee is consolidated, or any corporation or association resulting from any merger or consolidation to which any Trustee is a party, or any corporation or association to which any Trustee transfers substantially all of the Trustee's assets or corporate trust business, will be the successor Trustee under this Indenture, without the execution or filing of any paper or any further act on the part of the parties to this Indenture, anything in this Indenture to the contrary notwithstanding.

Section 12.19 Reserved.

Section 12.20 Notice of Occurrence of Event of Default. Upon the occurrence of an Event of Default actually known to a Responsible Officer of the Trustee in accordance with Section 12.6, the Trustee will, within 30 days of the Event of Default becoming known to the Trustee, give written notice of it by first class mail, email or other similar electronic means to each Owner of the Bonds then Outstanding, unless a Responsible Officer of the Trustee has actual knowledge that the Event of Default has been cured before then.

Section 12.21 Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee has a substantial bearing on the interests of the Owners of the Bonds, the Trustee may, in the Trustee's own name, intervene on behalf of the Owners and will, upon receipt of indemnity satisfactory to it, do so if requested in writing by the Owners of at least 25 percent in aggregate principal amount of Bonds then Outstanding, if permitted by the court having jurisdiction.

Section 12.22 Appointment of and Acceptance of Paying Agent. The Issuer may at any time or from time to time appoint one or more Paying Agents for the Bonds, in the manner and subject to the conditions set forth in Section 12.23 for the appointment of a successor Paying Agent. Unless another Paying Agent is appointed for the Bonds, the Trustee will serve as Paying Agent. Each Paying Agent (other than the Trustee) will signify its acceptance of the duties and obligations imposed on it under this Indenture by written instrument of acceptance deposited with the Issuer and the Trustee. The Paying Agent shall be afforded the same rights with respect to limitation of responsibilities, liability, notice, compensation and indemnification given to the Trustee pursuant to this Article XII.

Section 12.23 Resignation or Removal of Paying Agent; Appointment of Successor.

Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 30 days' written notice to the Issuer and the Trustee. Any Paying Agent may be removed at any time by an instrument signed by the Issuer and filed with the Paying Agent and the Trustee. Any successor Paying Agent will be appointed by the Issuer, with the approval of the Trustee, and will be a bank or trust company duly organized under the laws of the United States or any of its states, having a capital stock and surplus aggregating at least \$50,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon the Paying Agent by this Indenture.

In the event of the resignation or removal of any Paying Agent, the Paying Agent will pay over, assign and deliver any money held by it as Paying Agent to its successor or to the Trustee. In the event that for any reason there is a vacancy in the office of any Paying Agent, the Trustee will act as such until a new Paying Agent is appointed.

Section 12.24 Trustee's Rights in Bankruptcy Proceeding In the event the Issuer is subject to any order, proceeding, liquidation, appointment or a receiver or similar action under state or federal bankruptcy or similar laws with respect to the Facility or any moratorium, debt restructuring or reorganization plan with respect to the Issuer is instituted with respect to which the Issuer has the right to consent, the Issuer agrees that any such consent shall be subject to the prior written approval of the Trustee.

ARTICLE XIII

EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS

Section 13.1 Execution of Consents, Etc. Any request, direction, consent or other instrument required or permitted by this Indenture and any Supplemental Indenture to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor and may be signed or executed by the Owners in person or by an agent appointed by an instrument in writing. Proof of the execution of any instrument and of the ownership of Bonds will be sufficient for any purpose of this Indenture and any Supplemental Indenture and will be conclusive in favor of the Trustee and any Paying Agent with regard to any action taken, suffered or omitted by any of them under the instrument if made in the following manner:

(a) The fact and date of the execution by any Person of any instrument may be proved by the certificate of any officer in any jurisdiction who, by its laws, has power to take acknowledgments within the jurisdiction, to the effect that the Person signing the instrument acknowledged before such officer its execution, or by an affidavit of a witness to such execution.

(b) The fact of the ownership of Bonds by any Owner and the serial numbers of the Bonds and the date of ownership will be proved by the bond register maintained by the Paying Agent.

Section 13.2 Other Evidence. Nothing contained in this Article will be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters stated in this Article which the Trustee may deem sufficient. Any request or consent of the Owner of any Bond will bind every future Owner of the same Bond and any Bond or Bonds issued in exchange or substitution for it or upon the registration of transfer of it in respect of anything done by the Trustee in pursuit of such request or consent.

ARTICLE XIV

MODIFICATION OF INDENTURE, SUPPLEMENTAL INDENTURES AND MODIFICATION OF PROJECT DOCUMENTS

Section 14.1 Supplemental Indentures Without Consent of Owners. Subject to Section 14.4 hereof, the Issuer and the Trustee may, without the consent of the Owners, unless the consent of the Owners is required by Section 14.2 hereof, enter into a Supplemental Indenture or Supplemental Indentures which thereafter will form a part of this Indenture, for any one or more of the following purposes:

(a) To add to the covenants and agreements of the Issuer contained in this Indenture and any Supplemental Indentures other covenants and agreements, and to surrender any right or power in this Indenture and any Supplemental Indentures reserved to or conferred upon the Issuer;

(b) To cure any ambiguity, to supply any omission or to cure, correct or supplement any defect in this Indenture or any Supplemental Indenture;

(c) To grant to the Trustee for the benefit of the Owners additional rights, remedies, powers or authority;

(d) To subject to this Indenture and the Supplemental Indentures additional collateral;

(e) To modify this Indenture, any Supplemental Indenture, or the Bonds to permit qualification under the Trust Indenture Act of 1939 or any similar federal statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States;

(f) To provide for certificated Bonds;

(g) To evidence the succession of a new Trustee or Paying Agent or the appointment by the Trustee or the Issuer of a Co-Trustee or a Co-Paying Agent and to specify the rights and obligations of such Co-Trustee or Co-Paying Agent;

(h) To make any change (including, but not limited to, a change to comply with the Code or interpretations of it by the Treasury Department or the Internal Revenue Service) that does not materially adversely affect the rights of any Owner of any Bonds then Outstanding;

- (i) To provide for the issuance of Additional Bonds; and
- (j) To obtain or maintain a rating for the Bonds.

The Issuer covenants that it will perform or cause to be performed all the requirements of any Supplemental Indenture which may be in effect from time to time. Nothing in this Article will affect or limit the right or obligation of the Issuer to execute and deliver or cause to be delivered to the Trustee any instrument of further assurance or other instrument provided for in this Indenture.

Section 14.2 Supplemental Indentures With Consent of Owners. Unless the consent of the Owners is not required pursuant to Section 14.1 hereof, any modification or alteration of this Indenture and any Supplemental Indenture or of the rights and obligations of the Issuer or of the Owners of the Bonds may be made by the Issuer and the Trustee with the consent of (a) the Majority Holders, or (b) in case less than all of the Bonds then Outstanding are affected by the modifications or amendments, the Owners of a majority in aggregate principal amount of the Bonds so affected then Outstanding. However, without the consent of each Owner affected, no modification or alteration may (i) extend the maturity of the principal of or interest on any Bond, (ii) reduce the principal amount of, or rate of interest on, any Bond, (iii) effect a privilege or priority of any Bond or Bonds over any other Bond or Bonds, (iv) reduce the percentage of the principal amount of the Bonds required for consent to such modification or alteration, (v) impair the exclusion of interest on any Series 2016 Bond from gross income for purposes of federal income taxation, (vi) eliminate or extend the mandatory redemption date of any Bonds or reduce the redemption price of Bonds, (vii) create a lien ranking prior to or on a parity with the lien of this Indenture on the property described in Article II, except for Additional Bonds, or (viii) deprive any Owner of the lien created by this Indenture on such property. In addition, if money has been deposited or set aside with the Trustee pursuant to Article XV hereof for the payment of Bonds and those Bonds shall not have in fact actually been paid in full, no amendment to the provisions of that Article will be made without the consent of the Owner of each of those Bonds affected.

If at any time the Issuer requests the Trustee in writing to enter into a Supplemental Indenture for any of the purposes of this Section, the Trustee will, upon being satisfactorily indemnified with respect to expenses, cause written notice of the proposed execution of the Supplemental Indenture to be mailed to each Owner of Bonds then Outstanding by first-class mail to the address of such Owner as it appears on the registration books; provided, however, any failure to give the notice by mailing, or any defect, in it, will not affect the validity of any proceedings pursuant to this Section. The notice will briefly set forth the nature of the proposed Supplemental Indenture and will state that copies of it are on file at the designated corporate trust office of the Trustee for inspection by all Owners. If, within six months or such longer period as is prescribed by the Issuer at or following the giving of the notice, the Owners of the requisite percentage in aggregate principal amount of Bonds then Outstanding have consented to and approved in writing the execution of the Supplemental Indenture, no Owner will have any right to object to any of the terms and provisions contained in the Supplemental Indenture, or the operation of it, or in any manner to question the propriety of its execution, or to enjoin or restrain the Trustee or the Issuer from executing the Supplemental Indenture or from taking any action pursuant to its provisions.

Section 14.3 Trustee Authorized to Enter Into Supplemental Indenture. The Trustee is authorized to enter into with the Issuer any Supplemental Indenture authorized or permitted by the terms of this Indenture. Upon the execution of any Supplemental Indenture as permitted by this Article, this Indenture will be deemed to be modified and amended in accordance with it, and the Trustee is authorized to carry out the agreements and stipulations contained in the Supplemental Indenture. The Trustee will not unreasonably refuse to enter into any Supplemental Indenture permitted by this Article unless the Trustee believes in good faith that the Supplemental Indenture will adversely affect the rights and immunities of or increase the duties of the Trustee.

Section 14.4 Opinion of Counsel. The Trustee will not execute any Supplemental Indenture amending this Indenture or any Supplemental Indenture, or consent to any amendment to any other Project Document, unless there has been filed with it an Opinion of Counsel stating that the proposed Supplemental Indenture is authorized or permitted by this Indenture and complies with its terms and that upon execution it will be a valid, binding and enforceable limited obligation of the party or parties executing it and that the execution and delivery of the proposed Supplemental Indenture will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any Series 2016 Bond.

Section 14.5 Amendment of Project Documents. (a) Without the consent of or notice to the Owners, the Issuer and the appropriate parties to the applicable Project Document, other than the Indenture, and the Trustee may consent to, any amendment, change or modification of an applicable Project Document, other than the Indenture, as may be required (i) by the provisions thereof or of this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission therein, (iii) for the purpose of issuing Additional Bonds under Section 5.3(b) hereof, (iv) in connection with the description of the Public Infrastructure Improvements, (v) in order to preserve the tax-exempt status of the Series 2016 Bonds or any Additional Bonds, the interest on which is excluded from the gross income of the Owner thereof for federal income tax purposes, or (vi) in connection with any other change therein, which, in the sole judgment of the Trustee based on an Opinion of Counsel, does not adversely affect the interests of the Trustee or the Owners.

(b) Except for amendments, changes or modifications as provided in subsection (a) of this Section 14.5, neither the Issuer nor the Trustee shall consent to any amendment, change or modification of the applicable Project Documents without notice thereof being given to the Owners in the manner provided in Section 14.2 hereof and the written approval or consent of the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Outstanding Bonds procured and given in the manner set forth in Section 14.2 hereof; provided, however, that no such amendment shall be permitted which changes the terms of payment thereunder without the consent of the Owners of all Outstanding Bonds.

(c) The Trustee may rely on an Opinion of Counsel as conclusive evidence that any such amendment, change or modification and the evidence of requisite Owner consent comply with the requirements of this Section 14.5.

ARTICLE XV

DISCHARGE OF INDENTURE

Section 15.1 Discharge of Indenture. If (a) all Bonds secured by this Indenture have become due and payable or irrevocable written instructions to redeem the Bonds or pay them at maturity have been given by the Issuer to the Trustee, and (b) the Trustee holds cash or noncallable Government Obligations or Government Certificates the principal of and interest on which at maturity will be sufficient (i) if Bonds have been called for redemption, to redeem in accordance with the relevant Sections of this Indenture all such Bonds on the date set for such redemption, (ii) to pay at maturity all Outstanding Bonds not called for redemption, (iii) to pay interest accruing on all Bonds until their redemption or payment at maturity, and (iv) unless otherwise provided for, to pay the Trustee its reasonable fees and expenses, including the costs and expenses of canceling and discharging this Indenture, the Trustee will cancel and discharge the lien of this Indenture and execute and deliver to the Issuer such instruments in writing as will be required to release such lien, and assign and deliver to the Issuer any property subject to this Indenture which may then be in its possession, except funds or securities in which such funds are invested which are held by the Trustee for the payment of the principal of and premium, if any, and interest on the Bonds.

In the event that all of the Bonds secured by this Indenture are paid or deemed paid in accordance with the terms of this Indenture, then the rights and interests of the Trustee in and to the Trust Estate created by this Indenture and all covenants, agreements and other obligations of the Issuer to the Owners will cease and be discharged and satisfied. In the event any Bonds are paid or deemed paid in accordance with the terms of this Indenture, then such Bonds will cease to be entitled to any lien, benefit or security under this Indenture (other than the right to receive payment and certain rights regarding registration and transfer) and all covenants, agreements and other obligations of the Issuer to the Owners of such Bonds will cease and be discharged and satisfied.

Section 15.2 Bonds Deemed to be Paid. Bonds will be deemed paid and no longer Outstanding for the purposes of this Indenture when there has been deposited with the Trustee cash or noncallable Government Obligations or Government Certificates the principal of and/or interest on which will be sufficient to pay or redeem such Bonds and to pay interest accruing on such Bonds to their payment or redemption date (whether on or before their maturity or redemption date); provided, however, that if such Bonds are to be redeemed before their maturity, notice of the redemption must have been duly given or irrevocable instructions to redeem such Bonds must have been given by the Issuer to the Trustee. The Issuer shall deliver or cause to be delivered to the Trustee a verification report of a firm of independent certified public accountants or of financial consultants acceptable to the Trustee to the effect that such cash or noncallable Government Obligations or Government Certificates and investment income to be earned on such funds held by the Trustee for payment or redemption of Bonds of the Issuer, will be sufficient to pay, whether upon redemption or at maturity, the principal of and premium, if any, and interest on the Bonds of the Issuer to be refunded.

ARTICLE XVI

MISCELLANEOUS

Section 16.1 Limitation of Liability of Directors, Officers, etc., of Issuer and the Trustee. No covenant, agreement or obligation contained in this Indenture or in any Supplemental Indenture will be deemed to be a covenant, agreement or obligation of any present or future member, director, officer, employee or agent of the Issuer, the Trustee or the Paying Agent in his or her individual capacity, and neither the officers of the Issuer, the Trustee or the Paying Agent nor any of their members, directors, employees or agents executing or authenticating the Bonds will be liable personally on the Bonds or be subject to any personal liability or accountability by reason of their issuance. No member, director, officer, employee, agent or adviser of the Issuer, the Trustee or the Paying Agent will incur any personal liability with respect to any action taken by him or her pursuant to this Indenture or any Supplemental Indenture.

Section 16.2 Interested Parties. Nothing in this Indenture expressed or implied is intended or will be construed to confer upon any Person other than the Issuer, the Trustee and the Owners of the Bonds, any right, remedy or claim under or by reason of this Indenture, this Indenture being intended to be for the sole and exclusive benefit of the Issuer, the Trustee and the Owners of the Bonds.

Section 16.3 Severability of Invalid Provisions. If any clause, provision or section of this Indenture or any Supplemental Indenture is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Indenture or the Supplemental Indenture will be construed and enforced as if the illegal or invalid clause, provision or section had not been contained in it.

Section 16.4 Notice. All notices, certificates or other communications hereunder shall be in writing and unless otherwise specifically directed or permitted by another Section of this Indenture, shall be (a) personally delivered, or (b) sent by United States Postal Service prepaid registered or certified mail, return receipt requested, or (c) sent overnight via Federal Express or other substantial national delivery service, or (d) sent by email, facsimile or other similar electronic means, addressed as follows:

If to the Issuer:

The Sullivan County Infrastructure
Local Development Corporation
One Cablevision Center
Ferndale, New York 12734
Attention: President

If to the Trustee:
or Paying Agent

Manufacturers and Traders Trust Company
One M&T Plaza, 7th Floor
Buffalo, New York 14203
Attention: Corporate Trust Services, Maureen Auld

If to the Administrator: MuniCap, Inc.
8965 Guilford Road, Suite 210
Columbia, Maryland 21046
Attention: Keenan Rice

The Issuer, the Trustee, the Paying Agent and the Administrator may, by notice given under this Section, designate any further or different addresses to which subsequent notices, certificates, requests or other communications will be sent. Unless the Trustee provides notice to the contrary, the address provided above is its designated corporate trust office for the administration of this Indenture and the Bonds.

If, by reason of the suspension of or irregularities in regular mail service, it is impractical to mail to the Owners of Bonds notice of any event when notice is required to be given pursuant to any provision of this Indenture or any Supplemental Indenture, then any manner of giving notice satisfactory to the Trustee will be deemed to be sufficient. Any notice given by facsimile shall be confirmed by telephone.

Section 16.5 Counterparts. This Indenture may be executed in any number of counterparts, each of which, when executed and delivered, will be an original, and the counterparts will together constitute one and the same instrument.

Section 16.6 Governing Law. This Indenture and each Supplemental Indenture will be governed by the laws of the State without regard to conflicts of law principles.

Section 16.7 Successors and Assigns. This Indenture will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have caused this Trust Indenture to be executed on their behalf by their duly authorized officers.

**THE SULLIVAN COUNTY
INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION**

By: 
Edward T. Sykes, Executive Director

**MANUFACTURERS AND TRADERS TRUST
COMPANY, as Trustee**

By: _____
Maureen A. Auld, Assistant Vice President

ACKNOWLEDGED AND ACCEPTED:

MUNICAP, INC., as Administrator

By: _____
Keenan Rice, President

IN WITNESS WHEREOF, the parties have caused this Trust Indenture to be executed on their behalf by their duly authorized officers.

**THE SULLIVAN COUNTY
INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION**

By: _____
Edward T. Sykes, President

**MANUFACTURERS AND TRADERS TRUST
COMPANY, as Trustee**

By: Maureen A. Auld
Maureen A. Auld, Assistant Vice President

ACKNOWLEDGED AND ACCEPTED:

MUNICAP, INC., as Administrator

By: _____
Keenan Rice, President

IN WITNESS WHEREOF, the parties have caused this Trust Indenture to be executed on their behalf by their duly authorized officers.

**THE SULLIVAN COUNTY
INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION**

By: _____
Edward T. Sykes, President

**MANUFACTURERS AND TRADERS TRUST
COMPANY, as Trustee**

By: _____
Maureen A. Auld, Assistant Vice President

ACKNOWLEDGED AND ACCEPTED:

MUNICAP, INC., as Administrator

By:  _____
Keenan Rice, President

EXHIBIT A

[A/B/C/D/E]R-1

Form of Series 2016[A/B/C/D/E] Bond

CUSIP NO. _____

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND ARE BEING OFFERED AND SOLD ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF AND IN COMPLIANCE WITH RULE 144A PROMULGATED UNDER THE SECURITIES ACT AND ACCREDITED INVESTORS WITHIN THE MEANING OF AND IN COMPLIANCE WITH RULE 501(A) PROMULGATED UNDER THE SECURITIES ACT. ACCORDINGLY, THIS BOND MAY NOT BE SOLD OR TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITY ACT OR EXEMPTION THEREFROM.

THIS BOND SHALL NEVER CONSTITUTE A DEBT OR INDEBTEDNESS OF THE STATE OF NEW YORK NOR SULLIVAN COUNTY, NEW YORK NOR THE TOWN OF THOMPSON, NEW YORK (INCLUDING ANY SPECIAL IMPROVEMENT DISTRICT THEREIN) AND NEITHER THE STATE OF NEW YORK NOR SULLIVAN COUNTY, NEW YORK NOR THE TOWN OF THOMPSON, NEW YORK (INCLUDING ANY SPECIAL IMPROVEMENT DISTRICT THEREIN) SHALL BE LIABLE HEREON, NOR SHALL THIS BOND BE PAYABLE OUT OF ANY FUNDS OF THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION OTHER THAN THE MONEYS AND SECURITIES HELD BY THE TRUSTEE UNDER THE INDENTURE. NEITHER THE ISSUER NOR ITS MEMBERS, EMPLOYEES, AGENTS, DIRECTORS OR OFFICERS SHALL HAVE ANY PECUNIARY LIABILITY WITH RESPECT TO THE BONDS.

THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION HAS NO POWER OF TAXATION. THE TAXING POWER OF SULLIVAN COUNTY AND THE TOWN OF THOMPSON IS NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THIS BOND. THE PAYMENT BY THE TOWN OF THE SERVICE FEE (AS DEFINED IN THE HERINAFTER DEFINED INDENTURE) IS SUBJECT TO ANNUAL APPROPRIATION BY THE TOWN BOARD OF THE TOWN OF THOMPSON.

INTEREST RATE

MATURITY DATE

November 1, 20__

DATED DATE

June __, 2016

FUNDING DATE: [_____, 201__]

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL DEVELOPMENT CORPORATION (the "Issuer"), for value received, promises to pay, solely from the revenues and other property pledged to the payment of this Bond, to the registered owner of this Bond or legal representative, the principal sum stated above on the maturity date stated above, and to pay solely from such source, interest on the principal amount of this Bond at the annual rate stated

above, payable on each May 1 and November 1, commencing on November 1, 2016, all subject to prior redemption as described in this Bond. [This Bond will bear interest from the date of the Closing, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2016 at the interest rate and shall mature on the date and in the principal amount shown on the cover page hereof]. [This Bond shall bear interest from, [_____, 201__], its date of issuance, payable semi-annually on May 1 and November 1 of each year, commencing [_____, 201__], at the interest rate, and shall mature on the date and in the principal amount shown, on the cover page hereto]. The principal of and redemption premium, if any, on this Bond is payable upon presentation and surrender of this Bond at the corporate trust office of Manufacturers and Traders Trust Company, as Trustee under the Indenture (as hereinafter defined), or its successor in trust (the "Trustee"). Interest on this Bond will be paid by check or draft mailed to the person registered on the April 15 or October 15, as appropriate, next preceding the interest payment date as the registered owner of this Bond at the address of such person as it appears on the registration books of the Issuer maintained by the Paying Agent. Interest on this Bond will be computed on the basis of a year of 360 days and twelve 30-day months. Notwithstanding the foregoing, if (i) the registered owner of this Bond owns at least \$1,000,000 in aggregate principal amount of Bonds and (ii) such owner has provided satisfactory prior notice of a wire address to the Trustee, then interest on this Bond will be paid by wire transfer. So long as Cede & Co. or any other nominee of DTC, as defined in the Indenture (as defined herein), is the registered owner of this Bond, principal of and premium, if any, and interest on this Bond shall be paid as provided in the Indenture. Principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. In case the date of maturity of the principal of this Bond or the date fixed for the payment of interest on or the redemption of this Bond is not a Business Day (as defined in the Indenture), then payment of the principal and redemption premium, if any, and interest need not be made on such date, but may be made on the next succeeding date which is a Business Day, and if made on such next succeeding Business Day no additional interest will accrue for the period after such date of maturity or date fixed for redemption.

With the consent of and at the direction of 100% of the Owners of this Bonds, the Trustee shall exchange this Bond for several serial and/or term Bonds (the "Modified Bonds") as directed by such Owners. The maturity dates and maturity amounts of the Modified Bonds shall match the mandatory sinking fund schedule as set forth herein. The interest rate for the Modified Bonds will be the same rate borne by this single term Bond. The Modified Bonds will be issued in book-entry form with DTC and the expenses associated with obtaining new CUSIPs and DTC, and reasonable fees of the Trustee and the Issuer shall be paid by the Owners requesting the Modified Bonds.

This Bond and the issue of which it is a part and the redemption premium, if any, and interest on this Bond are limited obligations of the Issuer and payable solely from the revenues and other property pledged and assigned to the Trustee under the terms of the Indenture to secure payment of this Bond.

This Bond is one of an issue of (A) Revenue Bonds (Adelaar Project), Series 2016A in the aggregate principal amount of \$64,170,000 (the "Series 2016A Bonds"), (B) Revenue Bonds (Adelaar Project), Series 2016B in the aggregate principal amount of \$9,170,000 (the "Series 2016B Bonds"), (C) Revenue Bonds (Adelaar Project), Series 2016C in the aggregate principal amount of \$9,035,000 (the "Series 2016C Bonds"), (D) Revenue Bonds (Adelaar Project), Series

2016D in the aggregate principal amount of \$5,935,000 (the "Series 2016D Bonds") and (E) Revenue Bonds (Adelaar Project), Series 2016E in the aggregate principal amount of \$21,765,000 (the "Series 2016E Bonds"; and, together with the Series 2016A Bonds, the Series 2016B Bonds, the Series 2016C Bonds and the Series 2016D Bonds, the "Bonds"). The Bonds are of like tenor, except as to number, denomination, interest rate, maturity date and privilege of redemption and are authorized and issued by the Issuer pursuant to the Act for the purpose of providing funds to pay the cost of the Project (as defined in the Indenture). The Bonds are issued under and are equally and ratably secured by a Trust Indenture, dated as of June 1, 2016 (the "Indenture"), by and between the Issuer and the Trustee. The Bonds are payable from revenues derived from the Service Fee (as defined in the Indenture), payable by the Town subject to appropriation by the Town Board of the Town, in accordance with the Service Agreement (as defined in the Indenture). Reference is made to the Indenture for a description of the revenues and property pledged and assigned and the provisions, among other things, with respect to the nature and extent of the security for the Bonds, the rights and obligations of the Issuer and the Trustee, the terms on which the Bonds are issued, the rights of the registered owners of the Bonds and the provisions for defeasance of such rights. Additional bonds ranking equally with the Bonds may be issued on the terms provided in the Indenture.

NO COVENANT OR AGREEMENT CONTAINED IN THIS BOND, IN THE INDENTURE, OR IN ANY DOCUMENT CONNECTED THEREWITH SHALL BE DEEMED TO BE THE COVENANT OR AGREEMENT OF ANY MEMBER, DIRECTOR, OFFICER, AGENT OR EMPLOYEE OF THE ISSUER IN HIS INDIVIDUAL CAPACITY. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL, PREMIUM, IF ANY, OR REDEMPTION PRICE OF OR THE INTEREST ON THIS BOND OR FOR ANY CLAIM BASED THEREON OR ON THE INDENTURE, AGAINST ANY MEMBER, DIRECTOR, OFFICER, AGENT OR EMPLOYEE, PAST, PRESENT OR FUTURE, OF THE ISSUER, OR OF ANY SUCCESSOR CORPORATION, AS SUCH, EITHER DIRECTLY, OR THROUGH THE ISSUER OR ANY SUCH SUCCESSOR CORPORATION, WHETHER BY VIRTUE OF ANY CONSTITUTIONAL PROVISION, STATUTE, OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY, OR OTHERWISE, ALL SUCH LIABILITY OF SUCH MEMBERS, DIRECTORS, OFFICERS, AGENTS OR EMPLOYEES, BEING RELEASED AS A CONDITION OF, AND AS CONSIDERATION FOR, THE EXECUTION AND DELIVERY OF THIS BOND AND THE INDENTURE.

THIS BOND IS NOT AND SHALL NOT BE A DEBT OR LOAN OF CREDIT OF THE STATE OF NEW YORK, SULLIVAN COUNTY, NEW YORK OR THE TOWN OF THOMPSON, NEW YORK (INCLUDING ANY SPECIAL IMPROVEMENT DISTRICT THEREIN) AND NEITHER THE STATE OF NEW YORK NOR SULLIVAN COUNTY, NEW YORK NOR THE TOWN OF THOMPSON, NEW YORK (INCLUDING ANY SPECIAL IMPROVEMENT DISTRICT THEREIN) SHALL BE LIABLE HEREON.

The Bonds may not be called for redemption except as provided in the Indenture and described in the succeeding numbered paragraphs.

(1) The Bonds are subject to redemption by the Issuer on or after November 1, 2026, in whole or in part at any time, at a Redemption Price equal to 100%

of the principal amount of each Bond or portion thereof to be redeemed, plus accrued interest, if any, to the date fixed for redemption.

The Issuer shall give the Trustee written notice that it is exercising its option to redeem the Series 2016 Bonds at least 45 days before the date fixed for redemption.

(2) This Bond is required to be redeemed in part before maturity by the Issuer on November 1 in the years and amounts set forth below, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date:

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
------------------------	-------------------------	------------------------	-------------------------

* Final Maturity

There shall, at the option of the Issuer, be applied or credited against any sinking fund requirement for Bonds the principal amount of any Bonds that have been previously defeased or redeemed (other than by mandatory sinking fund redemption) before each such mandatory sinking fund redemption date or that have been purchased by the Issuer or the Trustee on behalf of the Issuer and delivered to the Trustee for cancellation at least seventy (70) days before each such mandatory sinking fund redemption date, provided such Bonds have not previously been applied as a credit against any mandatory sinking fund redemption payment.

(3) The Bonds are subject to special mandatory redemption in whole or in part in minimum amounts of \$5,000, at a redemption price equal to the principal amount to be redeemed together with accrued interest thereon to the date fixed for redemption on or after the Completion Date (as defined in the Indenture) by application of money remaining in the various subaccounts in the Construction Account of the Project Fund (as defined in the Indenture) not reserved by the Issuer for the payment of any remaining part of the Public Infrastructure Improvements (as defined in the Indenture) which shall be transferred to the Redemption Account of the Bond Fund (as defined in the Indenture), and applied to the

redemption of the Bonds ratably or from any Net Proceeds transferred to the Redemption Account in accordance with Section 6.4 of the Indenture.

If any of the Bonds are called for redemption, the Trustee will cause a notice of redemption to be mailed postage prepaid, not less than 30 nor more than 60 days before the date fixed for redemption, to the registered owners of the Bonds called for redemption, at their respective addresses as they appear on the registration books maintained by the Trustee. The receipt of notice is not to be a condition precedent to the redemption and failure to mail a notice to a registered owner will not affect the validity of the proceedings for the redemption of the Bonds of any other registered owners. If this Bond is duly called for redemption and payment of the principal of and premium, if any, and unpaid interest accrued to the date fixed for redemption has been made or provided for, then, notwithstanding that this Bond has not been surrendered for cancellation, interest on this Bond will cease to accrue from the redemption date, and, from and after the redemption date, this Bond will no longer be entitled to any lien, benefit or security under the Indenture, and the registered owner of this Bond will have no rights in respect of this Bond except to receive payment of the principal of and redemption premium, if any, and unpaid interest accrued to the date fixed for redemption on this Bond.

Whenever this Bond shall be maintained in book-entry form with a securities depository in accordance with Section 3.4 of the Indenture, in the event that part, but not all, of this Bond shall be called for redemption, the holder of this Bond may elect not to surrender this Bond in exchange for a new Bond and in such event shall make a notation indicating the principal amount of such redemption and the date thereof on the Payment Grid attached hereto. For all purposes, the principal amount of this Bond outstanding at any time shall be equal to the lesser of (A) the Principal Amount shown on the face hereof and (B) such Principal Amount reduced by the principal amount of any partial redemption of this Bond following which the holder of this Bond has elected not to surrender this Bond. The failure of the holder hereof to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy thereon, shall not affect the payment obligation of the Issuer hereunder. THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.

The registered owner of this Bond has no right to enforce the provisions of the Indenture or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect to the Indenture, except as provided in the Indenture. Modifications or alterations in the Indenture, or any supplements to it, may be made to the extent and under the circumstances provided by the Indenture.

The Bonds are issued as registered bonds without coupons in Authorized Denominations. Upon surrender of this Bond at the designated corporate trust office of the Trustee, in the manner and subject to the limitations and conditions provided for in the Indenture, this Bond may be exchanged for an equal aggregate principal amount of Bonds of like date and tenor and of Authorized Denominations.

The transfer of this Bond may be registered by the registered owner in person or by his or her duly authorized attorney or legal representative at the principal office of the Trustee, but only in the manner and subject to the limitations and conditions provided for in the Indenture and upon surrender and cancellation of this Bond. Upon the registration of any transfer, the Issuer

will execute and the Paying Agent will authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of like series, date and tenor, bearing interest at the same rate and in the same manner and of Authorized Denominations for the aggregate principal amount which the registered owner is entitled to receive. Before due registration of any transfer of this Bond, the Trustee will treat the registered owner shown on the registration books maintained by the Paying Agent as the person exclusively entitled to payment of principal of and redemption premium, if any, and interest on this Bond, and the exercise of all other rights and powers of the owner.

All acts and conditions required to happen, exist or be performed precedent to and in connection with the issuance of this Bond have happened, exist and have been performed.

This Bond will not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee has executed the Certificate of Authentication appearing on this Bond.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, The Sullivan County Infrastructure Local Development Corporation has caused this Bond to be executed by the manual or facsimile signature of its President, its seal or a facsimile thereof to be printed on this Bond.

**THE SULLIVAN COUNTY,
INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION**

By: _____
Authorized Signatory

[SEAL]

CERTIFICATE OF AUTHENTICATION

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

**MAUNFACTURERS AND TRADERS
TRUST COMPANY, as Trustee**

By: _____
Maureen A. Auld, Assistant Vice President

Authentication Date: June 16, 2016

ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING
NUMBER OF TRANSFEREE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING
ZIP CODE OF TRANSFEREE)

this Bond and all rights hereunder, and hereby irrevocably constitutes and appoints
_____ attorney, to transfer this Bond on the books kept for its
registration, with full power of substitution.

Date: _____

Tax J.D. No. _____

(NOTICE: Signature(s) must be
guaranteed by an "eligible guarantor
institution" meeting the requirements of
the Trustee which requirements will
include membership or participation in
STAMP or such other "signature
guarantee program" as may be
determined by the Trustee in addition to,
or in substitution for, STAMP, all in
accordance with the Securities Exchange
Act of 1934, as amended.)

Registered Owner
(NOTE: The signature above must
correspond exactly with the name of the
registered owner as it appears on the front
of this Bond.)

[END OF FORM OF BOND]