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SECOND SUPPLEMENTAL INDENTURE

From

CITY OF JOLIET

To

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
as Trustee

Securing

Waterworks and Sewerage Senior Lien Revenue Bonds,  
Series 2025

Dated as of \_\_\_\_\_ 1, 2025

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Supplementing the Master Indenture of Trust Securing Waterworks and Sewerage Revenue Senior Lien Obligations dated as of March 15, 2022 from the City of Joliet to U.S. Bank Trust Company, National Association, as Trustee.

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## SECOND SUPPLEMENTAL INDENTURE

THIS SECOND SUPPLEMENTAL INDENTURE, made and entered into as of \_\_\_\_\_ 1, 2025, from the City of Joliet (the “*City*”), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, to U.S. Bank Trust Company, National Association (the “*Trustee*”), a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, as Trustee.

### W I T N E S S E T H:

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

WHEREAS, the City currently owns and operates its waterworks system and its sewerage system as a combined utility system (the “*System*”); and

WHEREAS, the City has entered into a Master Indenture of Trust securing Waterworks and Sewerage Revenue Senior Lien Obligations, dated as of March 15, 2022, with the Trustee (the “*Indenture*”) which authorizes the issuance of Senior Lien Obligations (as therein defined) in one or more Series (as therein defined) pursuant to one or more Supplemental Indentures; and

WHEREAS, in order to provide funds for the financing of the payment, or the reimbursement for the payment, of the costs of one or more System Projects, as defined in the Indenture, including the 2025 System Projects (as hereinafter defined), the City has authorized the issuance and sale of \$\_\_\_\_\_ aggregate principal amount of Waterworks and Sewerage Senior Lien Revenue Bonds, Series 2025 (the “*Bonds*”) of the City pursuant to the Indenture and this Second Supplemental Indenture;

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH:

### GRANTING CLAUSES

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

#### GRANTING CLAUSE FIRST

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

#### GRANTING CLAUSE SECOND

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

#### GRANTING CLAUSE THIRD

All moneys and securities from time to time held by the Trustee in the Common Debt Service Reserve Sub-Fund on a parity with the security interest in said Sub-Fund granted or to be granted to the present and future owners of Common Reserve Bonds (as defined in the Indenture).

#### GRANTING CLAUSE FOURTH

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

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

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

PROVIDED, HOWEVER, that if the City, its successors or assigns shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner set forth therein according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required under Article VI hereof, or shall provide, as permitted hereby, for the payment thereof and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of the Indenture and this Second Supplemental Indenture and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon the final payment thereof this Second Supplemental Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Second Supplemental Indenture shall remain in full force and effect.

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

## ARTICLE I

### Definitions

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

*“Administrative Account”* means the Series 2025 Senior Lien Administrative Account established in the 2025 Dedicated Sub-Fund.

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

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

*“Bond Ordinance”* means Ordinance Number \_\_\_\_\_ adopted by the City Council of the City on June 3, 2025.

*“Bonds”* means the Waterworks and Sewerage Senior Lien Revenue Bonds, Series 2025, of the City authorized to be issued pursuant to Article II.

*“Business Day”* means a day on which banks located in the city in which the principal corporate trust office of the Trustee is located are not required or authorized to remain closed, and are not in fact closed.

[*“Capitalized Interest Account”* means the Series 2025 Senior Lien Capitalized Interest Account established in the 2025 Dedicated Sub-Fund.]

*“Costs of Issuance Account”* means the Series 2025 Senior Lien Costs of Issuance Account established in the 2025 Dedicated Sub-Fund.

*“Date of Issuance”* means \_\_\_\_\_, 2025, the date of original issuance and delivery of the Bonds hereunder.

*“DTC”* means Depository Trust Company, and its successors and assigns.

“*Indenture*” means the Master Indenture of Trust securing Waterworks and Sewerage Revenue Senior Lien Obligations, dated as of March 15, 2022, from the City to the Trustee, pursuant to which Senior Lien Obligations are authorized to be issued, and any amendments and supplements thereto, including this Second Supplemental Indenture.

[“*Insured Bonds*” means the \$\_\_\_\_\_,000 principal amount of Bonds maturing on January 1, 20\_\_.]

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

“*Interest Payment Date*” means January 1 and July 1 of each year, commencing January 1, 2026.

“*Ordinance*” means the Ordinance Number \_\_\_\_ duly adopted by the City Council of the City on \_\_\_\_\_, 2025, and entitled: “Ordinance Approving One or More Supplemental Indentures and Authorizing the Issuance of Not to Exceed \$145,000,000 Waterworks and Sewerage Senior Lien Revenue Bonds of the City of Joliet, Illinois”, which authorizes the issuance and sale of the Bonds and the execution of this Second Supplemental Indenture.

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

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

“*Project Account*” means the Series 2025 Senior Lien Project Account established in the 2025 Dedicated Sub-Fund.

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

“*Registered Owner*” means the person or persons in whose name or names a Bond shall be registered on the books of the City kept for that purpose in accordance with provisions hereof.

“*Second Supplemental Indenture*” means this Second Supplemental Indenture and any amendments and supplements hereto.

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

“*State*” means the State of Illinois.

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

“2025 *Dedicated Sub-Fund*” means the Series 2025 Senior Lien Dedicated Sub-Fund established and described in Section 4.02.

“2025 *System Projects*” means the System Projects being the Phase III Project (as defined in the Bond Ordinance) of the Water Transmission System Project financed with the proceeds of the Bonds as described in the Tax Compliance Certificate of the City with respect to the Bonds.

## ARTICLE II

### The Bonds

**Section 2.01. Series Authorized.** The Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois, and pursuant to the Ordinance, which authorizes the execution and delivery of this Second Supplemental Indenture. The Bonds are a Series of Senior Lien Obligations. No Bonds may be issued under the provisions of this Second Supplemental Indenture except in accordance with this Article. The Bonds are being issued (i) to provide funds to pay, or to reimburse the City for payment of, costs of the 2025 System Projects, (ii) to fund a deposit into the Common Debt Service Reserve Sub-Fund, and (iii) to pay costs of issuance of the Bonds. Except as provided in Section 2.08, the total original principal amount of Bonds that may be issued hereunder is hereby expressly limited to \$\_\_\_\_\_.

**Section 2.02. Issuance and Terms of Bonds.** The Bonds shall be issued in the aggregate principal amount of \$\_\_\_\_\_ and shall be designated “City of Joliet, Waterworks and Sewerage Senior Lien Revenue Bonds, Series 2025.”

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

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

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

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%



Interest on the Bonds shall be payable on January 1 and July 1 of each year, commencing January 1, 2026. The Bonds shall bear interest from the date thereof or from and including the most recent Interest Payment Date with respect to which interest has been paid or duly provided for. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

**Section 2.03. Payment on the Bonds.** Interest on the Bonds shall be payable on each applicable Interest Payment Date. The principal of, premium, if any, and the interest on the Bonds shall be payable in lawful money of the United States of America. Except as provided in Section 2.10, the principal of and redemption premium, if any, on all Bonds shall be payable at the principal office of the Trustee upon the presentation and surrender of the Bonds as the same become due and payable. Except as provided in Sections 2.09 and 2.10, the interest on the Bonds shall be paid by check drawn upon the Trustee and mailed to the persons in whose names the Bonds are registered at the address of each such person as it appears on the registration books maintained by the Trustee at the close of business on the Record Date next preceding each Interest Payment Date or at such other address as is furnished in writing by such Registered Owner to the Trustee. Interest on the Bonds shall be paid by wire transfer to any Registered Owner who at the close of business on such Record Date has given written notice of its wire transfer address in the continental United States to the Trustee prior to such Record Date (which notice may provide that it will remain in effect until revoked), *provided* that each such wire transfer shall be made only with respect to a Registered Owner of \$1,000,000 or more in aggregate original principal amount of the Bonds as of the close of business on such Record Date.

**Section 2.04. Limited Obligations.** The Bonds are limited obligations of the City as set forth in Section 204 of the Indenture and shall be a valid claim of the respective Registered Owners thereof only against the 2025 Dedicated Sub-Fund, the Common Debt Service Reserve Sub-Fund on a parity with other Common Reserve Bonds and other moneys held by the Trustee or otherwise pledged therefor, which amounts are hereby pledged, assigned and otherwise held as security for the equal and ratable payment of the Bonds. The Bonds shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation, and neither the full faith and credit nor the taxing power of the City is pledged to the payment of the principal of, premium, if any, or interest on the Bonds or other costs incident thereto.

**Section 2.05. Execution and Authentication.** The Bonds shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor of the City and attested with the official manual or facsimile signature of its City Clerk, and shall have affixed, impressed, imprinted or otherwise reproduced thereon the corporate seal of the City or a facsimile thereof. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall

cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, as if such officer had remained in office until delivery. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Second Supplemental Indenture unless and until such certificate of authentication in substantially the form set forth in Section 2.06 shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Second Supplemental Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if (a) signed by an authorized signatory of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder, and (b) the date of authentication on the Bond is inserted in the place provided therefor on the certificate of authentication.

**Section 2.06. Form of Bonds.** The Bonds issued under this Second Supplemental Indenture shall be substantially in the form set forth in this Section 2.06, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture or this Second Supplemental Indenture.

[FORM OF BOND]

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

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

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
CITY OF JOLIET  
Waterworks and Sewerage Senior Lien Revenue Bond,  
Series 2025**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	January 1, 20__	_____, 20__	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

CITY OF JOLIET (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay (but only out of the sources hereinafter provided) to the Registered Owner identified above, or registered assigns, on the maturity date specified above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal sum specified above and to pay (but only out of the sources hereinafter provided) interest on the balance of said principal sum from time to time remaining unpaid from and including the date hereof or from and including the most recent Interest Payment Date (as defined in the hereinafter defined Indenture) with respect to which interest has been paid or duly provided for, until payment of said principal sum has been made or duly provided for, at the interest rate specified above, computed on the basis of a 360-day

year consisting of twelve 30-day months, and payable on January 1, 2026 and semiannually thereafter on each January 1 and July 1.

Principal of, premium, if any, and interest on this Bond shall be payable in lawful money of the United States of America at the principal office in Chicago, Illinois of U.S. Bank Trust Company, National Association, Chicago, Illinois, as trustee, or its successor in trust (the “Trustee”); provided, however, payment of the interest on any Interest Payment Date (as defined in the hereinafter defined Indenture) shall be (i) made to the registered owner hereof as of the close of business on the applicable Record Date (as defined in the hereinafter defined Indenture) with respect to such Interest Payment Date and shall be paid by check or draft mailed to such registered owner hereof at the address of such registered owner as it appears on the registration books of the City maintained by the Trustee or at such other address as is furnished in writing by such registered owner to the Trustee or (ii) made by wire transfer to such registered owner as of the close of business on such Record Date upon written notice of such wire transfer address in the continental United States by such registered owner to the Trustee given prior to such Record Date (which notice may provide that it will remain in effect until revoked), provided that each such wire transfer shall be made only with respect to an owner of \$1,000,000 or more in aggregate principal amount of the Bonds as of the close of business on the Record Date relating to such Interest Payment Date, except, in each case, that if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the registered owners as provided in the Indenture. So long as this Bond is restricted to being registered in the registration books of the City in the name of a Securities Depository (as defined in the Indenture), the provisions of the Indenture governing book-entry bonds shall govern the payment of the principal of and interest on this Bond.

This Bond is one of an authorized series of Senior Lien Obligations limited in aggregate principal amount to \$\_\_\_\_\_ (the “Bonds”) issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and an ordinance adopted by the City Council of the City on \_\_\_\_\_, 2025, and executed and secured under a Master Indenture of Trust securing Waterworks and Sewerage Revenue Senior Lien Obligations dated as of March 15, 2022 from the City to U.S. Bank Trust Company, National Association, as Trustee, as supplemented by a Second Supplemental Indenture securing Waterworks and Sewerage Senior Lien Revenue Bonds, Series 2025, dated \_\_\_\_\_ 1, 2025, from the City to the Trustee (collectively, the “Indenture”), for the purposes of paying the costs of the 2025 System Projects, funding a deposit to the Common Debt Service Reserve Sub-Fund and paying costs of issuance of the Bonds.

The Bonds and the interest thereon are payable from the Trust Estate, (as defined in the Indenture) pledged to the payment thereof under the Indenture, including Revenues and certain other moneys held by or on behalf of the Trustee. The Bonds are limited obligations of the City and shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation. Neither the full faith and credit nor the taxing power of the City is pledged to the payment of the principal of the Bonds, or the interest or any premium thereon, or other costs incident thereto.

Copies of the Indenture are on file at the principal office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof is

made for a description of the pledge and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Bonds, and the limitations on such rights and remedies.

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

Bonds may be exchanged at the principal office of the Trustee for an equal aggregate principal amount of Bonds in the appropriate form and in the same maturity, series and interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations. The City shall execute and the Trustee shall authenticate and deliver Bonds which the Bondholder making the exchange is entitled to receive.

Such registration of transfer or exchange of Bonds shall be without charge to the owners of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the owners of the Bond requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

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

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

The Bonds maturing on or after January 1, 20\_\_ are subject to redemption at the option of the City, on or after January 1, 20\_\_, as a whole or in part at any time, and if in part, from such maturities and in such principal amounts as the City shall determine and within any maturity by lot, at a redemption price equal to the principal amount of each Bond to be redeemed, plus accrued interest to the date of the redemption.

The Bonds maturing on January 1, 20\_\_, are term bonds subject to mandatory redemption prior to maturity, in part and by lot, at a redemption price equal to the principal amount thereof to be redeemed, on January 1 of the years 20\_\_ to 20\_\_, both inclusive, by the application of

mandatory sinking fund payments in the principal amounts required by the Second Supplemental Indenture.

The Bonds maturing on January 1, 20\_\_, are term bonds subject to mandatory redemption prior to maturity, in part and by lot, at a redemption price equal to the principal amount thereof to be redeemed, on January 1 of the years 20\_\_ to 20\_\_, both inclusive, by the application of mandatory sinking fund payments in the principal amounts required by the Second Supplemental Indenture.

Notice of any such redemption must be given by the Trustee by first class mail (or registered mail in the case of registered owners of at least \$1,000,000 of Bonds) not less than 30 or more than 60 days prior thereto to the registered owners of the Bonds. Failure to mail any such notice to the registered owner of any Bond or any defect therein shall not affect the validity of the proceedings for such redemption of Bonds.

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

The Indenture prescribes the manner in which it may be discharged and after which the Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except as provided in the Indenture and for the purposes of registration and exchange of Bonds and of such payment, including a provision that the Bonds shall be deemed to be paid if the Trustee shall hold in trust for that purpose Federal Obligations, as defined therein, the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or redemption price, if applicable, of and interest due and to become due on said Bonds on or prior to each specified redemption date or maturity date thereof, as the case may be.

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

All capitalized terms used in this Bond shall have the meanings assigned in the Indenture unless otherwise defined herein.

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

It is Hereby Certified, Recited and Declared that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Joliet has caused this Bond to be signed in its name and on its behalf by the manual or duly authorized facsimile signature of its Mayor and its corporate seal (or a facsimile thereof) to be hereunto impressed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or duly authorized facsimile signature of its City Clerk.

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

CITY OF JOLIET

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

[SEAL]

Attest:

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

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

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

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Trustee

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

[FORM OF ASSIGNMENT]

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

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

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

For Value Received, the undersigned sells, assigns and transfers unto \_\_\_\_\_

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

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

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

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

Signature:

Signature Guaranteed:

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

**Section 2.07. Delivery of Bonds.** Upon the execution and delivery of this Second Supplemental Indenture, the City shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Bonds and deliver them to the purchasers as may be directed by the City as hereinafter in this Section 2.07 provided.

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

- (a) A copy, duly certified by the City Clerk, of the Ordinance;
- (b) Original executed counterpart of the Indenture;
- (c) Original executed counterpart of this Second Supplemental Indenture;
- (d) A Counsel's Opinion to the effect that (i) the Indenture and this Second Supplemental Indenture have been duly and lawfully authorized by all necessary action on the part of the City, have been duly and lawfully executed by authorized officers of the City, are in full force and effect and are valid and binding upon the City and enforceable in accordance with their terms (except as limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws or by general principles of equity if equitable remedies are sought); (ii) the Indenture and this Second Supplemental Indenture create the valid pledge of Revenues, moneys and securities which they purport to create; and (iii) upon their execution, authentication and delivery, the Bonds will have been duly and validly authorized and issued in accordance with the Constitution and laws of the State, the Indenture and this Second Supplemental Indenture;
- (e) A written order as to the delivery of the Bonds, executed by an Authorized Officer stating (i) the identity of the purchasers, aggregate purchase price and date and place of delivery of the Bonds and (ii) that no Event of Default has occurred and is continuing under the Indenture or this Second Supplemental Indenture;
- (f) The Certificate of the City required by Section 206(e) of the Indenture; and
- (g) A Certificate of an Independent System Consultant or a Certificate of the City complying with Section 206(f) of the Indenture.

**Section 2.08. Mutilated, Lost, Stolen or Destroyed Bonds.** If any Bond is mutilated, lost, stolen or destroyed, the City may execute and the Trustee may authenticate a new Bond of like date, maturity, interest rate and denomination as the Bond mutilated, lost, stolen or destroyed, *provided* that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of such loss, theft or destruction satisfactory to the City and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond the City may pay the same without surrender thereof. The City and the Trustee may charge the Registered Owner of such Bond with their reasonable fees and expenses in this connection. All Bonds so surrendered to the Trustee shall be cancelled and destroyed, and evidence of such destruction shall be given to the City. Upon the date of final maturity or redemption of all of the Bonds, the Trustee shall destroy any inventory of unissued certificates.

**Section 2.09. Registration and Exchange of Bonds; Persons Treated as Owners.** The City shall cause books for the registration and for the transfer of the Bonds as provided in this Second Supplemental Indenture to be kept by the Trustee. Upon surrender for transfer of any Bond at the principal office of the Trustee, duly endorsed for transfer or accompanied by an



assignment duly executed by the Registered Owner or his or her attorney duly authorized in writing, the City shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a fully registered Bond for a like aggregate principal amount.

Bonds may be exchanged at the principal office of the Trustee for a like aggregate principal amount of fully registered Bonds of the same maturity of other authorized denominations. The City shall execute and the Trustee shall authenticate and deliver Bonds which the Bondowners making the exchange are entitled to receive, bearing numbers not contemporaneously then outstanding. The execution by the City of any Bond of any denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond.

In each case the Trustee shall require the payment by the Bondowner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer, but otherwise no charge shall be made to the Bondowner for such exchange or transfer.

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

The person in whose name any fully registered Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such registered Bond upon any transfer or exchange thereof subsequent to the Record Date and prior to such Interest Payment Date, except if and to the extent there shall be a default in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the person in whose name such Bond is registered either at the close of business on the day preceding the date of payment of such defaulted interest or on a subsequent Record Date for such payment if one shall have been established as hereinafter provided. A subsequent Record Date may be established by or on behalf of the City by notice mailed to the Registered Owners of Bonds not less than 10 days preceding such Record Date, which Record Date shall be not more than 30 days prior to the subsequent interest payment date.

Except as provided in the Indenture, as to any Bond the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal, premium, if any, or interest on any Bond shall be made only to or upon the written order of the Registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

**Section 2.10. Book-Entry Provisions.** The provisions of this Section shall apply so long as the Bonds are maintained in book-entry form with DTC or another Securities Depository.

(a) *Payments.* The Bonds shall be payable to the Securities Depository, or its nominee, as the Registered Owner of the Bonds, in next day funds on each date on which the principal of, premium, if any, and interest on the Bonds is due as set forth in this Second Supplemental Indenture and in the Bonds. Such payments shall be made to the offices of the Securities

Depository specified by the Securities Depository to the City and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Bonds, the City and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set forth herein. If such different manner of payment is agreed upon, the City shall give the Trustee notice thereof, and the Trustee shall make payments with respect to the Bonds in the manner specified in such notice as set forth herein. Neither the City nor the Trustee shall have any obligation with respect to the transfer or crediting of the principal of, premium, if any, and interest on the Bonds to Participants or the beneficial owners of the Bonds or their nominees.

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

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

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

## ARTICLE III

### Redemption of Bonds Before Maturity

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

(a) *Optional Redemption.* The Bonds maturing on and after January 1, 20\_\_ are subject to redemption prior to maturity at the option of the City on or after \_\_\_\_\_ 1, 20\_\_, as a whole or in part at any time, and if in part, from such maturities and in such principal amounts as the City shall determine and within any maturity by lot, at a Redemption Price equal to the principal amount of each Bond to be redeemed, plus accrued interest to the date of the redemption.

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

<u>Year</u>	<u>Principal Amount</u>
20	\$
20	
20	
20	

The January 1, 20\_\_ Principal Installment of the 20\_\_ Term Bonds is \$\_\_\_\_\_.

(c) The Bonds maturing on January 1, 20\_\_ (the "20\_\_ Term Bonds") are subject to mandatory redemption, in part by lot as provided in the Indenture from mandatory Sinking Fund Payments, on January 1 in each of the years and in the respective principal amounts set forth below, at a Redemption Price equal to the principal amount thereof to be redeemed:

<u>Year</u>	<u>Principal Amount</u>
20	\$
20	
20	
20	

The January 1, 20\_\_ Principal Installment of the 20\_\_ Term Bonds is \$\_\_\_\_\_.

In the event of the optional redemption by the City of less than all the Bonds of like tenor and maturity with respect to which Sinking Fund Payments have been established, the principal amount so redeemed shall be credited against the unsatisfied balance of future Sinking Fund Payments or the final maturity amount established with respect to such Bonds, in such amount and against such Sinking Fund Payments or final maturity amount as shall be determined by the City

in a Certificate of an Authorized Officer filed with the Trustee prior to the mailing of the notice of redemption of such Bonds or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable Sinking Fund Payment next ensuing after the date fixed for such redemption.

**Section 3.02. Notice of Redemption.** Notice of the redemption of Bonds or any portion thereof pursuant to Section 3.01 identifying the Bonds or portions thereof to be redeemed, specifying the redemption date, the Redemption Price, the places and dates of payment, that from the redemption date interest will cease to accrue, and, in the case of any optional redemption pursuant to Section 3.01(a), whether the redemption is conditioned upon sufficient moneys being available on the redemption date (or any other condition), shall be given by the Trustee by mailing a copy of such redemption notice not less than 30 nor more than 60 days prior to the date fixed for redemption, to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books. Redemption notices shall be sent by first class mail, except that notices to Registered Owners of at least \$1,000,000 of Bonds shall be sent by registered mail. Failure to mail any such notice to the Registered Owner of any Bond or any defect therein shall not affect the validity of the proceedings for such redemption of Bonds. Whenever the Bonds are held in book-entry form, redemption notices will be delivered in accordance with the applicable procedures of the Securities Depository, which may include electronic delivery. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Registered Owner of any Bond receives the notice.

**Section 3.03. Deposit of Funds.** For the redemption of any of the Bonds, the City shall cause to be deposited in trust in a special redemption account held by the Trustee Qualified Investments and moneys sufficient to pay when due the Redemption Price of and interest on such Bonds on the redemption date of such Bonds.

**Section 3.04. Partial Redemption of Bonds.** If a Bond is of a denomination larger than the minimum Authorized Denomination, all or a portion of such Bond (equal to the minimum Authorized Denomination or any integral multiple thereof) may be redeemed but such Bond shall be redeemed only in a principal amount equal to the minimum Authorized Denomination or any integral multiple thereof. Upon surrender of any Bond for redemption in part only, the City shall execute and the Trustee shall authenticate and deliver to the Registered Owner thereof, at the expense of the City, a new Bond or Bonds of Authorized Denominations in aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

**Section 3.05. Selection of Bonds for Redemption.** If less than all of the Bonds of like maturity and interest rate are called for redemption, the Bonds (or portions thereof) to be redeemed shall be selected by lot by the Trustee. Whenever the Bonds are held in book-entry form, the Bonds to be redeemed shall be selected by the Securities Depository in accordance with its applicable procedures for partial redemption of Bonds.

## ARTICLE IV

### Revenues and Funds

**Section 4.01. Moneys to Be Held in Trust.** All moneys required to be deposited with or paid to the Trustee for the account of any Fund or Account referred to in any provision of this Second Supplemental Indenture shall be held by the Trustee in trust as provided in Section 1003 of the Indenture, and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien and security interest created hereby.

**Section 4.02. Creation of Dedicated Sub-Fund and Accounts in the Debt Service Fund.**

(a) *Creation of 2025 Dedicated Sub-Fund.* There is hereby created by the City and ordered established with the Trustee a separate and segregated Dedicated Sub-Fund within the Debt Service Fund, such Dedicated Sub-Fund to be designated the “Series 2025 Senior Lien Dedicated Sub-Fund” (hereinafter called the “*2025 Dedicated Sub-Fund*”). Moneys on deposit in the 2025 Dedicated Sub-Fund, and in each Account established therein as hereinafter provided, shall be held in trust by the Trustee for the sole and exclusive benefit of the Registered Owners of the Bonds, and shall not be used or available for the payment of any other Senior Lien Obligations.

(b) *Creation of Accounts.* There are hereby created by the City and ordered established with the Trustee separate Accounts within the 2025 Dedicated Sub-Fund, designated as follows:

(i) *Costs of Issuance Account:* an Account to be designated the “Series 2025 Senior Lien Costs of Issuance Account” (the “*Costs of Issuance Account*”);

(ii) *Administrative Account:* an Account to be designated the “Series 2025 Senior Lien Administrative Account” (the “*Administrative Account*”);

(iii) *Principal and Interest Account:* an Account to be designated the “Series 2025 Senior Lien Principal and Interest Account” (the “*Principal and Interest Account*”);

(iv) *Project Account:* an Account to be designated the “Series 2025 Senior Lien Project Account” (the “*Project Account*”); [and

(v) *Capitalized Interest Account:* an Account to be designated the “Series 2025 Senior Lien Capitalized Interest Account” (the “*Capitalized Interest Account*”).]

**Section 4.03. Application of Bond Proceeds.** The proceeds received by the City from the sale of the Bonds shall be applied as follows:

(a) *Deposit to Costs of Issuance Account:* the Trustee shall deposit the amount of \$\_\_\_\_\_ into the Costs of Issuance Account;

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

(c) *Deposit to Project Account:* the Trustee shall deposit the amount of \$\_\_\_\_\_ into the Project Account; and

(d) *Deposit to Common Debt Service Reserve Sub-Fund:* the Trustee shall deposit the amount of \$\_\_\_\_\_ into the Common Debt Service Reserve Sub-Fund;

(e) *Payment to the Insurer:* the amount of \$\_\_\_\_\_ shall be applied to pay the premium due to the Insurer for the Policy.

**Section 4.04. Deposits into 2025 Dedicated Sub-Fund and Accounts Therein.** On January 1 and July 1 of each year, commencing January 1, 2026 (each such date referred to herein as the “*Deposit Date*”) there shall be deposited into the 2025 Dedicated Sub-Fund from amounts on deposit in the Debt Service Fund an amount equal to the aggregate of the following amounts, which amounts shall have been calculated by the Trustee on the next preceding December 20 or June 20 (in the case of each January 1 or July 1, respectively) (such aggregate amount with respect to any Deposit Date being referred to herein as the “*2025 Deposit Requirement*”):

(a) for deposit into the Principal and Interest Account, an amount equal to the aggregate of: (i) one-half of the Principal Installment coming due on the Bonds on the January 1 next succeeding such date of calculation and (ii) the amount of interest due on the Bonds on the current Deposit Date (reduced, [(a) by moneys transferred from the Capitalized Interest Account and (b)] in the case of each January 1 Deposit Date, by investment earnings credited as of the immediately prior calculation date to the Principal and Interest Account); and

(b) for deposit into the Administrative Account, the amount estimated by the City to be required as of the close of business on such Deposit Date to pay all fees and expenses with respect to the Bonds during the semi-annual period commencing on such Deposit Date.

In addition to the 2025 Deposit Requirement, there shall be deposited into the 2025 Dedicated Sub-Fund any other moneys received by the Trustee under and pursuant to the Indenture or this Second Supplemental Indenture, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the 2025 Dedicated Sub-Fund and to one or more accounts therein.

**Section 4.05. Use of Moneys in Principal and Interest Account for Payment of Bonds.**

(a) Moneys in the Principal and Interest Account shall be used for (i) payment of the Principal Installment, and interest due on each Payment Date with respect to the Bonds and not otherwise provided for, ratably, without preference or priority of any kind, (ii) payment of the interest on Bonds called for optional redemption pursuant to Section 3.01(a) and (iii) payment of the Redemption Price of Bonds called for optional redemption pursuant to Section 3.01(a) to the extent that moneys have theretofore been deposited into the Principal and Interest Account for the payment of the principal of such Bonds.

(b) The City shall establish and maintain in the Principal and Interest Account a separate sub-account for each particular group of Bonds of like tenor that mature on a single date and for which Sinking Fund Payments are established. Moneys paid into the Principal and Interest Account as a Sinking Fund Payment in any year shall upon receipt be segregated and set aside in said sub-accounts in proportion to the respective amounts of the Sinking Fund Payments payable on the next ensuing Sinking Fund Payment due date with respect to the particular Bonds for which each such sub-account is maintained.

(c) The Trustee shall apply moneys in any sub-account established in the Principal and Interest Account as provided in paragraph (b) of this Section to the purchase or redemption of the Bonds for which such sub-account is maintained in the manner provided in this Section and Article III or to the payment of the principal thereof at maturity. If at any date there shall be moneys in any such sub-account and there shall be Outstanding none of the Bonds for which such sub-account was established, said sub-account shall be closed and the moneys therein shall be withdrawn therefrom and shall be applied by the Trustee as if paid into the Principal and Interest Account on said date.

(d) On or prior to the 60th day next preceding the Sinking Fund Payment due date, the moneys held for the payment of such Sinking Fund Payment may be applied for the purchase of Bonds of the maturity for which such Sinking Fund Payment was established in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of Bonds to be redeemed from such Sinking Fund Payment on the Sinking Fund Payment due date for such Bonds next ensuing. Bonds purchased pursuant to this paragraph shall be canceled and the principal amount thereof shall be credited against the unsatisfied balance of the applicable Sinking Fund Payment next due and payable. The purchase price paid (excluding accrued interest but including any brokerage and other charges) for any Bond shall not exceed the Redemption Price of such Bond applicable upon its redemption on the next date on which such Bond could be redeemed in accordance with its terms by the application of Sinking Fund Payments. Subject to the limitations hereinbefore set forth or referred to in this Section, the Trustee may purchase Bonds at such times, for such prices, in such amounts and in such manner (whether after advertisement for tenders or otherwise) as directed by an Authorized Officer and as may be possible with the amount of moneys available therefor in the applicable sinking fund sub-account within the Principal and Interest Account. Accrued interest on Bonds purchased pursuant to this paragraph shall be paid from the Principal and Interest Account.

(e) As soon as practicable after the 60th and before the 30th day prior to the due date of each Sinking Fund Payment, the Trustee shall call for redemption on said date and by application of said Sinking Fund Payment such principal amount of Bonds entitled to such Sinking Fund Payment as is required to redeem the unsatisfied balance of such Sinking Fund Payment. The Trustee shall withdraw from the Principal and Interest Account, prior to each sinking fund redemption date, an amount equal to the Redemption Price of the Bonds called for redemption on said date, and apply the same to the payment of the Redemption Price of said Bonds when due.

**Section 4.06. Use of Moneys in the [Capitalized Interest Account,] Costs of Issuance Account and the Administrative Account.** [Moneys in the Capitalized Interest Account shall be

used to pay interest on the Bonds by transfers to the Principal and Interest Account on the following Deposit Dates of the following amounts:

<u>Deposit Date</u>	<u>Amount</u>
July 1, 20__	\$
January 1, 20__	
July 1, 20__	
January 1, 20__	

Any amount remaining in the Capitalized Interest Account after the \_\_\_\_\_ 1, 20\_\_ Deposit Date shall be transferred to the Principal and Interest Account.]

Moneys in the Costs of Issuance Account shall be used for the payment or reimbursement of Costs of Issuance of the Bonds as directed in a Certificate filed with the Trustee. If after the payment of all Costs of Issuance, as specified in a Certificate filed with the Trustee, there shall be any balance remaining in the Costs of Issuance Account, such balance shall be transferred to the Administrative Account.

Moneys in the Administrative Account shall be used for the payment of fees and expenses with respect to the Bonds as set forth in a Certificate filed with the Trustee.

**Section 4.07. Tax Covenants.** The City shall not permit any of the proceeds of the Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any Bond to constitute a “private activity bond” within the meaning of Section 141 of the Code. The City shall not permit any of the proceeds of the Bonds or other moneys to be invested in any manner that would cause any Bond to constitute an “arbitrage bond” within the meaning of Section 148 of the Code or a “hedge bond” within the meaning of Section 149(g) of the Code.

The City shall comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

**Section 4.08. Nonpresentment of Bonds.** If any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or otherwise, if moneys sufficient to pay any such Bond shall have been made available to the Trustee for the benefit of the Registered Owner or Owners thereof, subject to the provisions of Section 602 of the Indenture, all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature under the Indenture or this Second Supplemental Indenture or on, or with respect to, such Bond.

**Section 4.09. Common Debt Service Reserve Sub-Fund.** The City hereby designates the Bonds as Common Reserve Bonds. The City covenants to maintain the Common Debt Service Reserve Sub-Fund in an amount equal to the Reserve Requirement. The City covenants and the City and the Trustee agree that the Common Debt Service Reserve Sub-Fund is to be administered



for the equal benefit, protection and security of the Owners of the Common Reserve Bonds and that, with respect to the Common Debt Service Reserve Sub-Fund, all Outstanding Common Reserve Bonds are on a parity and rank equally without preference, priority or distinction.

**Section 4.10. Costs of 2025 System Projects.** The costs of the 2025 System Projects shall include:

(a) Obligations incurred for labor and to contractors, builders, and materialmen in connection with the construction, installation and acquisition of the 2025 System Projects or any part thereof, and obligations incurred for the installation and acquisition of machinery and equipment;

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

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

(d) The amount of any damage incident to or consequent upon the construction, installation and acquisition of the 2025 System Projects;

(e) The cost of any indemnity, fidelity and surety bonds, the fees and expenses of the Fiduciaries during construction, installation and acquisition of 2025 System Projects, and premiums on insurance, if any, in connection with such 2025 System Projects during construction, installation and acquisition, including builders' risk insurance;

(f) The cost of engineering and architectural services which includes borings and other preliminary investigations to determine foundation or other conditions, expenses necessary or incident to the development of contract documents and supervising construction, as well as for the performance of all other duties of engineers and architects set forth herein in relation to the construction, installation and acquisition of such 2025 System Projects or the issuance of the Bonds therefor;

(g) Costs of Issuance;

(h) Arbitrage rebate payments and yield reduction payments to the United States Treasury;

(i) Any cost properly chargeable to such 2025 System Projects prior to and during construction, installation and acquisition;

(j) The cost of restoring, repairing and placing in its original condition, as nearly as practicable, all public or private property damaged or destroyed in the construction of such 2025 System Projects and the cost thereof, or the amount required to be paid by the City as adequate compensation for such damage or destruction, and all costs

lawfully incurred or damages lawfully payable, with respect to the restoration, relocation, removal, reconstruction or duplication of property made necessary or caused by the construction and installation of such 2025 System Projects and the cost thereof;

(k) Any obligation or expense incurred by the City for moneys advanced in connection with the construction, installation and acquisition of 2025 System Projects and the cost thereof; and

(l) All other items of cost and expense not elsewhere in this Section 4.10 specified, incident to the construction, installation and acquisition of 2025 System Projects and the financing thereof, including the payment of interest on Bonds.

**Section 4.11. Disbursements from Project Account.** (a) All disbursements from the Project Account shall be made in accordance with requisitions signed by an Authorized Officer in respect of each payment, as to the following:

(i) Item number of the payment;

(ii) The name of the person, firm or corporation to whom the payment is due;

(iii) The amount to be paid;

(iv) The 2025 System Project and purpose, by general classification, for which payment is to be made;

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

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

(b) Upon receipt of any such requisitions the Trustee shall pay each such obligation from the appropriate sub-account of the Project Account and the Trustee shall make disbursements in accordance with the directions from the Authorized Officer. The moneys held in the Project Account shall be invested in accordance with the requirements of Article V.

**Section 4.12. Progress Reports and Completion Certificate.** (a) In the month of January and in the month of July in each year during the period of the construction, installation and acquisition of each 2025 System Project, the cost of which has been paid in whole or in part from Bond proceeds, the City will prepare and file with the Trustee a progress report in connection with such construction, installation and acquisition of such 2025 System Project.

(b) Promptly after the completion of the construction, installation and acquisition of each such 2025 System Project, the City will deliver to the Trustee a Certificate stating the date of such completion.

**Section 4.13. Permitted Transfers.** (a) Moneys in the Project Account (or any sub-account therein) may be transferred or withdrawn as shall be specified by a Certificate of the City pursuant to paragraph (b) of this Section for any one or more of the following purposes: (i) to make transfers to one or more other Project Accounts, which costs are permitted to be paid from Bond proceeds, (ii) to make transfers into the Common Debt Service Reserve Sub-Fund to make up any deficiency therein, (iii) to make transfers to the Principal and Interest Account, (iv) to redeem Bonds in accordance with the provisions of this Second Supplemental Indenture, or (v) upon an Event of Default to pay the principal of and interest on the Bonds.

(b) Before any such transfer or withdrawal shall be made, the City shall file with the Trustee: (i) its requisition therefor, stating the amount of the transfer or withdrawal and directing the Trustee as to the application of such amount; (ii) a Counsel's Opinion stating that in the opinion of the signer, such transfer or withdrawal will not constitute a breach or default on the part of the City of any of the covenants or agreements contained in this Second Supplemental Indenture; and (iii) an opinion of Bond Counsel to the effect that such transfer or withdrawal will not adversely affect any exemption from Federal income taxes of interest on any Bonds theretofore issued.

## ARTICLE V

### Investment of Moneys

**Section 5.01. Investment of Moneys.** Moneys held in the funds, accounts and subaccounts established hereunder shall be invested and reinvested in accordance with the provisions governing investments contained in the Indenture. All such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund, account or subaccount for which they were made.

**Section 5.02. Investment Income.** The interest earned on any investment of moneys held hereunder, any profit realized from such investment and any loss resulting from such investment shall be credited or charged to the fund, account or subaccount for which such investment was made.

## ARTICLE VI

### Discharge of Lien

**Section 6.01. Defeasance.** If the City shall pay to the Registered Owners of the Bonds, or provide for the payment of, the principal or Redemption Price of, and interest to become due thereon, at the times and in the manner stipulated in Section 601 of the Indenture, then this Second Supplemental Indenture shall be fully discharged and satisfied. Upon the satisfaction and discharge of this Second Supplemental Indenture, the Trustee shall, upon the request of the City,

execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries shall pay over or deliver to the City all Funds, Accounts and other moneys or securities held by them pursuant to this Second Supplemental Indenture which are not required for the payment or redemption of the Bonds not theretofore surrendered or presented for such payment or redemption.

## **ARTICLE VII**

### **Concerning the Trustee**

**Section 7.01. Acceptance of Trusts.** The Trustee hereby accepts the trusts imposed upon it by this Second Supplemental Indenture, and agrees to perform said trusts, but only upon and subject to the express terms and conditions set forth herein and in the Indenture. Except as otherwise expressly set forth in this Second Supplemental Indenture, the Trustee assumes no duties, responsibilities or liabilities by reason of its execution of this Second Supplemental Indenture other than as set forth in the Indenture and this Second Supplemental Indenture, and this First Supplemental Indenture is executed and accepted by the Trustee subject to all the terms and conditions of its acceptance of the trust under the Indenture, as fully as if said terms and conditions were herein set forth at length.

**Section 7.02. Dealing in Bonds.** The Trustee, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City, and may act as depositary, trustee or agent for any committee or body of the owners of Bonds secured hereby or other obligations of the City as freely as if it did not act in any capacity hereunder.

## **ARTICLE VIII**

### **Insurer Provisions**

**Section 8.01. Insurer Provisions.** The City hereby designates \_\_\_\_\_ as the Insurer with respect to the Insured Bonds. The Insurer shall be entitled to the benefits of Section 1102 of the Indenture. This Section 8.01 contains certain covenants and restrictions for the benefit of the Insurer which apply in addition to, and not in substitution of, the provisions of the Indenture. The following covenants shall apply only to the Insured Bonds and shall only be applicable during the period in which any Insured Bonds are Outstanding or any amounts are due to the Insurer under the Policy, and the Insurer's rights have not terminated pursuant to clause (a) of this Section 8.01. The covenants contained in this Section 8.01 may only be enforced by the Insurer and may be modified, amended or waived at any time with the prior written consent of the Insurer and without the consent of the Trustee (so long as such modification or amendment imposes no additional duties on the Trustee) or any holder of the Bonds. The existence of all rights given to the Insurer under this Second Supplemental Indenture or the Indenture are expressly conditioned on the timely and full performance of the payment obligations of Insurer under the Policy.

(b) The Insurer shall be considered the sole Owner of the Insured Bonds as provided in and subject to the limitation in Section 1102 of the Indenture.

(c) To the extent that this Second Supplemental Indenture confers upon or gives or grants to the Insurer any right, remedy or claim under this Second Supplemental Indenture, the Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

(d) No amendment or modification of any provisions of this Second Supplemental Indenture giving any right, remedy or claim to the Insurer may be made without the prior written consent of the Insurer (which consent shall not be unreasonably withheld).

(e) No amendment of the Indenture that materially and adversely alters the security for the Insured Bonds shall become effective without the prior written consent of the Insurer (which consent shall not be unreasonably withheld).

(f) The rights granted to the Insurer hereunder to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the holders of the Insured Bonds nor does such action evidence any position of the Insurer, positive or negative, as to whether Bondholder consent is required in addition to the consent of the Insurer.

(g) In the event that the principal and/or interest due on the Insured Bonds shall be paid by the Insurer pursuant to the Policy, the Insured Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City and all covenants, agreements and other obligations of the City to the registered owners shall continue to exist and shall run to the benefit of the Insurer, and the Insurer shall be subrogated to the rights of such registered owners. The term "Outstanding" under the Indenture includes Insured Bonds described in this clause (g).

(h) The City shall pay or reimburse the Insurer, but only from Revenues and subject and subordinate to all then existing liens on and pledges of Revenues as security for the payment of System Obligations, any and all charges, fees, costs and expenses which the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, (iv) the violation by the City of any law, rule or regulation, or any judgment, order or decree applicable to it or (v) any litigation or other dispute in connection with the Indenture or the transactions contemplated thereby, other than amounts resulting from the failure of the Insurer to honor its obligations under the Policy.

## **ARTICLE IX**

### **Miscellaneous**

**Section 9.01. Second Supplemental Indenture as Part of Indenture.** This Second Supplemental Indenture shall be construed in connection with and as a part of the Indenture and all terms, conditions and covenants contained in the Indenture, except as herein modified and except as restricted in the Indenture to Senior Lien Obligations of another Series, shall apply and be deemed to be for the equal benefit, security and protection of the Bonds.

**Section 9.02. Supplements or Amendments.** This Second Supplemental Indenture may be supplemented or amended in the manner set forth in Articles VII and VIII, respectively, of the Indenture.

**Section 9.03. Severability.** If any provision of this Second Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

**Section 9.04. Payments Due on Saturdays, Sundays and Holidays.** If any payment of interest or principal or redemption premium on the Bonds is due on a date that is not a Business Day, payment shall be made on the next succeeding Business Day with the same force and effect as if made on the date which is fixed for such payment, and no interest shall accrue on such amount for the period after such due date.

**Section 9.05. Counterparts.** This Second Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 9.06. Rules of Interpretation.** Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument as originally executed. Use of the words “herein,” “whereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Second Supplemental Indenture and not solely to the particular portion in which any such word is used.

**Section 9.07. Captions.** The captions and headings in this Second Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Second Supplemental Indenture.

**Section 9.08. Additional Notices.** Copies of all notices, certificates or other communications given to the City or the Trustee pursuant to the requirements of the Indenture or the Second Supplemental Indenture at the addresses set forth in Section 1103 of the Indenture shall be given to the Insurer at the same time and in the same manner.

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

**CITY OF JOLIET**

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

[SEAL]

Attest:

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

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Trustee**

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

Attest:

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