

# UNOFFICIAL COPY



Doc#: 123322052 Fee: \$158.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 11/27/2012 11:20 AM Pg: 1 of 61

## Illinois Anti-Predatory Lending Database Program

### Certificate of Exemption

C.T.E./CT  
8913433  
CS 2012/11/22  
147  
Report Mortgage Fraud  
800-532-8785

The property identified as:

PIN: 13-29-207-018-0000

**Address:**

**Street:** 3101 N Parkside

**Street line 2:**

**City:** Chicago

**State:** IL

**ZIP Code:** 60634

**Lender:** Herring Bank

**Borrower:** Christ's Oasis Ministries, Inc.

**Loan / Mortgage Amount:** \$3,075,000.00

This property is located within the program area and is exempt from the requirements of 765 ILCS 77/70 et seq. because it is commercial property.

**Certificate number:** CFAB199D-7013-44F9-8F7E-C5A7EFAE8CCF

**Execution date:** 09/15/2012

# UNOFFICIAL COPY

RECEIVED

OCT 29 2012

**Christ's Oasis Ministries, Inc.**

**Bedford Park and Chicago, Illinois**

**"Corporation"**

-

To

**Herring Bank**

**Amarillo, Texas**

**"Trustee"**

**FIRST MORTGAGE TRUST INDENTURE**

dated as of

September 15, 2012

-

**\$3,075,000**

**First Mortgage Bonds - Series 2012**

-

-

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## TRUST INDENTURE Table of Contents

<b>RECITALS</b> .....	1
<b>ARTICLE I DEFINITIONS</b> .....	2
Section 1.01 Definitions.....	2
<b>OTHER PROVISIONS OF GENERAL APPLICATION</b> .....	7
Section 1.02 Acts of Bondholders.....	7
Section 1.03 Notices, etc., to the Trustee and the Corporation.....	7
Section 1.04 Notices to Bondholders; Waiver.....	8
Section 1.05 Form and Contents of Documents Delivered to the Trustee.....	8
Section 1.06 Compliance Certificates and Opinions.....	8
Section 1.07 Effect of Headings and Table of Contents.....	9
Section 1.08 Successors and Assigns.....	9
Section 1.09 Separability Clause.....	9
Section 1.10 Benefits of Indenture.....	9
Section 1.11 Governing Law.....	9
Section 1.12 Fully Registered Issue.....	9
<b>ARTICLE II BOND FORM</b> .....	9
Section 2.01 Form Generally.....	9
Section 2.02 Form of Fully Registered Bond.....	10
<b>ARTICLE III THE BONDS</b> .....	10
Section 3.01 General Title.....	10
Section 3.02 General Limitations; Issuable in Series.....	10
Section 3.03 Terms of Particular Series.....	10
Section 3.04 Form and Denominations.....	10
Section 3.05 Execution, Authentication, Delivery and Dating.....	11
Section 3.06 Registration, Transfer and Exchange.....	11
Section 3.07 Mutilated, Destroyed, Lost and Stolen Bonds.....	12
Section 3.08 Payment of Interest on Bonds; Interest Rights Preserved.....	12
Section 3.09 Persons Deemed Owners.....	12
Section 3.10 Cancellation.....	12
<b>ARTICLE IV TERMS AND ISSUE OF THE Series 2012 BONDS</b> .....	13
Section 4.01 Specific Title, Terms and Forms.....	13
Section 4.02 Transferability and Exchangeability.....	13
Section 4.03 Corporation's Right of Redemption.....	13
<b>ARTICLE V AUTHENTICATION AND DELIVERY OF ADDITIONAL BONDS</b> .....	14
Section 5.01 General Provisions.....	14
Section 5.02 Parity of Additional Bonds - Further Limitations.....	14
<b>ARTICLE VI RELEASES</b> .....	15
Section 6.01 Possession by the Corporation; Dispositions Without Release.....	15
Section 6.02 Eminent Domain.....	15
Section 6.03 Powers Exercisable Notwithstanding Default.....	15
Section 6.04 Powers Exercisable by Trustee or Receiver.....	15
Section 6.05 Purchaser Protected.....	16
Section 6.06 Disposition of Collateral on Discharge of Prior Liens.....	16
Section 6.07 Disposition of Obligations Received.....	16
Section 6.08 Release of Trust Estate.....	16

# UNOFFICIAL COPY

Section 6.09 Special Release Provision .....	17
<b>ARTICLE VII APPLICATION OF TRUST MONEYS .....</b>	<b>18</b>
Section 7.01 "Trust Moneys" Defined .....	18
Section 7.02 Withdrawal of Insurance Proceeds.....	18
Section 7.03 Disposition of Retired Bonds.....	19
Section 7.04 Condemnation of Entire Trust Estate .....	19
Section 7.05 "Key-Man" Insurance Proceeds .....	19
<b>ARTICLE VIII DEFEASANCE .....</b>	<b>20</b>
Section 8.01 Payment of Indebtedness, Satisfaction and Discharge of Trust Indenture .....	20
Section 8.02 Application of Deposited Money .....	20
<b>ARTICLE IX REMEDIES.....</b>	<b>21</b>
Section 9.01 Events of Default .....	21
Section 9.02 Acceleration of Maturity; Rescission and Annulment .....	21
Section 9.03 Entry.....	22
Section 9.04 Foreclosure and Sale .....	22
Section 9.05 Application of Money Collected.....	23
Section 9.06 Security Agreement.....	23
Section 9.07 Assignment of Leases and Rents.....	24
Section 9.08 Moneys Collected Under Assignment of Rents .....	25
Section 9.09 Additional Remedies.....	25
Section 9.10 Receiver .....	25
Section 9.11 Trustee May File Proofs of Claim.....	25
Section 9.12 Trustee May Enforce Claims Without Possession of Bonds.....	26
Section 9.13 Limitation of Suits .....	26
Section 9.14 Restoration of Positions .....	26
Section 9.15 Rights and Remedies Cumulative .....	26
Section 9.16 Delay or Omission Not Waiver.....	26
Section 9.17 Control by Bondholders.....	27
Section 9.18 Waiver of Past Defaults .....	27
Section 9.19 Undertaking for Costs .....	27
Section 9.20 Waiver of Appraisalment and Other Laws.....	27
Section 9.21 Suits to Protect the Trust Estate .....	28
<b>ARTICLE X THE TRUSTEE .....</b>	<b>28</b>
Section 10.01 Certain Duties and Responsibilities .....	28
Section 10.02 Notice of Defaults .....	29
Section 10.03 Certain Rights of the Trustee .....	29
Section 10.04 Responsibility for Recitals or Issuance of Bonds.....	30
Section 10.05 May Hold Bonds .....	30
Section 10.06 Money Held .....	30
Section 10.07 Compensation and Reimbursement.....	30
Section 10.08 The Trustee's Ineligibility .....	31
Section 10.09 Resignation and Removal; Appointment of Successor .....	31
Section 10.10 Acceptance of Appointment by Successor.....	32
Section 10.11 Merger, Conversion, Consolidation or Succession to Business.....	32
Section 10.12 Co-Trustee and Ancillary Trustees .....	32
Section 10.13 Delegation.....	33
<b>ARTICLE XI REPORTS BY TRUSTEE AND CORPORATION.....</b>	<b>33</b>
Section 11.01 Reports by the Corporation .....	33
Section 11.02 Reports by the Trustee .....	33

# UNOFFICIAL COPY

<b>ARTICLE XII CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER, OR LEASE</b> .....	33
Section 12.01 Corporation May Consolidate, etc., Only on Certain Terms.....	33
Section 12.02 Successor Corporation Substituted.....	34
Section 12.03 Limitation on Lease or Sale of the Trust Estate.....	34
<b>ARTICLE XIII SUPPLEMENTAL INDENTURES</b> .....	34
Section 13.01 Supplemental Indenture Without Consent of Bondholders.....	34
Section 13.02 Supplemental Indenture With Consent of Bondholders.....	35
Section 13.03 Execution of Supplemental Indenture.....	36
Section 13.04 Effect of Supplemental Indenture.....	36
Section 13.05 Reference in Bonds to Supplemental Indentures.....	36
<b>ARTICLE XIV COVENANTS</b> .....	37
Section 14.01 Payment of Principal, Premium and Interest.....	37
Section 14.02 Warranty of Title.....	37
Section 14.03 Limitations on Liens; Payment of Taxes.....	37
Section 14.04 Maintenance of Trust Estate and Properties.....	37
Section 14.05 To insure.....	37
Section 14.06 Corporate Existence.....	38
Section 14.07 To Keep Books; Inspection by Trustee.....	38
Section 14.08 Use of Trust Moneys and Advances to the Trustee.....	38
Section 14.09 Contract/Non-Solicitation of Bondholders by Corporation.....	38
Section 14.10 Sinking Fund.....	38
Section 14.10.1 Proceeds Disbursement Account.....	40
Section 14.10.2 Reserve Account.....	40
Section 14.11 Financial Statements.....	40
Section 14.12 Environmental Indemnity.....	40
<b>ARTICLE XV REDEMPTION OF BONDS</b> .....	41
Section 15.01 General.....	41
Section 15.02 Election to Redeem; Notice to Trustee.....	42
Section 15.03 Selection by the Trustee of Bonds to be Redeemed.....	42
Section 15.04 Notice of Redemption.....	42
Section 15.05 Deposit of Redemption Price.....	43
Section 15.06 Bonds Payable on Redemption Date.....	43
Section 15.07 Bonds Redeemed in Part.....	43
<b>EXHIBIT "A" Legal Description</b> .....	46
<b>EXHIBIT "B" Bond Specimen</b> .....	47
<b>EXHIBIT "C" Trustee Fee Schedule</b> .....	48
<b>EXHIBIT "D" Schedule of Interest Rates, Maturities and Payments</b> .....	49

# UNOFFICIAL COPY

## FIRST MORTGAGE TRUST INDENTURE

This First Mortgage Trust Indenture ("Indenture" or "Trust Indenture") is entered into as of September 15, 2012 by and between Christ's Oasis Ministries, Inc., Bedford Park and Chicago, Illinois, a Illinois non-profit corporation (hereinafter called the "Corporation") and Herring Bank, 1608 South Polk Street, Amarillo, Texas 79102; (hereinafter called the "Trustee," the "Paying Agent," or the "Registrar").

### RECITALS

WHEREAS, the Corporation has duly authorized the creation, issuance, execution, delivery and repayment of \$3,075,000 principal amount of its original principal amount of Series 2012 First Mortgage Bonds as hereinafter provided (hereinafter called the "Bonds") and, to provide for the authentication and delivery of Bonds by the Trustee, the Corporation has duly authorized the execution and delivery of this Indenture which has been duly passed upon by its legal counsel and Board of Directors, as hereinafter defined;

WHEREAS, all things have been done which are necessary to make the Bonds, when executed by the Corporation and authenticated and delivered to the Trustee hereunder, the valid and binding obligations of the Corporation, and to constitute this Indenture a binding obligation in accordance with the terms hereof.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that, to secure the payment of principal and premium, if any, of and interest on the Bonds, and the performance of the covenants therein and herein contained, and to declare the terms and conditions on which the Bonds are to be issued, repaid and secured, and that in consideration of the premises and of the purchase of the Bonds by the holders hereof, the Corporation by these presents does hereby grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over and confirm to the Trustee, all property rights, privileges, and franchises of the Corporation and grants a security interest therein, for the benefit of the purchasers of the First Mortgage Bonds, the estate and interest in real estate described in Exhibit "A" attached hereto and made a part hereof, situated in Cook County, State of Illinois together with all buildings and improvements thereon or appurtenances thereto, including all power and heating machinery, apparatus and appliances; all electric wiring and fixtures; all plumbing and fixtures; and generally all fixtures and equipment pertaining to or situated on or constructed in or upon the above described premises or used in connection herewith which the Corporation now owns or hereafter acquires; all franchises, privileges, leaseholds, licenses, easements, rights of way, equities, power and immunities of every nature, character and description pertaining to the above described premises which the Corporation may now own or hereafter acquire; and all enlargements, betterments, improvements, and additions which the Corporation may hereafter make, constitute on or possess in and to said premises, including all reversions of land, TO HAVE AND TO HOLD all such premises, real estate and the "Trust Estate" (as hereinafter defined);

PROVIDED, NEVERTHELESS, that if the said Corporation shall well and truly pay or cause to be paid to the holders of said Bonds the amount thereof and interest, which sums, the Corporation hereby expressly agrees and promises to pay, in the manner herein provided and shall perform all of the covenants and conditions set forth in this Indenture, then said conveyance shall be null and void and of no effect, and the estate and rights hereby granted shall cease, terminate, and be void, but if said Corporation shall fail to perform any of the conditions, covenants, and agreements hereof, then said Trustee, its successors or assigns, are hereby authorized and fully empowered to sell the said premises, including any property real or personal conveyed or rights granted in by means of this Indenture, in such cases made, and provided, and out of the monies realized from such sales to retain the principal and interest which shall then be due on said Bonds, and all taxes upon said lands, together with all lawful costs and charges and attorney's fees and Trustee's fees including all costs incurred by various persons not associated with the Corporation, to either ratify any default or breach under this Indenture, and thereafter to pay any overages, if any, to said Corporation, its successors and assigns.

AND IT IS HEREBY COVENANTED AND DECLARED that all the Bonds are to be authenticated and delivered to the Trustee and the Trust Estate is to be held and applied by the Trustee, subject to the further covenants, conditions and trusts hereinafter set forth, and the Corporation does hereby covenant and agree to the terms and conditions set forth herein and further covenants and agrees with the Trustee, for the equal and proportionate benefit of all holders of the Bonds as follows:

# UNOFFICIAL COPY

## ARTICLE I DEFINITIONS

### Section 1.01 Definitions

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires;

- A. The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular.
- B. All accounting terms not otherwise defined herein have the meanings assigned to them through generally accepted accounting principles, and all computations herein provided for shall be made in accordance with generally accepted accounting principles.
- C. All references herein to "generally accepted accounting principles" refer to such principles as they may exist from time to time.
- D. All references in this instrument to designated "Articles," "Sections," and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed.
- E. The words "herein," "hereof," and "hereinafter" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

Certain terms used principally in Article V (Authentication and Delivery of Additional Bonds) and Article X (the Trustee) are defined in said Articles.

**"Accountant"** means a Person engaged in the practice of accounting who (except as otherwise expressly provided in this Indenture) may be employed by or affiliated with the Corporation.

**"Act,"** when used with respect to any Bondholder(s), has the meaning stated in Section 1.02(A).

**"Adequate Reserves"** means a reserve sufficient to cover the contingency for which it is created.

**"Administrator"** means the official or agency responsible for administering and enforcing the securities laws and regulations of a state.

**"Affiliate"** of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

**"Application"** means an application for the authentication and delivery of any series of Bonds, the release of property or the withdrawal of cash under any provision of this Indenture and shall consist of and shall not be deemed complete until there shall have been delivered to the Trustee, such cash, Bonds, securities and documents as are required by such provision to establish the right of the Corporation to the action applied for. The date of a particular Application shall be deemed to be the date of completion of all such deliveries to the Trustee and not the date on any particular document so delivered.

**"Appraiser"** means a Person engaged in the business of appraising property who (except as otherwise expressly provided in this Indenture) may not be employed by or affiliated with the Corporation.

**"Audited Financial Statements,"** Means financial statements prepared in accordance with generally accepted accounting principles applied on a consistent basis, and examined and reported upon by independent certified public accountants or qualified public accountants.

**"Authenticating Agent"** when used with respect to any particular series of Bonds, means any Person named as Authenticating Agent for said series in the provisions of the Indenture (or supplemental Indenture) creating said series until a successor Authenticating Agent therefor becomes such pursuant thereto, and thereafter "Authenticating Agent" shall mean such successor.

# UNOFFICIAL COPY

"Authorized Newspaper" means a newspaper of general circulation in the relevant area, printed in the English language and customarily published on each business day, whether or not published on Saturday, Sunday or holidays. Whenever successive weekly publications in an Authorized Newspaper are required hereunder they may be made (unless otherwise expressly provided herein) on the same or different days of the week, and in the same or different placement location within the Newspaper and in the same or in different Authorized Newspaper.

"Board of Directors" means the Board of Directors, Board of Deacons or Trustee Board of the Corporation or any other duly authorized governing body or committee thereof, or any person or persons duly authorized to act therefor.

"Board Resolution" means a copy of a resolution or action certified by the President or any other duly appointed, authorized and acting officer or representative of the Corporation to have been duly adopted by the Board of Directors or any other authorized unit thereof and to be in full force and effect on the date of such certification, and delivery to the Trustee.

"Bondholder" means a Registered Holder of a Bond.

"Bond Register" and "Bond Registrar" have the respective meanings stated in Section 3.06.

"Bond(s)" means the Corporation's Series 2012 First Mortgage Bonds issued hereunder in the original principal amount of \$3,075,000, together with any subsequent Series of bonds authorized to be issued pursuant to Sections 4.01 and 5.01 hereof and more particularly includes any Bond authenticated and delivered hereunder, including, but not limited to the Corporation's Series 2012 First Mortgage Bonds issued hereunder in the original principal amount of \$3,075,000 and dated September 15, 2012.

"Business Day" means any day national banks located and doing business in Amarillo, Texas, shall be open and conducting business.

"Closing Date" means the date upon which the sale of all of the Bonds is completed and the Offering Period is closed.

"Corporate Consent," "Corporate Order," or "Corporate Request" means, respectively, a written consent, order or request signed in the name of the Corporation by the President of the Corporation or any person authorized in writing to act on its behalf and delivered to the Trustee, as the case may be.

"Corporation" means the Person named as the "Corporation" in the first paragraph of this instrument and continues on to any successor pursuant to the applicable provisions of this Indenture, and thereafter, except to the extent otherwise contemplated by Section 12.02, "Corporation" shall mean such successor Corporation.

"Default" means the occurrence and continuance of an Event of Default or an event which, after notice or lapse of time or both, would become an Event of Default.

"Engineer" means a Person engaged in the engineering profession who may not be otherwise employed by or affiliated with the Corporation.

"Event of Default" means any of the events stated in Section 9.01.

"First Mortgage Bonds" means any series of Bonds authorized pursuant to this Indenture, which series is equal to and a parity with the Series 2012 Bonds.

"Fully Registered Bond" means any Bond in substantially the form set forth in Exhibit "B" attached hereto and incorporated herein by this reference.

"Holder," when used with respect to any Bond, means a Bondholder.

"Indenture" means this Trust Indenture, all exhibits and appendices (if any) and documents (if any) incorporated by reference.

"Independent," when used with respect to any specified Person, means such a Person who (1) is in fact independent, does not derive any benefit from connection with or performing services for the Corporation other than payment for services provided, (2) does not have any direct financial interest or any material indirect financial interest in the Corporation or in any other obligor upon the Bonds or in any Affiliate of the Corporation or of such other obligor, and (3) is not connected with the Corporation or such other obligor as an officer, employee, promoter, underwriter, trustee, partner, director or person



# UNOFFICIAL COPY

performing similar functions. Whenever it is herein provided that any Independent Person's opinion or certificate shall be furnished to the Trustee, such Person shall be appointed by a Corporate Order and approved by the Trustee in the exercise of reasonable care and such opinion or certificate shall state that the signer has read this definition and that the signer is Independent within the meaning thereof.

**"Interest Payment Date"** means the stated payment date of any installment of interest on the Bonds.

**"Issue Date"** means the date upon which the Bonds shall be dated.

**"Limited Graduated Payments"** means a method of amortizing the debt by making payments of principal and interest on bonds in such a manner that the first years of payments may be lower than the later years of payments, provided that the lowest payment is equal to at least the interest on the bonds and the highest payment does not exceed a payment amount of 10% higher than the straight line payment, using the same total number of years.

**"Maturity,"** when used with respect to any Bond, means the date on which the principal of such Bond becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration or call for redemption or otherwise.

**"Offering Circular"** means that certain definitive disclosure document pursuant to which the Series 2012 Bonds will be offered and sold to the general public and which is dated September 15, 2012.

**"Offering Period"** means that period of time during which the Bonds are sold pursuant to the Offering Circular.

**"Officer's Certificate"** means a certificate signed by the President of the Corporation or any person authorized in writing to act on behalf of the Corporation, and delivered to the Trustee.

**"Opinion of Counsel"** means a written opinion or opinions of counsel who may (except as otherwise expressly provided in this Indenture) be counsel for the Corporation and shall be acceptable to the Trustee.

**"Outstanding,"** when used with respect to the Bonds, means, as of the date of determination, all Bonds theretofore authenticated and delivered under this Indenture, except:

- A. Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;
- B. Bonds for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent in trust for the Holders of such Bonds, PROVIDED that if such Bonds are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision hereof satisfactory to the Trustee has been made;
- C. Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Indenture;
- D. Bonds alleged to have been destroyed, lost or stolen which have been paid as provided in Section 2.08;
- E. Bonds which have not been sold and paid for; and
- F. Bonds which have not been sold, pledged or subjected to a security interest and have been surrendered to Trustee, as provided in the last paragraph of Section 5.01.

**"Paying Agent"** means a nominee, independent of the Church and the Underwriter, designated by the Church to make payments to Bondholders on behalf of the Church pursuant to the Trust Indenture. In the case of the Bonds, the Paying Agent initially is the Trustee.

**"Permitted Encumbrances"** means as to the property specifically described in Exhibit "A":

- A. The restriction, exception, reservations, conditions, limitations, interests and other matters which are set forth or referred to in such description provided such matters do not in the aggregate materially detract from the value of the property affected thereby or the Trust Estate taken as a whole and do not materially impair the use of such property for the purposes for which it is held by the Corporation;

**UNOFFICIAL COPY**

- B. Liens for taxes, assessments and other governmental charges not delinquent;
- C. Liens for taxes, assessments and other governmental charges already delinquent which are currently being contested in good faith by appropriate proceedings, PROVIDED the Corporation shall have set aside on its books Adequate Reserves with respect thereto;
- D. Mechanic's and materialmen's liens not filed of record and similar charges not delinquent, incident to current construction, and mechanic's and materialmen's liens incident to such construction which are filed of record but which are being contested in good faith and have not proceeded to judgment and as to which the Corporation shall have set aside on its books Adequate Reserves with respect thereto;
- E. Mechanic's, workmen's, repairmen's, materialmen's, warehousemen's and carrier's liens and other similar liens arising in the ordinary course of business for charges which are not delinquent, or which are being contested in good faith and have not proceeded to judgment and as to which the Corporation shall have set aside on its books Adequate Reserves with respect thereto;
- F. Liens in respect of judgments or awards to which the Corporation shall in good faith currently be prosecuting an appeal or proceedings for review and with respect to which the Corporation shall have secured a stay of execution pending such appeal or proceedings for review, PROVIDED the Corporation shall have set aside on its books Adequate Reserves with respect thereto; and
- G. Easements, as required and granted to local municipalities, governing bodies or government sanctioned entities for the purpose of rights of way for utilities.

"Permitted Investments" means all amounts held by the Trustee hereunder shall be invested in any form of account or deposit insured by depositor insurance or in interest-bearing obligations issued by any domestic corporation or church or the United States Government or any political subdivision thereof, and any money market mutual fund(s) rated AAA or better by Standard & Poors.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Personal Property" means Personal Property and/or Personalty located or to be located or attached in or on the Premises.

"Place of Payment," when used with respect to the Bonds of any series, means the primary office of the Trustee in Amarillo, Texas.

"Predecessor Bonds" of any particular Bonds, means every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond; and, for purposes of this definition, any Bond authenticated and delivered under Section 3.07 in lieu of a lost, destroyed or stolen Bond shall be deemed to evidence the same debt as the lost, destroyed or stolen Bond.

"Premises" or "Corporation Premises" means the real estate owned and to be owned by the Corporation, as described in Exhibit "A" to this Indenture, together with all improvements constructed and existing, presently or in the future, located thereon.

"Prior Lien" means any mortgage, lien, charge or encumbrance on or pledge of or security interest in any of the Trust Estate prior to or upon a parity with the security interest created by this Mortgage and Indenture, other than Permitted Encumbrances.

"Prior Lien Obligation" means any indebtedness and the evidence thereof, if any, secured by a Prior Lien.

"Proceeds Disbursement Account" means that account established pursuant to the Proceeds Disbursement Agreement with the Trustee as the Disbursement Agent under said Agreement.

"Proceeds Disbursement Agreement" means the agreement dated as of September 15, 2012 by and between the Corporation, Underwriter and the Trustee, pursuant to which the Trustee will establish the Proceeds Disbursement Account and serve as disbursing agent with respect to the funds delivered to it representing the proceeds of the sale of the Series 2012 Bonds.

# UNOFFICIAL COPY

"Redemption Date," when used with respect to any Bond to be redeemed, means the date fixed for such redemption pursuant to this Indenture.

"Redemption Price," when used with respect to any Bond to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture. It includes the principal balance, applicable premium, (if any), and interest through and including the Redemption Date.

"Registered Bond" means any Bond registered in the Bond Register.

"Registered Holder," when used with respect to any Registered Bond, means the Person in whose name such Bond is registered in the Bond Register.

"Regular Record Date," for the interest payable on any Interest Payment Date on the Fully Registered Bonds of any series, the date means the first calendar day of the month preceding the Interest Payment Date.

"Reserve Account" means that account originally established pursuant to Section 14.10.2.

"Responsible Officer," when used with respect to the Corporation, means the President of the Corporation and any person authorized in writing to act on behalf of the Corporation, and with respect to the Trustee means the chairman or vice chairman of the board of directors, the chairman or vice chairman of the executive committee of said board, the president, any vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any trust officer or assistant trust officer, the controller, any assistant controller or any other officer customarily performing functions similar to those performed by any of the above designated officers, or their designees, and, as to the Trustee, also means, with respect to a particular matter, any other officer to whom such matter is referred because of their knowledge of and familiarity with the particular subject.

"Series 2012 Bonds" means the series of First Mortgage Bonds authorized pursuant to this Indenture in the aggregate principal amount of \$3,075,000 and as provided in Section 4.01 hereof, denominated as the Christ's Oasis Ministries, Inc. First Mortgage Bonds -- Series 2012."

"Sinking Fund Account" means the fund established pursuant to Section 14.10.

"Stated Maturity," when used with respect to any Bond or any installment of interest thereon, means the date specified in such Bond representing such installment of interest as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Straight Line," means a method of amortizing the payments of principal and interest on Bonds in such a manner that all payments are equal and the final payment retires the remaining principal and interest.

"Trustee" means a corporation, individual, or other entity (independent of the Church) granted trust powers by a state or the Office of the Comptroller of the Currency, which holds title to the pledged properties securing the Bonds and administers the Trust Indenture.

"Trust Estate" means the estate and interest of the Corporation, including, but not limited to, fee interests, leasehold interests, reversionary interests and remainder interests, in the real estate described in Exhibit "A" of this Indenture, situated in Cook County, State of Illinois, together with all buildings and improvements thereon or appurtenances thereto, including all power and heating machinery, apparatus and appliances; all electric wiring and fixtures; all plumbing and fixtures; and generally all fixtures and equipment pertaining to or situated on or constructed in or upon the above-described premises or used in connection therewith which the Corporation now owns or thereafter acquires; all franchises, privileges, leaseholds, licenses, easements, rights of way, equities, power and immunities of every nature, character and description pertaining to the above-described premises which the Corporation may now own or hereafter acquire; and all enlargements, betterments, improvements, and additions which the Corporation may hereafter make, constitute on or possess in and to said premises including all reversions of land; and any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned, or transferred, as and for additional security hereunder by the Corporation or by anyone in its behalf or with its written consent, which is hereby authorized to receive any and all such property at any and all time and to hold and apply the same subject to the terms hereof; and

All income, rents, issues and profits of or from all property of every kind and description now or at any time hereafter subject to this Indenture, which said income, rents, issues and profits hereby are presently assigned and transferred to the Trustee by

# UNOFFICIAL COPY

this instrument, such assignment of income, rents, issues, and profits shall run with the land and shall be good and valid against the Corporation and those claiming under and through it; and

All personal property and equipment and fixtures which are the subject of the security interest granted by the Corporation pursuant to Section 9.06 herein below; and

All assignments of leases and rents pursuant to Section 9.07 herein below.

"Trust Moneys" means those monies defined in Section 7.01.

"Underwriter" means, for purposes of the Series 2012 Bonds, American Investors Group, Inc., with its principal office located at 10237 Yellow Circle Drive, Minnetonka, Minnesota 55343.

"Underwriter's Administrative Fee" means the quarterly fee payable to the Underwriter during the period in which the Bonds remain outstanding as provided for under Section 14.10 (E) hereof and as specifically set forth in the Schedule of Interest Rates, Fee, Maturities and Payments, attached hereto as Exhibit "D."

## OTHER PROVISIONS OF GENERAL APPLICATION

### Section 1.02 Acts of Bondholders

- A. Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Bondholders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Bondholders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument(s) are delivered to the Trustee and where it is hereby required, to the Corporation. Such instrument(s) (and the action embodied and evidenced thereby) are herein sometimes referred to as the "Act" of the Bondholders signing such instrument(s). Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and conclusive in favor of the Corporation and (subject to Section 10.01) in favor of the Trustee, if made in the manner provided in this Section.
- B. The fact and date of the execution by any Person of any such instrument of writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Whenever such execution is by an officer of a corporation or a member of a partnership on behalf of such corporation or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority.
- C. The ownership of Bonds shall be proved by the Bond Register.
- D. Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued upon the transfer, exchange or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Corporation in reliance thereon, whether or not notation of such action is made upon such Bond.

### Section 1.03 Notices, etc., to the Trustee and the Corporation

Except any notice of foreclosure, any request, demand, authorization, direction, notice, consent, waiver or Act of Bondholders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

- A. the Trustee by any Bondholder or by the Corporation shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid (except as otherwise provided in Section 9.01C) to the Trustee, as the case may be, at its principal office, or
- B. the Corporation by the Trustee or by any Bondholder shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid (except as otherwise provided in Section 9.01C), to the Corporation addressed to it at 6855 West 65<sup>th</sup> Street, Bedford Park, Illinois 60638 or at any other address previously furnished in writing to the Trustee by the Corporation.

# UNOFFICIAL COPY

## Section 1.04 Notices to Bondholders; Waiver

Where this Indenture provides for notice to Bondholders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Registered Holder of such Bonds, at the address of such Registered Holder as it appears in the Bond Register, not later than the latest date, and not earlier than the earliest date, prescribed for the first making or publication of such notice. In any case where notice to Bondholders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Bondholder shall affect the sufficiency of such notice with respect to other Bondholders.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Bondholders shall be filed with the Trustee, but such filing shall be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case, by reason of the suspension of publication of any Authorized Newspaper, or by reason of any other cause, it shall be impossible to make publication of any notice in an Authorized Newspaper(s) as required by this Indenture, then such method of publication or notification as shall be made with the approval of the Trustee shall be deemed the equivalent of the required publication of such notice. Notwithstanding the foregoing, unless required by law of any applicable jurisdiction, no notice (to either bondholders, the Corporation or Trustee) shall be required to be published in a public medium.

## Section 1.05 Form and Contents of Documents Delivered to the Trustee

Whenever several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer or other authorized representative of the Corporation may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Corporation stating that the information with respect to such factual matters is in the possession of the Corporation, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Whenever any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not be consolidated and form one instrument.

Wherever in this Indenture, in connection with any application or certificate or report to the Trustee, it is provided that the Corporation shall deliver any document as a condition of the granting of such application, or as evidence of the Corporation's compliance with any term hereof, it is intended that the truth and accuracy, at the time of the granting of such application or at the effective date of such certificate or report (as the case may be), of the facts and opinion stated in such document shall in such case be conditions precedent to the right of the Corporation to have such application granted or to the sufficiency of such certificate or report.

## Section 1.06 Compliance Certificates and Opinions

Upon any application or request by the Corporation to the Trustee to take any action under any provision of this Indenture, the Corporation shall furnish an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and, if requested by the Trustee, an Opinion of Counsel stating that in the opinion of such Counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishings of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

# UNOFFICIAL COPY

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

- A. A statement that each individual signing such certificate or opinion has read such condition or covenants and the definitions herein relating thereto;
- B. A brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- C. A statement that, in the opinion of each such individual, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such condition or covenant has been complied with; and
- D. A statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

## **Section 1.07 Effect of Headings and Table of Contents**

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

## **Section 1.08 Successors and Assigns**

All covenants and agreements in this Indenture by the Corporation and the Trustee shall bind their respective successors and assigns, whether so expressed or not.

## **Section 1.09 Separability Clause**

In case any provision in this Indenture or in the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

## **Section 1.10 Benefits of Indenture**

Nothing in this Indenture or in the Bonds, expressed or implied, shall give to any Person, other than (i) the parties hereto and their successors hereunder, (ii) any separate trustee or co-trustee appointed under Section 10.12 and (iii) the Holders of Outstanding First Mortgage Bonds, any benefit or any legal or equitable right, remedy or claim under this Indenture and not in addition thereto or in contravention thereof.

## **Section 1.11 Governing Law**

This Indenture shall be construed in accordance with and governed by the laws of the State of Texas.

## **Section 1.12 Fully Registered Issue**

Anything to the contrary notwithstanding, the Series 2012 Bonds and future series of additional Bonds issued pursuant to this Indenture are Fully Registered. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

## **ARTICLE II BOND FORM**

### **Section 2.01 Form Generally**

The Bonds and the certificates of authentication thereon shall be in substantially the form set forth in this Article, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon, as may be required to comply with the rules of any securities exchange, or as may, consistent herewith, be determined by the authorized representatives of the Corporation executing such Bonds, as evidenced by their execution of the Bonds. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

# UNOFFICIAL COPY

The definitive Bonds shall be printed, lithographed or engraved or produced by any combination of these methods or may be produced in any manner permitted by the rules of any securities exchange, all as determined by the authorized representatives of the Corporation executing such Bonds, as evidenced by the execution of such Bonds.

## Section 2.02 Form of Fully Registered Bond

The Bonds will be issued in fully registered form only. Specimen form(s) of Bonds are attached hereto as Exhibit "B" and made a part hereof. Each and every term, covenant and condition thereof is hereby made a part of this instrument as if the same appeared herein. In the event of conflict between the terms hereof and terms of said Bond, the terms of this Indenture shall control.

## ARTICLE III THE BONDS

### Section 3.01 General Title

The general title of the Bonds of all series under this Indenture shall be "Christ's Oasis Ministries, Inc. First Mortgage Bonds."

### Section 3.02 General Limitations; Issuable in Series

The aggregate principal amount of Bonds which may be authenticated and delivered and Outstanding under this Indenture is not limited, except as provided in Articles IV and V and the provisions of the Supplemental Indenture creating any series of Bonds. Pursuant to Article IV hereof, the Corporation has authorized its Series 2012 Bonds in an aggregate principal amount of \$3,075,000. The issuance of further series of Bonds is strictly limited pursuant to the provisions of Article V herein.

The Bonds may be issued in series as from time to time authorized by the Corporation.

With respect to the Bonds of any particular series, the Corporation may incorporate in or add to the general title of such Bonds any words, letters or figures designed to distinguish that series.

### Section 3.03 Terms of Particular Series

Each series of Bonds, except the Series 2012 Bonds created by Article IV hereof, shall be created by an indenture supplemental hereto authorized by the Corporation and establishing the terms and provisions of such series of Bonds and the form of the Bonds of such series. The several series of Bonds may differ from the Bonds created by Article IV hereof and as between series in any respect not in conflict with the provisions of this Indenture (such as differing interest rates and maturities) and as may be prescribed in the supplemental indenture creating such series.

The Corporation may, at the time of the creation of any series of Bonds or at any time thereafter, make, and the Bonds of such series may contain, provision for:

- A. The exchange or conversion of the Bonds of such series, at the option of the Holders thereof, for or into new Bonds of a different series, or other securities;
- B. A sinking, amortization, improvement or other analogous fund;
- C. Limiting the aggregate principal amount of the Bonds of such series;
- D. Exchanging Bonds of such series, at the option of the Holders thereof, for other Bonds of the same series, of the same aggregate principal amount and rate of interest, of a different authorized kind, or authorized denominations, all upon such terms as the Corporation may determine. All Bonds of the same series shall be substantially identical except as to denomination and the differences herein specified.

### Section 3.04 Form and Denominations

The form of the Bonds of each series shall be established by the provision of the Indenture supplemental hereto creating such series. The Bonds of each series shall be distinguished from the Bonds of other series in such manner as may be determined by the authorized representatives of the Corporation executing particular Bonds as evidenced by their execution thereof.

# UNOFFICIAL COPY

The Bonds of any series may be issuable as Fully Registered Bonds only. The Bonds shall be issued in denominations of not less than \$1,000 and in multiples thereof and numbered serially from 1 upward.

### Section 3.05 Execution, Authentication, Delivery and Dating

The Bonds may be executed on behalf of the Corporation by the President of the Corporation or any Person or Persons authorized to act on behalf of the Corporation, and his or their signature on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who were at any time the proper authorized representatives of the Corporation shall bind the Corporation, notwithstanding that such individuals or any of them shall have ceased to hold such positions or authority prior to the authentication and delivery of such Bonds or shall not have held such positions or authority at the date of such Bonds.

At any time and from time to time after the execution and delivery of this Indenture, the Corporation may deliver Bonds executed by the Corporation to the Trustee for authentication and the Trustee shall authenticate and deliver the Bonds as provided in this Indenture.

All Bonds shall be dated the date of their authentication. No Bonds appertaining thereto shall be secured by, or be entitled to any lien, right, or benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of authentication substantially in the form provided for herein, executed by the Trustee by manual signature, and such certificate upon any Bond shall be conclusive evidence, AND THE ONLY EVIDENCE, that such Bond has been duly authenticated and delivered hereunder.

### Section 3.06 Registration, Transfer and Exchange

The Corporation shall cause to be kept at one of the offices or agencies maintained by the Trustee a register (herein sometimes referred to as the "Bond Register") in which, subject to such reasonable regulations as it may prescribe, the Corporation shall provide for the registration of Bonds and registration of transfers of Bonds entitled to be registered or transferred as herein provided. The Trustee is hereby appointed "Bond Registrar" for the purpose of registering and transferring Bonds as herein provided.

Upon surrender for transfer of any Bond at the Place of Payment therefor, the Corporation shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee(s), one or more new Bonds of the same series, of any authorized denominations and of a like aggregate principal amount, rate of interest and maturity.

All Bonds surrendered upon any exchange or transfer provided for in this Indenture shall be promptly canceled by the Trustee and thereafter disposed of as directed by a Corporate Request, subject to compliance with any applicable record retention regulation. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the Corporation, evidencing the same debt, and entitled to the same security and benefits under this Indenture, as the Bonds surrendered upon such transfer or exchange.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed with guaranteed signatures, or be accompanied by a written instrument of transfer in form satisfactory to the Corporation and the Trustee duly executed with guaranteed signatures, by the Holder thereof or his attorney duly authorized in writing.

The Trustee may charge a service charge to any Bondholder for the registration, discharge from registration, re-registration, transfer or exchange of Bonds in accordance with its published schedule of charges, and may require payment of sums sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer and may also require compliance with reasonable regulations as may be required.

The Corporation shall not be required (i) to issue, transfer or exchange any Bond of any series during a period beginning at the opening of business 15 days before the date of the first publication or the mailing (if there is no publication) of a notice of redemption of Bonds of such series under Section 15.04 and ending at the close of business on the date of such publication or mailing, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

### Section 3.07 Mutilated, Destroyed, Lost and Stolen Bonds

If (1) any mutilated Bond is surrendered to the Trustee, or the Corporation and the Trustee receives evidence to their satisfaction of the destruction, loss or theft of any Bond, and (2) there is delivered to the Corporation and the Trustee such



# UNOFFICIAL COPY

security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Corporation or the Trustee that such Bond has been acquired by a bona fide purchaser, the Corporation shall execute and upon its request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same series and of like tenor and principal amount, with the same rate of interest and maturity bearing a number not contemporaneously outstanding appertaining to such destroyed, lost or stolen Bond or to the Bond to which such mutilation, destroyed or stolen Bond appertains.

In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Corporation in its discretion may, instead of issuing a new Bond, direct the Trustee to pay such Bond.

Upon issuance of any new Bond under this Section, the Corporation may require the payment by the Bondholder of a service charge in accordance with the Trustee's published Schedule of Fees and a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith whether governmental or not.

Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Bond, shall constitute an original additional contractual obligation of the Corporation, whether or not the mutilated, destroyed, lost or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this indenture equally and ratably with all other Outstanding First Mortgage Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

### **Section 3.08 Payment of Interest on Bonds; Interest Rights Preserved**

Interest on any Bond of any series which interest is payable on any Interest Payment Date, shall be paid to the Person in whose name that Bond (or one or more Predecessor Bonds) is registered at the close of business on such Regular Record Date.

Subject to the foregoing provision of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which are carried by such other Bond, and each such Bond shall bear interest from such date, that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

### **Section 3.09 Persons Deemed Owners**

The Person in whose name each Bond is registered shall be deemed and regarded as the owner thereof for all purposes of this Indenture, and payment of principal and interest on any such Bond shall be made only to the Registered Holder thereof, but said registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid. The Corporation and the Trustee may deem and treat the Registered Holder of such Bond as the absolute owner (whether or not it shall be over due), and notwithstanding any notation of ownership or writing thereon, which may have been made by anyone other than the Trustee, and neither the Trustee nor the Corporation shall be affected by any notice to the contrary.

### **Section 3.10 Cancellation**

All Bonds surrendered for payment, redemption, transfer, exchange or conversion, if surrendered to the Trustee, shall be promptly canceled by it, and if surrendered to any Person other than the Trustee, shall be delivered to the Trustee and, if not already canceled, shall be promptly canceled by it. The Corporation may at any time deliver to the Trustee for cancellation any Bonds previously authenticated and delivered hereunder, which the Corporation may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by it. However, all Bonds so delivered must be properly endorsed with guaranteed signatures. No Bonds shall be authenticated in lieu of or in exchange for any Bonds canceled as provided in this Section, except as expressly provided by this Indenture. All canceled Bonds held by the Trustee shall be disposed of as directed by a Corporate Request, subject to compliance with any record retention regulation.

# UNOFFICIAL COPY

## ARTICLE IV TERMS AND ISSUE OF THE SERIES 2012 BONDS

### Section 4.01 Specific Title, Terms and Forms

There shall be under this Indenture an initial series of Bonds entitled "Christ's Oasis Ministries, Inc. First Mortgage Bonds-- Series 2012" dated as of the Issue Date (September 15, 2012) (herein sometimes called the "Series 2012 Bonds"), and due according to the rates specifically set forth in Exhibit "D" Schedule of Interest Rates, Maturities and Payments, which schedule (Exhibit "D") is incorporated herein and made a part hereof as if full set forth below. The forms thereof shall be substantially as set forth in Article II with such insertions, omissions, substitutions and variations as may be determined by the officers executing the same as evidenced by their execution thereof to reflect the applicable terms of the Series 2012 Bonds established by this Article.

The Stated Maturities of the Series 2012 Bonds shall be semi-annually from the Issue Date, and the aggregate principal amount thereof which may be authenticated and delivered and Outstanding at any one time is limited to \$3,075,000.

The Series 2012 Bonds shall be issued as Fully Registered Bonds in denominations of \$1,000.00 (and any multiple thereof). The Bonds shall bear simple interest from the settlement date of their purchase and, after their initial issuance, from the most recent Interest Payment Date to which interest has been paid or duly provided for. Once sold (the purchase having been confirmed by the Underwriter to the purchaser and the Trustee), the Bonds shall bear interest payable quarterly on the fifteenth day in the months of March, June, September and December commencing December 15, 2012 in the amounts and at the rates as specifically set forth in the schedule contained in this section. Interest on the Bonds shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The Corporation shall commence payments to the Sinking Fund in accordance with this Indenture.

The principal (upon maturity or redemption) and interest shall be payable at the Place of Payment.

The "Regular Record Date" referred to in Section 3.09 for the payment of the interest on the Series 2012 Bonds shall be the first day (whether or not a business day) of the calendar month next preceding such Interest Payment Date.

The Corporation will duly and punctually pay the principal (and premium, if any) of and interest on the Series 2012 Bonds in accordance with the terms of the Bonds and this Indenture (see Section 14.10) at the office of the Paying Agent in Amarillo, Texas. Payment is to be made and received by the Paying Agent each week during which any of the Bonds are outstanding, beginning on or about September 15, 2012, in accordance with the Schedule of Interest Rates, Maturities and Payments attached hereto as Exhibit D such payments to include, in addition to principal and interest payments on the Bonds, administrative fees of the Underwriter and Trustee. Unless expressly waived by the Underwriter, all payments shall be made by means of automatic electronic funds transfer directly from the Corporation's account to the Paying Agent. Until such time as all Series 2012 Bonds are sold, sinking fund payments will be less than scheduled amounts since interest on the simple interest bonds does not begin to accrue until they are purchased. During the period prior to sale of all the Bonds and completion of the Offering Period, the Paying Agent will periodically inform the Corporation of the amount of the weekly sinking fund payment required after consulting with the Underwriter to confirm the principal amount, interest rate and maturity dates of Bonds sold.

### Section 4.02 Transferability and Exchangeability

Subject to Section 3.06, all Series 2012 Bonds shall be fully transferable and exchangeable, and, upon surrender at the office or agency of the Corporation in the Place of Payment therefor, shall be either transferred to the indicated transferee or exchanged for other Series 2012 Bonds of a different authorized kind or authorized denomination or denominations of the same rate of interest and maturity, as requested by the holder surrendering the same. The Corporation will execute, and the Trustee shall authenticate and deliver, Series 2012 Bonds whenever the same are required for any such transfer or exchange. The Trustee may charge to the holder a reasonable fee for such transfer or exchange.

### Section 4.03 Corporation's Right of Redemption

The Series 2012 Bonds shall be redeemable (in whole or in part) at the sole option of the Corporation prior to their stated Maturity Date only in accordance with the provisions of Article XV hereof. Unless waived by the Trustee, a redemption shall be made on any semiannual stated Maturity Date or quarterly Interest Payment Date.

# UNOFFICIAL COPY

## ARTICLE V AUTHENTICATION AND DELIVERY OF ADDITIONAL BONDS

### Section 5.01 General Provisions

In addition to the principal amount of Bonds whose authentication and delivery is provided for in Article III, additional Bonds (subject to Section 5.02) of any one or more series may from time to time be executed by the Corporation and delivered to the Trustee for authentication, and the same shall be authenticated and delivered by the Trustee pursuant to a Corporate Request, and upon receipt in every case by the Trustee of the following:

- A. A Board Resolution requesting the authentication and delivery under a designated Section of this Article of a specified principal amount of additional Bonds of a designated series;
- B. An Officer's Certificate, dated within 15 days of the date of the relevant Application for the authentication and delivery of such additional Bonds and stating that no Default exists and that all conditions precedent provided for in this Indenture relating to the authentication and delivery of such Bonds have been complied with;
- C. An executed copy of (i) a supplement to this Indenture, which shall provide for the issuance of the additional Bonds, and (ii) such additional documents or certificates as the Trustee may reasonably request;
- D. An Opinion of Counsel to the effect that:
  - (1) The issuance and sale of the additional Bonds have been duly authorized,
  - (2) All conditions precedent provided for in this Indenture relating to the authentication and delivery of such additional Bonds have been complied with, and
  - (3) Such additional Bonds, when executed and issued by the Corporation and authenticated and delivered by the Trustee will be the legal, valid and binding obligations of the Corporation enforceable in accordance with their terms and the terms of this Indenture and entitled to the benefits of and secured by the security interest created by this Indenture and all other Outstanding First Mortgage Bonds, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors, and except further as the availability of equitable remedies may be limited by general principles of equity which permit the exercise of judicial discretion; and
- E. The documents and any Adequate Reserve with respect to the additional Bonds, if any, shall be held by the Trustee as part of the Trust Estate and applied by the Trustee for the purpose specified therein and, to the extent that such Adequate Reserve ultimately proves to be excessive, returned to the Corporation upon a Corporate Request.

The Corporation will not apply for the authentication and delivery of Bonds under this Article except for the purpose of their prompt sale or pledge or the creation of other security interest therein. In the event that the Corporation shall not have sold or pledged, or created some other security interest in, any Bonds authenticated and delivered under this Article within six (6) months after the date of their authentication and delivery (subject to extension an additional 180 days if agreed to in writing by the Corporation and the Underwriter), the Corporation will surrender such Bonds to the Trustee whereupon such Bonds if not previously canceled, shall be canceled by the Trustee. The Bonds so surrendered shall thereafter be treated as though they had never been Outstanding.

### Section 5.02 Parity of Additional Bonds - Further Limitations

The Corporation may issue additional Bonds of subsequent series on parity with any previously issued and Outstanding First Mortgage Bonds, to acquire additional real property, to make additions and improvements to land and buildings, to provide furnishings and equipment for the facilities and to refinance existing indebtedness, provided that no such subsequent series shall issue hereunder until, in addition to the requirements of Section 5.01, proof satisfactory to the Underwriter be presented by the Corporation that the additional Bonds will not impair the security of all the Bonds at issue and in the case of improvements or acquisitions that such improvements or acquisitions shall increase the value of the overall security in an amount satisfactory to the Underwriter, provided further however, that (i) the aggregate principal amount outstanding for the original issuance and all subsequent issuances of Bonds shall at all times not be greater than seventy-five (75%) percent of the value (an M.A.I. certified or other acceptable appraiser) of the properties securing such Bonds; (ii) the Corporation's financial statements referred to in Section 14.11 shall conform to a historic ability to pay debt service on the Bonds on a pro forma basis and reflect a debt-service ratio of at least one to one (1:1); (iii) total pro forma debt of the Corporation (all debt

# UNOFFICIAL COPY

plus the additional Bonds) shall not exceed four (4) times total gross support and revenues of its most recent twelve months; (iv) the combined annual principal and interest payments on the Bonds and the proposed additional Bonds during the first year would not exceed forty percent (40%) of the Corporation's total support and revenues for the one year period immediately preceding the proposed issue date of the additional Bonds; and (v) the Corporation is in good standing and there shall be no Event of Default existing under the terms of this Trust Indenture. The Underwriter may waive in writing its rights and privileges under this Section 5.02. The Underwriter's waiver or approval shall be provided to the Trustee. Under no circumstances, whether the Underwriter waives its rights or approves the issuance of additional bonds, shall the Underwriter or the Trustee be held liable to Bondholders, the Corporation, or each other; and the Corporation hereby indemnifies (and holds harmless) the Underwriter and Trustee, or either of them, against all losses, costs, attorney fees and judgments, in connection with the issuance of additional bonds.

## ARTICLE VI RELEASES

### Section 6.01 Possession by the Corporation; Dispositions Without Release

So long as no Event of Default shall have occurred and be continuing, and subject to the exercise by the Trustee of the remedies herein provided, the Corporation shall be permitted, subject to the provisions of this Article, to possess, use, manage, operate and enjoy the Trust Estate to collect, receive, use, invest and dispose of the rents, issues, tolls, profits, revenues and other income from the Trust Estate, with power, in the ordinary course of business, freely and without hindrance on the part of the Trustee or of the Bondholders, to use, all thereof, subject to the security interest and the lien created by this Indenture, and to alter, repair and change the position of any of its other property, provided that such alterations, repairs or changes shall not diminish the value thereof or impair the security interest and the lien created by this Indenture, and to deal with, exercise any and all rights under, receive and enforce performance under, and adjust and settle all matters relating to current performance of, closes in action, leases and contracts.

### Section 6.02 Eminent Domain

If any of the Trust Estate shall be taken by eminent domain, the Trustee may release the property so taken and shall be fully protected in so doing upon being furnished with

- A. An Officer's Certificate requesting such release, describing the property so to be released and stating that such property has been taken by eminent domain and that all conditions precedent herein provided for relating to such release have been complied with;
- B. An Opinion of Counsel to the effect that such property has been lawfully taken by the exercise of the right of eminent domain, that the award for such property so taken has become final or an appeal therefrom is not advisable in the interests of the Corporation or the Holders of the Bonds and all conditions precedent herein provided for such release have been complied with; and
- C. Subject to the requirements of any Prior Lien on the property so taken, cash equal to such award to be held by the Trustee.

### Section 6.03 Powers Exercisable Notwithstanding Default

While in possession of all or substantially all of the Trust Estate, the Corporation may exercise the powers conferred upon it in the Sections of this Article even though it is prohibited from doing so while a Default exists as provided therein, if the Trustee in its discretion, or the Holders of not less than 25% in aggregate principal amount of the Bonds then Outstanding, by Act of such Bondholders, shall consent to such action, in which event none of the instruments required to be furnished to the Trustee under any of such Sections as a condition to the exercise of such powers need state that a Default does not exist as provided therein.

### Section 6.04 Powers Exercisable by Trustee or Receiver

In case all or substantially all of the Trust Estate shall be in the possession of a trustee or receiver lawfully appointed by a court of proper jurisdiction, the powers hereinbefore in this Article conferred upon the Corporation with respect to the sale or other disposition and release of the Trust Estate may be exercised by such court-appointed trustee or receiver (with the consent of the Trustee or Bondholders specified in Section 6.03), in which case a written request signed by such receiver or trustee shall be deemed the equivalent of any Board Resolution required by this Article and a certificate signed by such court-

# UNOFFICIAL COPY

appointed trustee or receiver shall be deemed the equivalent of any Officer's Certificate required by this Article and such certificate need not state that a Default does not exist. If the Trustee shall be in possession of the Trust Estate under Section 9.03, such powers may be exercised by the Trustee in its discretion.

## Section 6.05 Purchaser Protected

No purchaser in good faith of property purporting to be released herefrom shall be bound to ascertain the authority of the Trustee to execute the release or to inquire as to the existence of any purchaser or grantee of any property or rights permitted by this Article to be sold or otherwise disposed of by the Corporation or be under any obligation to ascertain or inquire into the authority of the Corporation to make any such sale or other disposition. Any release executed by the Trustee under this Article shall be sufficient for the purpose of this Mortgage and Indenture and shall constitute a good and valid release of the property therein described from the security interest and the lien created by this Mortgage and Indenture.

## Section 6.06 Disposition of Collateral on Discharge of Prior Liens

Upon the cancellation and discharge of any Prior Lien, the Corporation will cause all cash and purchase money obligations then held by the trustee, mortgagee or other holder of such Prior Lien, which were received by such trustee, mortgagee or other holder in accordance with the provisions of this Article (including all proceeds of or substitutions for any thereof), to be paid to or deposited and pledged, at the discretion of the Trustee, such cash to be held and paid over or applied by the Trustee as provided in Article VII.

## Section 6.07 Disposition of Obligations Received

All purchase money obligations received by the Trustee under this Article shall be held by the Trustee as a part of the Trust Estate. Upon payment by or on behalf of the Corporation to the Trustee of the entire unpaid principal amount of any such obligation, the Trustee shall release and transfer such obligation and any mortgage securing the same pursuant to a Corporate Request. The Trustee shall receive any moneys paid in respect to the principal of any such obligations and hold and dispose of such moneys as provided in Article VII. The Trustee is authorized, but not responsible, for the collection of the principal of or interest on any such obligations. All interest and other income on any such obligations, when received by the Trustee, shall be paid from time to time pursuant to a Corporate Request, unless an Event of Default shall have occurred and be continuing. If any Event of Default shall have occurred and be continuing, any interest and other income on any such obligations not theretofore paid upon a Corporate Request, when collected by the Trustee, shall be applied by the Trustee in accordance with Section 9.05.

## Section 6.08 Release of Trust Estate

Upon the terms and conditions and subject to the restrictions contained in this Section, the Corporation may sell less than substantially all of the property constituting part of the Trust Estate which, in the judgment of the Board of Directors or other authorized unit of the Corporation, is no longer necessary or advantageous to the Corporation and the fair value of which is not more than the fair value to the Corporation of the consideration to be received therefor which consideration must consist of (i) cash, or (ii) purchase money obligations, within the limitations of this Section, taken at their principal amount, and the Trustee, if the Corporation is not then in Default to the knowledge of the Trustee, shall release the same from the lien of this Indenture upon receipt by the Trustee of:

- A. A Board Resolution stating that the property to be released is no longer necessary or advantageous to the Corporation authorizing the sale thereof and requesting the release thereof;
- B. An Officer's Certificate, dated not more than 30 days prior to the date of the Application for the release being requested,
  - (1) Stating that no Event of Default exists under this Indenture,
  - (2) Describing the property to be released and stating that such property is less than substantially all property subject to the lien hereof and is property subject to release pursuant to this Section and that the Corporation has sold or contracted to sell such property,
  - (3) Stating that all conditions precedent herein provided for relating to such release have been complied with and that, in the opinion of the signers, the proposed release will not impair the security under this Indenture in contravention of their provisions, and

# UNOFFICIAL COPY

- (4) Stating that the fair value of the property to be released is not greater than the amount or value, as the case may be, of the consideration to be received therefor;

C. A certificate of a qualified Appraiser, dated not more than 30 days prior to the date of the Application for the release being requested, stating, in the opinion of the signer, the fair value of any property to be released and that the proposed release will not impair the security interest of the lien created by this Indenture in contravention of its provisions, and the Appraiser shall be an Independent Appraiser;

D. Subject to the requirements of any Prior Liens permitted by Section 14.03 on any property to be released, any cash and/or purchase money obligations together with appropriate instruments of assignments included in such consideration;

E. An Opinion of Counsel to the effect that:

- (1) The instruments and the cash and purchase money obligations, if any, furnished to the Trustee in connection with such release conform to the requirements of this Indenture and, upon the basis of the Application for such release, the property so sold or contracted to be sold may be lawfully released from the security interest and the lien created by the Indenture and all conditions precedent provided for herein relation to such release have been complied with; and
- (2) Any purchase money obligations included in the consideration are legal, valid and binding obligations enforceable in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debts, and except further as the availability of equitable remedies may be limited by general principles of equity which permit the exercise of judicial discretion, are within the limitations as to character and amount required by this Section, are duly secured by a lien constituting a valid, direct, first mortgage and indenture lien upon the property to be released or a specified portion thereof subject only to Permitted Encumbrances existing thereon at the time of such release, and have been delivered and assigned to and duly and effectively deposited and pledged with the Trustee as security for the Bonds or deposited under a Prior Lien in accordance with the requirement thereof; and

F. Any supplemental Indenture, mortgage trust indenture or other instrument referred to in such Opinion of Counsel.

All cash received by the Trustee pursuant to the provisions of this Section shall be held by the Trustee as Trust Moneys under Article VII subject to application as therein provided. Notwithstanding anything herein to the contrary, the value of the property retained as first mortgage collateral under this Indenture upon release of the property sold shall have a value, as determined by an independent qualified appraiser acceptable to the Trustee, supporting a loan-to-value ratio of not more than 75% in respect of the principal amount of outstanding bonds.

In case the consideration to be received by the Corporation for any property to be released pursuant to this Section includes purchase money obligations, such obligations shall mature not later than the final maturity of the earliest maturing series of Bonds then Outstanding, shall be secured by a first mortgage or other purchase money obligation, as described in the Opinion of Counsel to be furnished pursuant to Subsection E of this Section, and shall not exceed in principal amount less than seventy-five (75%) percent of the fair value of such property as certified to the Trustee pursuant to Subsection C of this Section and shall constitute all the obligations secured by such mortgage.

### **Section 6.09 Special Release Provision**

Notwithstanding anything to the contrary herein, in the event the Corporation sells a portion of its premises, the Trustee shall release the mortgage interest created by this instrument in such parcel(s) and provide a satisfaction of mortgage and/or other reasonably necessary document(s) to evidence such release, but strictly subject to the following requirements:

- A. The Corporation must be in good standing and no event of default shall exist under the terms of this Trust Indenture; and
- B. Net proceeds from the sale of said parcel(s) must be used to redeem and repay Series 2012 Bonds or make capital improvements and/or additions to the remaining Trust Estate; and
- C. The appraised value of the real property and improvements remaining as security for the Bonds under the Trust Indenture shall support a loan to value ratio of no greater than 75%; and

# UNOFFICIAL COPY

- D. The Corporation must comply with the provisions of the Trust Indenture governing the redemption and repayment of the Bonds.

## ARTICLE VII APPLICATION OF TRUST MONEYS

### Section 7.01 "Trust Moneys" Defined

All moneys received by the Trustee:

- A. Upon the release of property from the security interest and lien created by this Indenture, including all moneys received in respect to the principal of all purchase money obligations;
- B. As compensation for, or proceeds of sale of, any part of the Trust Estate taken by eminent domain (or purchased by, or sold pursuant to an order of, a governmental authority) or otherwise disposed of;
- C. As proceeds of insurance upon any part of the Trust Estate;
- D. Pursuant to this Article or any other Article of this Indenture, including, but not limited to any interest earned on accounts established hereunder;
- E. As the proceeds of the sale of any Bonds deposited in the proceeds disbursement account established therefor or otherwise delivered to the Trustee in payment for the said Bonds;
- F. Deposited weekly into the Sinking Fund Account more particularly described in Section 14.10 herein;
- G. Deposited into the Proceeds Disbursement Account more particularly described in Section 14.10.1 herein; and
- H. Held in the Reserve Account maintained and administered as provided in Section 14.10.2 herein.

All such moneys (being herein sometimes called the "Trust Moneys") shall be held by the Trustee, except as otherwise provided in this Article, as part of the Trust Estate and, upon any entry or sale of the Trust Estate or any part thereof under Article IX, the Trust Moneys shall be applied in accordance with Section 9.05; but, prior to any such entry or sale, all or any part of the Trust Moneys may be withdrawn, and shall be paid or applied by the Trustee, from time to time as directed by the Corporation and as provided in and subject to the restrictions in Sections 14.10 and 14.10.1 and 14.10.2 and 7.02 to 7.06, inclusive, and may be applied by the Trustee as provided in Section 10.07. The Trust Moneys may be used to pay the principal of and interest due on any Bonds, authorized hereby.

The Trustee may invest such funds in Permitted Investments. The Trustee agrees that an amount equal to all deposits actually received by it from or on behalf of the Corporation, less all amounts disbursed in accordance herewith, shall be available at such times and for such purposes as required hereunder. The Trustee shall furnish periodic statements to the Corporation reflecting all receipts and disbursements from the Sinking Fund Account. The Trustee shall hold said funds in trust, commingled with similar funds of other entities, but shall maintain detailed records to reflect the share thereof attributable to each entity.

### Section 7.02 Withdrawal of Insurance Proceeds (Does Not Apply to Key-Man Life Insurance)

To the extent that any Trust Moneys consist of proceeds from insurance upon any part of the Trust Estate, they may be withdrawn by the Corporation and shall be paid by the Trustee upon the Corporation's Request to reimburse the Corporation for expenditures made, or to pay costs incurred, to repair, rebuild or replace the property destroyed or damaged, upon receipt by the Trustee of the following:

- A. An Officer's Certificate, dated not more than 30 calendar days prior to the date of the Application for the withdrawal and payment of such Trust Moneys and signed with respect to Clauses (1) and (3), in addition to the two officers (or authorized representatives) signing the same, by a Person, who may be one of such officers, signing as an Accountant, setting forth that:

# UNOFFICIAL COPY

- (1) Expenditures have been made, or costs incurred, by the Corporation in a specified amount for the purpose of making certain repairs, rebuilding and replacements, which shall be briefly described, and setting forth the amount of any such expenditures or costs for the acquisition of a major item of property, which shall be separately specified, in replacement of any destroyed or damaged property;
- (2) There is no outstanding indebtedness, other than the costs for which payment is being requested, known to the Corporation, after due inquiry, for the purchase price or construction of such repairs, rebuilding or replacements, or for labor, wages, materials or supplies in connection with the making thereof, which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's, materialmen's, statutory or other similar lien upon any of such repairs, rebuilding or replacements, which lien might, in the opinion of the signers of such Certificate, materially impair the security afforded by such repairs, rebuilding or replacements;
- (3) No Event of Default exists under this Indenture;
- (4) No part of such Trust Moneys has been, or is required to be, set aside under Section 7.04; and
- (5) All conditions precedent herein provided for relating to such withdrawal and payment have been complied with.

### Section 7.03 Disposition of Retired Bonds

All Bonds received by the Trustee and on the basis of which Trust Moneys are paid over or for whose payment, redemption or purchase Trust Moneys are applied under this Article, if not canceled, shall be promptly canceled by the Trustee and thereafter shall be destroyed and otherwise disposed of by the Trustee in accordance with any applicable record retention regulations.

### Section 7.04 Condemnation of Entire Trust Estate

In the event that all or substantially all of the Trust Estate (other than any cash and securities constituting part of the Trust Estate and deposited with the Trustee) shall be taken by eminent domain, the Corporation shall by virtue of this Section be deemed to have elected, and shall be entitled, to redeem all Outstanding Bonds issued hereunder on the earliest practical Redemption Date after receipt by the Trustee of all cash which the Trustee is entitled to receive on account of such taking. The Redemption Price of Bonds redeemed under this Section shall be the principal amount thereof plus the unpaid interest accrued thereon on the date fixed for redemption. Notice of such redemption shall be given by the Corporation or by the Trustee in the name of the Corporation. If the cash so received by the Trustee, together with all other cash then held by the Trustee as part of the Trust Estate, is not sufficient to pay the Redemption Price of all Outstanding First Mortgage Bonds and to pay all amounts payable to the Trustee under this Indenture (including fees and expenses incurred and to be incurred by the Trustee in connection with such redemption), the Corporation will, within five (5) Business Days after receipt by the Trustee of all cash which the Trustee is entitled to receive as aforesaid on account of such taking, deposit with the Trustee for such purpose cash in an amount sufficient to make up such deficiency. To the extent that any and all such cash shall be required for the purpose of redeeming Outstanding First Mortgage Bonds under this Section, the Trustee shall apply the same for such purpose and the balance, if any, after payment of all amounts payable to the Trustee, shall be paid pursuant to a Corporate Request.

If the Corporation fails to deposit with the Trustee the cash necessary to make good such deficiency, the moneys received by the Trustee from such taking and all other cash then held by it as a part of the Trust Estate (including deposited cash) shall be set aside and thereafter no part of the cash so set aside may be withdrawn or paid over except only for the purposes specified in, and in accordance with Section 9.05.

### Section 7.05 "Key-Man" Insurance Proceeds

The Corporation shall purchase and deliver to the Trustee a life insurance policy on the life of its presiding Senior Pastor in an amount of not less than \$300,000 naming the Trustee as beneficiary thereof, and the Trustee shall be entitled to pay any premiums to maintain said policies from any funds held by the Trustee pursuant to this Indenture, and the Corporation shall promptly restore any fund balances so applied. In the event of the death of the "key-man," the proceeds of such policy will be paid to the Trustee to be used, if necessary, during the first year after the "key-man's" death, to pay weekly sinking fund payments. If after the first year after the "key-man's" death the Corporation is in good standing under this Indenture and no insurance proceeds have been applied by the Trustee to make the Corporation's weekly sinking fund payments, then the proceeds from the key-man policy shall be first applied by the Trustee toward the redemption of any Outstanding Series 2012 Bonds, in \$1,000 increments beginning with those Bonds having the longest maturities. If after such one year period the



# UNOFFICIAL COPY

Corporation has not remained current in its obligations to pay weekly sinking fund payments, then the proceeds (or balance thereof) from the key-man policy shall be held and applied from time to time toward such payments. When, and only when, the Corporation has remained current in its weekly sinking fund payments for twelve (12) consecutive months, shall the balance of the key-man insurance proceeds be applied for redemption of Bonds as required above.

## ARTICLE VIII      DEFEASANCE

### Section 8.01 Payment of Indebtedness, Satisfaction and Discharge of Trust Indenture

Whenever the following conditions shall exist, namely:

- A. All Bonds theretofore authenticated and delivered have been delivered to the Trustee by the respective Registered Owners thereof, it shall be conclusively presumed that all Bonds secured by the security interest and the lien created by the Indenture and all interest thereon have been paid in full, and the Trustee shall be entitled to satisfy and release the security interest and the lien created by this Indenture, excluding, however:
- (1) Bonds for the payment of which moneys have been deposited in trust with the Trustee;
  - (2) Bonds alleged to have been destroyed, lost or stolen which have been replaced or paid as provided in Section 3.07, except for any such Bond which, prior to the satisfaction and discharge of the security interest and the lien created by this Indenture, has been presented to the Trustee with a claim of ownership and enforceability has not been determined adversely against such Holder by a court of competent jurisdiction; and
  - (3) Bonds, other than those referred to in the following Clause, for whose payment or redemption (under arrangements satisfactory to the Trustee for the giving by the Trustee of notice of redemption by, in the name of, and at the expense of the Corporation) the Corporation has deposited sufficient funds to pay and discharge the entire indebtedness on such Bonds for principal and premium, if any, of and interest to the date of maturity thereon in the case of Bonds which have become due and payable or to the Stated Maturity or Redemption Date, as the case may be; and
- B. The Corporation has paid or caused to be paid all other sums payable hereunder by the Corporation and as required by the Trustee, then, pursuant to a Corporate Request authorized by a Board Resolution, and, after a period as required by law after the maturity of the last maturing Bond secured hereby or if all Outstanding First Mortgage Bonds secured hereby have been called for redemption in accordance with the terms thereof, this Indenture, and the rights, interests and lien created hereby shall cease, terminate and become null and void (except as to any surviving rights of conversion, transfer or exchange of First Mortgage Bonds herein or therein provided for) and the trustee and each co-trustee and separate trustee, if any, then acting as such hereunder shall, at the expense of the Corporation, execute and deliver a terminating statement and such instruments of satisfaction and discharge as may be necessary and pay, assign, transfer, and deliver to the Corporation or pursuant to a Corporate Order all cash, securities and other personal property then held by it hereunder as a part of the Trust Estate and to release and terminate the lien of the Indenture.

In the absence of a Corporate Request by the Corporation authorized by a Board Resolution as aforesaid, the payment of all Outstanding First Mortgage Bonds shall not render this Indenture inoperative or prevent the Corporation from issuing Bonds from time to time thereafter as herein provided.

Notwithstanding the satisfaction and discharge of this Indenture the obligations of the Corporation to the Trustee under Section 10.07 shall survive.

### Section 8.02 Application of Deposited Money

Money deposited with the Trustee pursuant to Section 8.01 shall not be a part of the Trust Estate and shall not be deemed to be Trust Moneys but shall constitute a separate trust fund for the benefit of the Persons entitled thereto. Subject to the provisions of Section 14.08, such moneys shall be applied by the Trustee to the payment (either directly or through any Paying Agent) to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such moneys have been deposited with the Trustee.

# UNOFFICIAL COPY

## ARTICLE IX REMEDIES

### Section 9.01 Events of Default

"Event of Default," wherever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- A. Default in the due and punctual payment of interest on any Bond (or payment of any required sinking fund payment) and the continuance thereof for a period of five (5) or more calendar days; or
- B. Default in the due and punctual payment of the principal and premium, if any, of any Bond (or payment of any required sinking fund payments) at the Stated Maturity and the continuance thereof for a period of five (5) or more calendar days; or
- C. The non-performance, or breach, of any covenant or warranty of the Corporation in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 30 calendar days after there has been given, by registered or certified mail, to (i) the Corporation by the Trustee or (ii) to the Corporation and the Trustee by the Holders of at least 25% in aggregate principal amount of the Outstanding Bonds, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" or "Notice of Breach" hereunder; or
- D. The entry of a decree or order by a court having jurisdiction in the premises for relief in respect of the Corporation or adjudging the Corporation a bankrupt or insolvent, or approving as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Corporation under the Federal Bankruptcy Act or any other applicable Federal or State law, or appointing a custodian receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of or for the Corporation or of any substantial part of its property, or ordering the winding up or liquidation of its affairs; or
- E. The commencement by the Corporation of a voluntary case, or the institution by it of proceedings to be adjudicated a bankrupt or insolvent, or the consent by it to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization, arrangement or relief, under the Federal Bankruptcy Act or any other applicable Federal or State law, or the consent or acquiescence by it to the filing of any such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Corporation or any substantial part of its property, or the making by it of any assignment for the benefit of creditors, or the admission by it in writing of its inability or its failure to pay its debts generally as they become due, or the taking of action by the Corporation in furtherance of any such action; or
- F. The non-payment of the Corporation's debts when due and payable, which non-payment continues for a period of 30 calendar days after Notice of Default as provided for in subsection C hereof has been given; or
- G. A determination by any court or agency of government having jurisdiction over the Corporation, or the voluntary or involuntary action of the Corporation nullifying the Corporation's status as a not-for-profit entity; or
- H. Any effort or action by the Corporation to transfer, sell, hypothecate, encumber, convey, lease or otherwise dispose of a material portion of its operations or assets without the prior express written consent of the Trustees.

### Section 9.02 Acceleration of Maturity; Rescission and Annulment

If an Event of Default occurs and is continuing, then and in every such case the Trustee or the Holders of not less than 25% in aggregate principal amount of the Bonds Outstanding may declare the principal, interest, taxes, and assessments of all Bonds to be due and payable immediately, by giving a notice in writing to the Corporation (and to the Trustee, if given by Bondholders), and upon any such declaration notice thereof having such principal shall become immediately due and payable. At any time after such a declaration of acceleration has been made and notice thereof given, but before any sale of any of the Trust Estate has been made under this Article or any judgment or decree for payment of the money due on any Bonds has been obtained by the Trustee as hereinafter in this Article provided, the Corporation may, by written notice to the Trustee, rescind and annul such declaration and its consequences if:

- A. The Corporation has deposited with the Trustee a sum sufficient to pay:

**UNOFFICIAL COPY**

- (1) all overdue installments of interest on all Bonds; and
  - (2) the principal (and premium, if any,) of any Bonds which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Bonds; and
  - (3) interest upon overdue installments of interest at the rate or rates prescribed therefor in the Bonds; and
  - (4) all sums paid or advanced by the Trustee hereunder and their reasonable compensation, expenses, disbursements and advances of their agents and counsel; and
- B. All Events of Default, other than the non-payment of the interest or principal of Bonds which have become due solely by such declaration of acceleration, have been cured or have been waived as provided in Section 9.18. No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

**Section 9.03 Entry**

Upon the occurrence of an Event of Default, in addition to other remedies granted hereunder, the Trustee shall be entitled to the following remedies:

- A. **Entry on the Trust Estate:** To enter upon the Trust Estate and take exclusive possession thereof. If the Corporation remains in possession of all or any part of the Trust Estate after an Event of Default and without the Trustee's proper written consent thereto, the Trustee may invoke any and all legal remedies to dispossess the Corporation. Nothing contained in the foregoing sentence shall, however, be construed to impose any greater obligation or any prerequisites to acquiring possession of the Trust Estate after any Event of Default than would have existed in the absence of such sentence.
- B. **Operation of Trust Estate:** To hold, lease, manage, operate or otherwise use or permit the use of the Trust Estate, either by itself or by other persons, firms or entities, in such manner, for such time and upon such other terms as the Trustee may deem to be prudent and reasonable under the circumstances (making such repairs, alternations, additions, and improvements thereto and taking any and all other action with reference thereto, from time to time, as the Trustee shall deem necessary or desirable), and apply all rents and other amounts collected by the Trustee in connection therewith in accordance with the provisions of Section 9.05 herein below.

**Section 9.04 Foreclosure and Sale**

Upon the occurrence of an Event of Default as defined in Section 9.01, the Trustee may cause the security interest and lien created by this Indenture to be foreclosed in the manner prescribed by law, and the Trustee (or its agents) shall be entitled to retain counsel and/receive reasonable attorney's fees.

The Corporation hereby authorizes and fully empowers the Trustee to foreclose the security interest and lien created by this Indenture by judicial proceedings or by advertisement with full authority to sell the Trust Estate at public auction and convey the same to the purchaser in fee simple, all in accordance with and in the manner provided herein and prescribed by law, and to apply the proceeds arising from the sale and foreclosure as provided in Section 9.05 hereof. In case of any sale of the Trust Estate, or any part thereof pursuant to any judgment or decree of any of the terms of this Indenture in connection with the enforcement of any of the terms of the security interest and lien created by this Indenture, the Trustee may become the purchaser.

Any sale or sales under this section shall operate, after any applicable redemption period, to divest all estate, right, title, interest, claim or demand whatsoever, whether at law or in equity of the Corporation in and to the Trust Estate, privileges and rights so sold, and shall be a perpetual bar both at law and in equity against the Corporation, its successors and assigns and against any and all persons claiming or who may claim the same, or any part thereof, from, through or under the Corporation, its successors or assigns.

The Trust Estate may be sold in one or more parcels and in such manner and order as the Trustee, in its sole discretion may elect, it being expressly understood and agreed that the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales but other and successive sales may be made until all of the Trust Estate has been sold or until the indebtedness secured hereby has been fully satisfied.

# UNOFFICIAL COPY

## Section 9.05 Application of Money Collected

Except as otherwise provided, or as may be required by the Laws of the State of Illinois, any money collected by the Trustee pursuant to this Article, including any rents, issues, tolls, profits, revenues and other income collected pursuant to Section 9.03 (after the deductions therein provided) and any proceeds of any sale (after deducting the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents and counsel, and any taxes, assessments or liens prior to the security interest and lien created by this Trust Indenture), whether or not under any power of sale herein granted or pursuant to judicial proceedings, and any money collected by the Trustee under Section 6.07 to be applied under this Section, together with, in the case of an entry or sale or as otherwise provided herein, any other sums then held by the Trustee as part of the Trust Estate, shall be applied in the following order, at the date or dates fixed by the Trustee and, in the case of distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Bonds, and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

- A. First: To the payment of all undeducted amounts due the Trustee under Section 10.07;
- B. Second: To the payment of the whole amount then due and unpaid upon the Outstanding First Mortgage Bonds for principal (and premium, if any) and on overdue installments of interest; and in the event such proceeds are insufficient to pay the whole amount so due and unpaid upon such Bonds, then to the payment of principal and interest, without any preference or priority, according to the aggregate amount so due (except the money collected by the Trustee pursuant to Section 6.07 in respect of interest or income and Section 9.03 shall first be applied to the payment of interest so due); and
- C. Third: To the payment of the remainder, if any, to the Corporation or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

## Section 9.06 Security Agreement

- A. This Indenture shall also constitute and serve as a "Security Agreement" and expressly grants a security interest in all personal property and fixtures to the full extent that such personal property may be subject to the Uniform Commercial Code of Illinois and all acts amendatory thereof and any similar or replacement statute hereafter enacted (the "Code") with respect to the personalty and fixtures located and to be located on and in the property described in Exhibit "A" attached hereto, and all leases and rents in respect of such real property and with respect to all moneys deposited in the funds and accounts created hereunder including moneys held by the Trustee pursuant to the Proceeds Disbursement Agreement. To this end, the Corporation has granted, bargained, conveyed, assigned, transferred and set over, and by these presents do grant, bargain, convey, assign, transfer and set over, unto the Trustee a security interest in all of the Corporation's right, title and interest in, to and under said personalty, fixtures, leases and rents, moneys, funds and accounts in trust, to secure the full and timely payment of the indebtedness represented by the Bonds issued under this Indenture and the full and timely performance and discharge of the obligations set forth herein. As to those items of personalty described in this Indenture that are, or are to become fixtures related to the real estate described above, it is intended as to those items that this Indenture shall be effective as a fixture filing through its execution and filing and execution and filing of a financing statement evidencing such fixture filing from the date of their filing or recordation in the real estate records of the county and/or city where the Trust Estate is situated. A carbon, photographic or other reproduction of this Indenture may also be filed as a financing statement. The name of the record owner of said real estate is the Corporation set forth below. The address of the Corporation, as debtor, and the Trustee as secured party, are as set forth below. This document covers goods which are or are to become fixtures and other personal property.

### Secured Party

Herring Bank  
Church Bond Trust Department  
1608 South Polk Street  
Amarillo, Texas 79102

### Debtor

Christ's Oasis Ministries, Inc.  
6855 West 65<sup>th</sup> Street & 6600 South Oak Park Avenue  
Bedford Park, Illinois 60638

-and-

3101 North Parkside Avenue  
Chicago, Illinois 60634

- B. The Corporation hereby agrees with the Trustee to execute and deliver to the Trustee such "Financing Statements" and such further assurances as the Trustee may, from time to time, consider reasonably necessary to create, perfect, and preserve the Trustee's security interest herein granted, and the Trustee may cause such statements and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest.

**UNOFFICIAL COPY**

- C. The Trustee shall have all the rights, remedies and recourse with respect to said personalty, fixtures, leases and rents afforded a secured party by the Code in addition to, and not in limitation of, the other rights, remedies and recourses afforded the Trustee by this Indenture.

The Corporation agrees that:

1. If notice to any party of the intended disposition of said personalty is required by law, such notice shall be deemed commercially reasonable if given at least ten (10) Business Days prior to such intended disposition and may be given by advertisement in a newspaper accepted for legal publications either separately or as part of a notice given to foreclose the real property described herein or may be given by private notice if such parties are known to the Trustee;
  2. The Corporation will from time to time provide the Trustee, upon request, with itemizations of all said personalty and, in case of foreclosure, will make said personalty available to the Trustee at a place or places acceptable to the Trustee; and
  3. All equipment, personal property and fixtures comprising said Personalty are, and at all times and for all purposes and in all proceedings both legal or equitable shall be regarded as part of the real property mortgaged hereunder irrespective of whether such item is physically attached to said real property or any such item is referred to or reflected in a financing statement.
- D. The assignment and security interest herein granted shall not be deemed or construed to obligate the Trustee to lease the Trust Estate or attempt to do same, or to take any action, incur any expenses or perform or discharge any obligation, duty or liability whatsoever under any leases, if any, or otherwise.

#### **Section 9.07 Assignment of Leases and Rents**

- A. As additional security for payment of the indebtedness, the Corporation does hereby bargain, sell, assign and transfer unto the Trustee, its successors and assigns, all of the leases, which now or hereafter may affect the Trust Estate, or any part thereof, during the term of this Indenture and all of the rents, profits and other income of any kind now due and which may hereafter become due under or by virtue of any lease or agreement, whether written or verbal, for the use or occupancy of the Trust Estate, or any part thereof, whether presently existing or entered into at any time during the term of this Indenture, whether before or after foreclosure or during the period of redemption. It is the expressed intention of the Corporation and the Trustee to establish an absolute transfer and assignment of all such leases and agreements and all of the rents, profits and other income of any kind from the Trust Estate unto the Trustee, its successors and assigns, and the Corporation hereby appoints, Trustee as its attorney-in-fact, which appointment shall be irrevocable and coupled with an interest, to collect all of said rents, profits and other income; provided that, unless and until an Event of Default, as herein defined, occurs under this Indenture, the Corporation shall have the right to collect and retain said rents, profits and other income.
- B. Upon the occurrence of an Event of Default, as herein defined, and whether before or after the institution of legal proceedings to foreclose the lien hereby created or before or after sale thereunder or during any period of redemption, and without regard to waste, adequacy of the security or solvency of the Corporation, the Trustee may revoke the privilege granted the Corporation hereunder to collect said rents, profits, and other income, and may, at its option, without option notice, either:
- (1) In person or by agent, with or without taking possession of or entering the Trust Estate, with or without bringing any action or proceeding, (a) give, or require the Corporation to give notice to any or all tenants under any lease authorizing and directing the tenant to pay said rents, profits and other income to the Trustee, (b) collect all of the said rents, profits and other income, (c) enforce the payment thereof and exercise all of the rights of the Corporation under the leases and all of the rights of the Trustee hereunder, (d) enter upon, take possession of, manage and operate the Trust Estate, or any part thereof, (e) cancel, enforce or modify the leases, and fix or modify rents, (f) do any acts which the Trustee deems proper to protect the security thereof, or (g) any or all of the foregoing; or
  - (2) Apply for the appointment of a receiver in accordance with the statutes and laws made and provided for, to which receivership the Corporation hereby consents, who shall collect said rents, profits and other income, manage the Trust Estate so to prevent waste, execute leases within or beyond the period of the receivership, and perform the terms of this Indenture and apply the said rents, profits and other income as hereinafter provided from the date of his appointment though the entire redemption period from any foreclosure sale.

# UNOFFICIAL COPY

Any such rent, profits and other income shall be applied as provided in Section 9.05 hereof.

The entering upon and taking possession of the Trust Estate, the collection of such rents, profits and other income and the application thereof as aforesaid shall not cure or waive any Default under this Indenture nor in any way operate to prevent the Trustee from pursuing any other remedy which it may now or hereafter have under the terms of this Indenture nor shall it in any way be deemed to constitute the Trustee a mortgagee-in-possession. The rights and powers of the Trustee hereunder shall remain in full force and effect both prior to and after any foreclosure of the lien interest hereby established and any sale pursuant thereto and until expiration of the period of redemption from said sale, regardless of whether a deficiency remains from said sale.

This assignment of leases and rents may be further evidenced by a separate document executed by the Corporation in favor of the Trustee.

## **Section 9.08 Moneys Collected Under Assignment of Rents**

Upon the occurrence of an Event of Default and the collection by the Trustee of any rents or other monies pursuant to this Indenture or otherwise, any such rents, profits and other income shall be applied as provided in Section 9.05 hereof.

## **Section 9.09 Additional Remedies**

Upon the occurrence of an Event of Default as defined in Section 9.01, the Trustee may exercise any and all other rights, remedies and resources granted to it under this Indenture now or hereafter existing in equity, at law, by virtue of statute or otherwise.

## **Section 9.10 Receiver**

Upon the occurrence of an Event of Default and commencement of judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled, as against the Corporation, without notice or demand and without regard to the adequacy of the security for the Bonds or the solvency of the Corporation, to the appointment of a receiver of the Trust Estate, and of the rents, issues, profits, revenues and other income thereof, but, notwithstanding the appointment of any receiver, the Trustee shall be entitled to retain possession and control of, and to collect and receive the income from cash, securities and other personal property held by, or required to be deposited or pledged with, the Trustee hereunder.

## **Section 9.11 Trustee May File Proofs of Claim**

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, compositions or other judicial proceeding relating to the Corporation or any other obligor upon the Bonds or the property of the Corporation or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Corporation for the payment of overdue principal, premium, or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

- A. To file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Outstanding Bonds and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Bondholders allowed by such judicial proceedings; and
- B. To collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and
- C. To represent the interests of the Bondholders as a class, and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Bondholder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Bondholders, to pay to the Trustee any amounts due to them for their reasonable compensation, expenses, disbursements and advances of their agents and counsel, and any other amounts due them under Section 10.07.

# UNOFFICIAL COPY

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Bondholder any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Bondholder in any such proceeding.

## Section 9.12 Trustee May Enforce Claims Without Possession of Bonds

All rights of action and claims under this Indenture, or the Bonds may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the bonds in respect of which such judgment has been recovered.

## Section 9.13 Limitation of Suits

No holder of any Bond shall have any right to institute any proceeding, judicial or otherwise under or with respect to this Indenture, or for the appointment of a receiver or trustee or for any other remedy hereunder, unless:

- A. Such Holder has previously given written notice to the Trustee of a continuing Event of Default; and
- B. The Holders of not less than 25% in aggregate principal amount of the Outstanding Bonds shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder; and
- C. Such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses with such request; and
- D. No direction inconsistent with such written request has been given to the Trustee during the 60-day period as defined in paragraph E below by the Holders of a majority in aggregate principal amount of the Outstanding Bonds; it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the security interest and lien created by this Indenture or the rights of any other Holders of Bonds or to obtain or seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all Outstanding Bonds; and
- E. The Trustee for 60 days after it receives such notice, request and offer of indemnity has failed to institute any such proceeding.

## Section 9.14 Restoration of Positions

If the Trustee or any Bondholder has instituted any proceeding to enforce any right or remedy under this Indenture by foreclosure, entry, or otherwise and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Bondholder, then and in every such case the Corporation, the Trustee and the Bondholders shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Bondholders shall continue as though no such proceedings had been instituted.

## Section 9.15 Rights and Remedies Cumulative

No right or remedy herein conferred upon or reserved to the Trustee or to the Bondholders is intended to be exclusive of any other right or remedy and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

## Section 9.16 Delay or Omission Not Waiver

No delay or omission of the Trustee or of any Holder of any Bond to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or any acquiescence therein

# UNOFFICIAL COPY

or be taken as establishing any "course of dealing." Every right and remedy given by this Article or by law to the Trustee or to the Bondholders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Bondholders, as the case may be.

## Section 9.17 Control by Bondholders

The Holders of a majority in aggregate principal amount of the Outstanding Bonds shall have the right, during the continuance of an Event of Default:

- A. To require the Trustee to proceed to enforce this Indenture, either by judicial proceedings for the enforcement of the payment of the Bonds and the foreclosure of the Mortgage, the sale of the Trust Estate or otherwise, at the election of the Trustee, by the exercise of the power of entry and/or sale hereby conferred; and
- B. To direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee hereunder, provided that
  - (1) Such direction shall not be in conflict with any rule of law or this Indenture,
  - (2) The Trustee may take any other action deemed proper by it which is not inconsistent with such direction,
  - (3) The Trustee is provided with satisfactory indemnification.
- C. To remove or terminate the Trustee in cases where the Trustee fails to pursue a remedy available under the Trust Indenture for a material default by the Corporation within ninety (90) days after: i) the Trustee becomes aware of such default, or ii) the Bondholders direct the Trustee in writing to pursue such remedy.

## Section 9.18 Waiver of Past Defaults

Before any sale of any of the Trust Estate has been made under this Article or any judgment or decree for payment of money has been obtained by the Trustee as provided in this Article, the Holders of not less than 51% in aggregate principal amount of the Outstanding Bonds may, by Act of such Bondholders delivered to the Trustee and the Corporation, on behalf of the Holders of all the Bonds, waive any past Default hereunder and its consequences, except a Default:

- A. In the payment of the principal (or premium, if any) of or interest on any Bond, or
- B. In respect of a covenant or provision hereof which under Article XIII cannot be modified or amended without the consent of the Holder of each Outstanding Bond affected.

Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom and prior thereto shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

## Section 9.19 Undertaking for Costs

All parties to this Indenture agree, and each Holder of any Bond by his, her, or its acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by them in their respective capacities, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorney's fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply, to any suit instituted by any Bondholder, or group of Bondholders, holding in the aggregate more than 10% in aggregate principal amount of the Outstanding Bonds, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal (or premium, if any) of or interest on any Bond on or after the respective Stated Maturities expressed in such Bond for such interest (or, in the case of redemption, on or after the Redemption Date).

## Section 9.20 Waiver of Appraisal and Other Laws

To the full extent that it may be lawfully agreed, the Corporation will not at any time insist upon, plead, claim or take the benefit or advantage of, any appraisal, valuation, stay, extension or redemption law now or hereafter in force, in order to



# UNOFFICIAL COPY

prevent or hinder the enforcement of this Indenture or the absolute sale of the Trust Estate, or any part thereof, or the possession thereof by any purchaser at any sale under this Article; and the Corporation, for itself and all who may claim under it, so far as it or they now or hereafter may lawfully do so, hereby waives the benefit of all such laws. The Corporation, for itself and all who may claim under it, waives, to the extent that it may lawfully do so, all right to have the property in the Trust Estate marshaled upon any foreclosure hereof, and agrees that any court having jurisdiction to foreclose the Mortgage may order the sale of the Trust Estate as an entirety.

If any law in this Section referred to and now in force, of which the Corporation or its successor(s) or assign(s) might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the application of this Section.

## Section 9.21 Suits to Protect the Trust Estate

The Trustee shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of this Indenture and to protect its interests and the interest of the Bondholders in the Trust Estate and in the rents, issues, profits, revenues and other income arising therefrom, including the power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interest of the Bondholders or the Trustee.

## ARTICLE X THE TRUSTEE

### Section 10.01 Certain Duties and Responsibilities

- A. At all times, the Trustee shall be under a duty to maintain all documents and records provided to the Trustee under the Trust Indenture, and to examine certificates and any opinions prepared by the Corporation's legal counsel which by any provision hereof are specifically required to be furnished to it to determine whether or not they conform to the requirements of this Indenture.
- B. Except during the continuance of an Event of Default, the Trustee shall undertake to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or Obligations shall be read into this Indenture against it.
- C. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.
- D. 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, except that
  - (1) This Subsection shall not be construed to limit the effect of Subsections A and B of this Section;
  - (2) The Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that it was negligent in ascertaining the pertinent facts;
  - (3) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of Holders of a majority in principal amount of the Outstanding Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon it, under this Indenture; and
  - (4) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of the expenditure of its own funds or the indemnification against the incurring of such risk or liability is not reasonably assured to it.
- E. Whether or not therein expressly provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

**UNOFFICIAL COPY**

- F. The Trustee shall, within five (5) business days of receiving a written request from one or more Bondholders to send a communication to all Bondholders, mail requested information or correspondence on behalf of such Bondholders to all Bondholders. The communication must be provided in a form that is accessible by all Bondholders and clearly legible in a typeface no smaller than 10 points. The Trustee may require reasonable reimbursement of actual costs to be incurred prior to sending the requested communication. The Trustee shall not be required to send information or correspondence on behalf of any Bondholders requesting such communication if the Trustee believes the information is untrue, misleading, or defamatory. The Trustee shall maintain, at least semi-annually, an updated list of current Bondholders

**Section 10.02 Notice of Defaults**

In the event that the Trustee becomes aware of a breach by the Corporation under this Indenture, whether or not such breach constitutes an "Event of Default," the Trustee shall immediately inform the Corporation in writing of such breach. Within 90 calendar days after the occurrence of any Default hereunder, the Trustee shall transmit by mail to all Registered Holders of Bonds as their names and addresses appear in the Bond Register, notice of such Default hereunder known to the Trustee, unless such Default shall have been cured or waived; The Trustee shall notify all Bondholders and the Administrators in Tennessee, Arizona, Oklahoma, Arkansas, Alabama, and Missouri, of any material Default known by Trustee to exist, if not cured within thirty (30) days of the Trustee's learning of such Default; A material Default shall include, but is not limited to, a failure to make a scheduled payment of principal and interest to Bondholders when due; PROVIDED, HOWEVER, that, except in the case of a Default in the payment of the principal (or premium, if any) of or interest on any Bond or in the payment of any sinking fund installment, the Trustee shall be protected in withholding such notice if and so long as the Trustee in good faith determines that the withholding of such notice is in the interests of the Bondholders; and PROVIDED, FURTHER, that in the case of any Default of the character specified in Section 9.01C no such notice to Bondholders shall be given until at least 30 calendar days after the occurrence thereof. The Trustee will give to the Tennessee Department of Commerce and Insurance, the Arkansas Securities Department, the Oklahoma Department of Securities, and the Alabama Securities Commission notice of any failure to cure a non-payment of principal or interest on any maturity date after sixty (60) days of the date from which the non-payment occurred.

**Section 10.03 Certain Rights of the Trustee**

Except as otherwise provided in Section 10.01:

- A. The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;
- B. Any request or direction of the Corporation mentioned herein shall be sufficiently evidenced by a Corporate Request or Corporate Order and any resolution of the Board of Directors (or any other authorized unit of the Corporation) may be sufficiently evidenced by a Board Resolution;
- C. Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, it (unless its evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate;
- D. The Trustee may consult with its respective counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;
- E. The Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Bondholders pursuant to this Indenture, unless such Bondholders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;
- F. The Trustee shall not be bound to make any investigation into facts or matters stated in any resolution, certificate, statement, instrument, opinion (including an appraisal), report, notice, request, direction, consent, order, bond, debenture, or other paper or document; but it may, in its discretion, make such further inquiry or investigation into such facts or matters as it may see fit, and, if it shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Corporation, personally or by agent or attorney;

# UNOFFICIAL COPY

- G. The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder; and
- H. The Trustee shall not be personally liable, in case of entry upon the Trust Estate, for debts contracted or liabilities or damages incurred in the management or operation of the Trust Estate.

## Section 10.04 Responsibility for Recitals or Issuance of Bonds

The recitals contained herein shall be taken as the statements of the Corporation, and, except for the certificate of authentication on the Bonds, the Trustee shall not assume any responsibility for their correctness. The Trustee shall not make any representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the Corporation thereto or as to the security afforded thereby or hereby, or as to the validity or genuineness of any securities at any time pledged and deposited with it hereunder, or as to the validity or sufficiency of this Indenture or of the Bonds.

## Section 10.05 May Hold Bonds

The Trustee, Paying Agent, Bond Registrar, Authenticating Agent or any other agent of the Corporation, in their individual or any other capacity, may become the owner or pledgee of Bonds and, subject to Section 10.03, if operative, may otherwise deal with the Corporation with the same rights they would have if they were not the Trustee, Paying Agent, Bond Registrar, Authenticating Agent or other agent.

## Section 10.06 Money Held

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Corporation.

## Section 10.07 Compensation and Reimbursement

The Corporation agrees:

- A. To pay to the Trustee from time to time reasonable compensation for all services rendered by it for reasonable performance of its duties and obligations under this Indenture (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) and authorizes Trustee to offset its fees against interest accrued by the Corporation on funds deposited with or held by the Trustee. The fee schedule of the Trustee is attached hereto as Exhibit C;
- B. Except as otherwise expressly provided herein, to reimburse the Trustee for all expenses, disbursements and advances including reasonable attorney's fees and professional fees or disbursements, except any such expense, disbursement or advance as may be attributable to the Trustee's negligence, bad faith, or willful misconduct; and
- C. To indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence, bad faith or willful misconduct on its part, arising out of or in connection with the acceptance or administration of this Indenture, including the costs and expenses of defending itself and its agents against any claim or liability (other than any claim or liability resulting from the negligence, bad faith or willful misconduct of the Trustee in connection with the exercise or performance of any of its powers or duties hereunder).

As security for performance of the obligations of the Corporation under this Section, the Trustee shall be secured under this Indenture by a lien given prior to the issuance of Bonds, and for the payment of such reasonable compensation, expenses, reimbursements and indemnity, the Trustee shall have the right to use and apply any Trust Moneys held by it under Article VII.

## Section 10.08 The Trustee's Ineligibility

If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Indenture or under applicable state or federal law, it shall resign immediately in the manner and with the effect hereinafter specified in this Article or secure a successor trustee or co-trustee as herein provided or under applicable law.

# UNOFFICIAL COPY

## Section 10.09 Resignation and Removal; Appointment of Successor

- A. No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by such successor trustee under Section 10.10.
- B. Subject to the foregoing, the Trustee may, at its election, resign at any time by either:
- (1) Giving written notice thereof to the Corporation, or
  - (2) Petitioning a court of competent jurisdiction for both (i) the permission to resign and (ii) the appointment of a qualified successor trustee.

Provided, if the Trustee shall resign while the Corporation is in Default under Section 9.01 hereof, the Trustee must so petition a court as set forth in (2) above, as the Corporation may not in such event select the successor Trustee; and provided further, no successor Trustee shall in any event be a subsidiary, affiliate, member or under the direct or indirect control of the Corporation.

- C. If at any time (i) the Trustee shall be adjudged a bankrupt, (ii) a receiver shall be appointed therefor by a court of competent jurisdiction, or (iii) an authorized regulatory agency shall take charge or control thereof, the Corporation may, if not in Default, appoint by resolution of its Board a qualified successor Trustee, provided that no successor Trustee so appointed shall in any event be a subsidiary, affiliate, member or under the direct or indirect control of the Corporation.
- D. If at any time the Trustee shall become incapable of acting or ineligible to act under state or federal law or this Indenture, it shall tender its resignation as in B above, failing which the Corporation may, if not in Default, petition a court of competent jurisdiction for both (i) the removal of the Trustee and (ii) the appointment of a qualified successor Trustee.
- E. In the event the Corporation shall be disqualified (by its default from exercising its rights under C or D above, or shall fail to exercise such rights within thirty (30) days from occurrence of the event giving rise thereto, such rights shall devolve upon:
- (1) Under C, such bankruptcy trustee, receiver or government agency; and
  - (2) Under D, any Bondholder.
- F. All provisions hereof which refer to the "Trustee" shall likewise always include the positions of paying agent and bond registrar, except that the Trustee, acting voluntarily pursuant to B above, may resign as Trustee while retaining its appointments as paying agent and bond registrar or vice versa.
- G. The Corporation shall give notice or cause notice to be given of each resignation and each removal of the Trustee and each appointment of a successor Trustee, Paying Agent, Authenticating Agent or Bond Registrar by publishing notice of such event once in an Authorized Newspaper in each Place of Payment and by mailing written notice of such event by first-class mail, postage prepaid, to the Registered Holders of Bonds as their names and addresses appear in the Bond Register. Each notice shall include the name of the successor Trustee, Paying Agent, Authenticating Agent or Bond Registrar, as the case may be, and the address of its principal corporate office.
- H. In addition to the rights provided under 9.17(C), the Holders of a majority in aggregate principal amount of the Outstanding Bonds shall have the right to remove or terminate the Trustee in cases where the Trustee fails to cure a conflict of interest within ninety (90) days after: i) the Trustee becomes aware of such conflict of interest, or ii) the Bondholders direct the Trustee in writing to cure the conflict of interest.

## Section 10.10 Acceptance of Appointment by Successor

Every successor Trustee, Paying Agent, Authenticating Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the Corporation and to the retiring Trustee, Paying Agent, Authenticating Agent or Registrar an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee, Paying Agent, Authenticating Agent or Registrar shall become effective and such successor Trustee, Paying Agent, Authenticating Agent or Registrar without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Trustee, Paying Agent, Authenticating Agent or Registrar; but, on request of the Corporation or the successor Trustee, Paying Agent, or Registrar, such retiring party shall, upon payment of its charge, execute and

# UNOFFICIAL COPY

deliver an instrument conveying and transferring to such successor upon the trusts herein expressed all the estate, properties, rights, powers and trusts of the retiring party, and shall duly assign, transfer and deliver to such successor Trustee, Paying Agent, Authenticating Agent or Registrar all property and money held by such retiring Trustee, paying Agent or Registrar hereunder, subject nevertheless to its lien, if any, provided for in Section 10.07. Upon request of any such successor, the Corporation shall execute any and all instruments for more fully and certainly vesting in and confirming to each successor all such respective estate, properties, rights, powers and trusts. Any successor Paying Agent, if different than Trustee, shall immediately report to the Trustee any failure by the Issuer to cure a Default, including a failure to make a sinking fund payment when due, within thirty (30) days of the occurrence thereof.

Neither the Corporation, nor any person affiliated with the Corporation, shall be qualified to serve as successor Trustee. No successor Trustee, Paying Agent, Authenticating Agent or Registrar shall accept its appointment unless at the time of such acceptance such successor shall be qualified and eligible under this Article.

## Section 10.11 Merger, Conversion, Consolidation or Succession to Business

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee shall be qualified and eligible under this Article, to the extent operative, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Bonds shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Bonds so authenticated with the same effect as if such successor Trustee had itself authenticated such Bonds.

## Section 10.12 Co-Trustee and Ancillary Trustees

At any time or times, for the purpose of meeting the legal requirements of any jurisdiction in which any of the Trust Estate may at the time be located, the Trustee shall have the power to appoint, to the extent permitted by law, one or more Persons either to act as co-trustee, jointly with the Trustee, of all or any part of the Trust Estate, or to act as ancillary Trustee of any such property, in either case with such powers as may be provided in the instrument of appointment, and to vest in such Person or Persons in the capacity aforesaid, any property, title, right or power deemed necessary or desirable, subject to the other provisions of this Section. The Trustee alone shall have the power to make such appointment. Should any written instrument from the Corporation be required by any co-trustee or ancillary trustee so appointed for more fully confirming to such co-trustee or ancillary trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Corporation. Every co-trustee or ancillary trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms, namely:

- A. The Bonds shall be authenticated and delivered, and all rights, powers, duties and obligations hereunder in respect of the custody of securities, cash and other personal property held by, or required to be deposited or pledged with, the Trustee hereunder, shall be exercised solely by the Trustee, as the case may be;
- B. The rights, powers, duties and obligation hereby conferred or imposed upon the Trustee in respect of any property covered by such appointment shall be conferred or imposed upon and exercised or performed by the Trustee or by the Trustee and such co-trustee or ancillary trustee jointly, as shall be provided in the instrument appointing such co-trustee or ancillary trustee, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by such co-trustee or ancillary trustee;
- C. The Trustee at any time, by an instrument in writing executed by it, with the concurrence of the Corporation evidenced by a Board Resolution, may accept the resignation of or remove any co-trustee or ancillary trustee appointed under this Section, and, in case an Event of Default has occurred and is continuing, the Trustee shall have the power to accept the resignation of, or remove, any such co-trustee or ancillary trustee without the concurrence of the Corporation. Upon the written request of the Trustee, the Corporation shall join the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or ancillary trustee so resigned or removed may be appointed in the manner provided in this Section;
- D. No co-trustee or ancillary trustee hereunder shall be personally liable by reason of any act or omission of the Trustee, or any other such trustee hereunder; and

# UNOFFICIAL COPY

- E. Any act of Bondholders delivered to the Trustee shall be deemed to have been delivered to each such co-trustee and ancillary trustee.

## Section 10.13 Delegation

The Trustee is expressly authorized to delegate any of its respective powers and duties hereunder, with respect to registration of Bonds, disbursements of Bond proceeds, and maintenance of the sinking fund, to (i) any attorney duly admitted to practice before the highest court of any state who is not regularly employed by the Corporation or the underwriter of the securities subject to this Indenture or (ii) to a corporation which is authorized to exercise corporate trust powers and which is subject to supervision or examination by an agency or authority of the United States or state in which it is domiciled and would be entitled to serve as Trustee or Paying Agent or registrar, as the case may be, hereunder pursuant to applicable law. Additionally, the Trustee may delegate such other powers and duties as it may deem necessary or desirable.

## ARTICLE XI REPORTS BY TRUSTEE AND CORPORATION

### Section 11.01 Reports by the Corporation

In addition to the financial statements required pursuant to Section 14.11 herein below, the Corporation shall promptly file with the Trustee and the Underwriter such additional information, documents or reports as the Trustee or Underwriter may reasonably request in addition to any information required pursuant to all lawful authority.

### Section 11.02 Reports by the Trustee

Pursuant to Section 14.10B, the Trustee or Paying Agent shall furnish periodic statements to the Corporation reflecting all receipts and disbursements from the sinking fund created pursuant to Section 14.10 and the assessment of fees by the Trustee for its services described herein. The Trustee will transmit to Bondholders, within 180 days after the end of the Issuer's fiscal year, a brief report with respect to any of the following events which may have occurred within the previous 12 months: a failure of the issuer to provide its financial statements to the Trustee as required by the Trust Indenture; any change in the Trustee's qualifications, including the creation of any conflict of interest; any material release of the properties pledged by the Issuer to secure the Bonds; and, any action taken by the Trustee in the performance of its duties under the Trust Indenture which, in the opinion of the Trustee, materially affects the Bonds. If none of these events has occurred during the previous 12 months, the Trustee is not required to transmit a report to Bondholders.

## ARTICLE XII CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER, OR LEASE

### Section 12.01 Corporation May Consolidate, etc., Only on Certain Terms

The Corporation shall not consolidate with or merge into any other Corporation or convey or transfer the Trust Estate and assets substantially as an entirety to any Person, unless:

- A. Such consolidation, merger, conveyance or transfer shall be on such terms as shall fully preserve the lien and security hereof and the rights and powers of the Trustee and the Holders of the Bonds hereunder, and the net worth and net income of the surviving entity must be equal to or greater than that of the original Corporation at the time of such consolidation, merger, conveyance or transfer;
- B. The corporation formed by such consolidation or into which the Corporation is merged or the Person which acquires by conveyance or transfer the Trust Estate substantially as an entirety shall be a corporation or other entity organized and existing as a non-profit, not-for-profit, or religious corporation under the laws of the United States of America or any State or the District of Columbia, and shall execute and deliver to the Trustee an indenture supplemental hereto in form recordable and meeting the requirements of Section 12.02, and containing:
  - (1) An assumption by such successor Corporation, association or entity of the due and punctual payment of the principal (and premium, if any) of and interest on all the Bonds and the performance and observance of every covenant and condition of this Indenture to be performed or observed by the Corporation; and
  - (2) A grant, conveyance, transfer and mortgage complying with section 12.02;

# UNOFFICIAL COPY

- C. Immediately after giving effect to such transaction, no Event of Default hereunder shall have occurred and be continuing; and
- D. The Corporation shall have had delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each of which shall state that such consolidation, merger, conveyance, or transfer and such supplemental Indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

## Section 12.02 Successor Corporation Substituted

Upon any consolidation or merger, or any conveyance or transfer of the Trust Estate substantially as an entirety in accordance with Section 12.01, the successor organization formed by such consolidation or into which the Corporation is merged or to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, the Corporation under this Indenture with the same effect as if such successor organization had been named as the Corporation herein; subject, however, to the following limitations:

The supplemental Indenture required by Section 12.01 shall contain a grant, conveyance, transfer and mortgage in terms sufficient to include and subject to the security interest and lien created by this Indenture, subject only to Permitted Encumbrances and any Prior Liens permitted by Section 14.03, all property, rights, privileges and franchises then owned and which may be thereafter acquired by such successor organization. Such successor organization may cause to be executed, in its own name, and delivered to the Trustee for authentication, any Bonds issuable hereunder; and upon request of such successor Corporation, and subject to all the terms of this Indenture, the Trustee shall authenticate and deliver any Bonds which shall have been previously executed and delivered by the Corporation to the Trustee for authentication, and any bonds which such successor organization shall thereafter, in accordance with this Indenture, cause to be executed and delivered to the Trustee for such purpose. Such changes in phraseology and form (but not in substance) may be made in such Bonds as may be appropriate in view of such consolidation, merger, conveyance or transfer.

## Section 12.03 Limitation on Lease or Sale of the Trust Estate

The Corporation shall not lease or sell the property included in the Trust Estate or the property securing the lien hereunder or improvements thereto as an entirety to any Person without the prior written consent of the Trustee.

## ARTICLE XIII SUPPLEMENTAL INDENTURES

### Section 13.01 Supplemental Indenture Without Consent of Bondholders

Without the consent of any of the Bondholders, the Corporation, when authorized by a Board Resolution, and the Trustee from time to time may enter into one or more Indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

- A. To correct or amplify the description of any property at any time subject to the security interest created by this Indenture, or better to assure, convey and confirm unto the Trustee any property subject or required to be subject to the security interest and lien created by this Indenture, or to be subject to the security interest and lien created by this Indenture on additional property; or
- B. To add to the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Bonds or of any series of Bonds, as herein set forth, additional conditions, limitations and restrictions thereafter to be observed; or
- C. Subject to the limitations herein, to create any series of Bonds and make such other provisions as provided in Section 3.03; or
- D. To modify or eliminate any of the terms of this Indenture; provided, however, that
  - (1) such supplemental Indenture shall expressly provide that any such modifications or eliminations shall become effective only when there is no Bond Outstanding of any series created prior to the execution of such supplemental Indenture; and

**UNOFFICIAL COPY**

- (2) the Trustee may, in its discretion, decline to enter into any such supplemental Indenture which, in its opinion, may not afford adequate protection to the Trustee when the same becomes operative; or
- E. To evidence the succession of another Corporation to the Corporation, and the assumption by any such successor of the covenants of the Corporation contained herein and in the Bond; or
- F. To add to the covenants of the Corporation, for the benefit of the Holders of the Bonds or to surrender any right or power herein conferred upon the Corporation; or
- G. To cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein or to make any other provisions, with respect to matters or questions arising under this Indenture, which shall not be inconsistent with the provisions of this Indenture, provided such action shall not adversely affect the interest of the Holders of the Bonds or the Trustee.

**Section 13.02 Supplemental Indenture With Consent of Bondholders**

With the consent of the Holders of not less than 66-2/3% in aggregate principal amount of the Bonds of all series then Outstanding affected by such supplemental Indenture, by Act of such Holders delivered to the Corporation and the Trustee, the Corporation, when authorized by a Board Resolution, and the Trustee may enter into an Indenture supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of the Bonds under this Indenture; provided, however, that such supplemental Indenture shall not, without the affirmative consent of the Holders of at least eighty percent (80%) in aggregate principal amount of the Bonds of all series then Outstanding affected thereby:

- A. Subject to the limitations of this Section 13.02, change the Stated Maturity of the principal of, or any installment of interest on, any Bond, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change any Place of Payment where, or the coin or currency in which, any Bond, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date); or
- B. Reduce the percentage in principal amount of the Outstanding Bonds, the consent of whose Holders is required for any such supplemental Indenture, or the consent of whose Holders is required for any waiver provided for in this Indenture or compliance with certain provisions of this Indenture or certain Defaults hereunder and their consequences; or
- C. Modify any of the provisions of this Section or Section 9.17, except to increase any such percentage provided thereby or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Bond affected thereby; or
- D. Modify or alter the provisions of the proviso to the definition of the terms "Outstanding"; or
- E. Modify, in the case of Bonds convertible into other securities, any of the provisions of this Indenture in such manner as to affect the conversion rights of the Holders of such Bonds; or
- F. Except as provided herein, permit the creation of any security interest or lien ranking prior to or on a parity with the security interest created by this Indenture or the lien with respect to any of the Trust Estate or terminate the security interest created by this Indenture and the lien on any property at any time subject hereto.

Notwithstanding anything to the contrary herein, and in addition to all other requirements governing supplemental indentures, changes in the terms of the Bonds pursuant to this Section 13.02 A through F, above, are subject to the following conditions:

- (1) In determining the 80% requirement, only affirmative votes of Bondholders shall be counted. Non-responses shall not be deemed to be affirmative responses or construed to reflect the affirmative intent of the non-responding Bondholder.
- (2) The changes in terms of the Bonds pursuant to Sections 13.02 A through F hereof may be effectuated only if an "Event of Default" as herein defined, has occurred and exists, and further, shall be subject to the consent of the Trustee, contingent upon the 80% requirement being met. Prior to the solicitation of Bondholders with respect to any proposed modifications as set forth in Sections 13.02A through F the Corporation shall submit to the Trustee all



# UNOFFICIAL COPY

information, documentation and fees required by the Trustee in connection with its determination to authorize such solicitation.

- (3) In soliciting the consent of Bondholders under Sections 13.02 A through F, the Corporation, or the Trustee if it so elects, shall provide to Bondholders (i) a summary of the financial condition of the Corporation based on the most recent financial statements reasonably available to the Trustee; and (ii) the estimated market value of the mortgaged property, as reflected by an independent appraisal provided to the Trustee (or update thereto) dated as of a date not more than one hundred twenty (120) days of the date of the solicitation of consent of the Bondholders.
- (4) The Corporation shall be responsible for such solicitation of Bondholder consent and for providing to Bondholders, as part of such solicitation, full and adequate disclosure in accordance with all applicable securities laws and regulations, and, in such event, shall provide to the Trustee an opinion of legal counsel acceptable to the Trustee, to the effect that such solicitation and disclosure complies with all applicable securities laws. The Trustee reserves the right to conduct the actual solicitation (for which it may charge a reasonable fee) and the Underwriter must approve of the form of all soliciting materials and the method.
- (5) Nothing herein shall be construed to place additional requirements on the Trustee except as specifically identified herein with respect to actions taken under Sections 13.02 A through F and these sub-paragraphs (1) through (5) inclusive, and the Trustee is under no obligation to choose the remedies or take the actions provided for under Sections 13.02 A through F over any other remedies available to the Trustee under the Indenture. The Trustee's consent of the solicitation of Bondholder's consent by the Corporation under Sections 13.02 A through F shall not be taken as or construed to be a recommendation by the Trustee of any proposal set forth therein, but, rather, as providing an option or alternative which Bondholders may wish to choose based on information obtained and provided to them by the Corporation.

It shall not be necessary for any Act of Bondholders under this Section to approve the particular form of any proposed supplemental Indenture, but it shall be sufficient if such Act shall approve the substance thereof.

### **Section 13.03 Execution of Supplemental Indenture**

In executing, or accepting the additional trusts created by, any supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and subject to Section 10.01, shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental Indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental Indenture which affects its own rights, duties or immunities under this Indenture or otherwise.

### **Section 13.04 Effect of Supplemental Indenture**

Upon the execution of any supplemental Indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental Indenture shall form a part of this Indenture for all purposes; and every Holder of Bonds theretofore authenticated and delivered hereunder shall be bound thereby.

### **Section 13.05 Reference in Bonds to Supplemental Indentures**

Bonds authenticated and delivered after the execution of any supplemental Indenture pursuant to this Article may bear a notation as to any matter provided for in such supplemental Indenture. If the Corporation shall so determine, new Bonds so modified as to conform to any such supplemental Indenture may be prepared and executed by the Corporation and authenticated and delivered by the Trustee in exchange for Outstanding Bonds.

## **ARTICLE XIV COVENANTS**

### **Section 14.01 Payment of Principal, Premium and Interest**

The Corporation will duly and punctually pay the principal (and premium, if any) of and interest on the Bonds in accordance with the terms of the Bonds, and this Indenture at the office of the Paying Agent in Amarillo, Texas.

If the specified date for any such payment shall be a Saturday, Sunday or legal holiday or the equivalent for banking institutions generally (other than a moratorium) at any Place of Payment where payment therefore is to be made, then such

# UNOFFICIAL COPY

payment may be made at such Place of Payment on the next succeeding day which is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payment.

## Section 14.02 Warranty of Title

At the time of the execution and recordation of this instrument, the Corporation has good and valid title to the real property specifically described in Exhibit "A", subject to no mortgage, lien, charge or encumbrance except as stated therein or otherwise made known to the Trustee, and has full power and lawful authority to grant, bargain, sell, alien, remise, release, convey, assign, transfer, mortgage, pledge, pawn, hypothecate, set over and confirm said real property and interest in real property in the manner and form aforesaid. The Corporation hereby does and will forever warrant and defend the title to the property specifically described in Exhibit "A" against the claims and demands of all Persons whomsoever.

## Section 14.03 Limitations on Liens; Payment of Taxes

The Corporation will not create or incur or suffer or permit to be created or incurred or to exist any mortgage, lien, charge or encumbrance on or pledge of any of the Trust Estate, except Permitted Encumbrances. The Corporation will pay or cause to be paid as they become due and payable all taxes, assessments and other governmental charges lawfully levied or assessed or imposed upon the Trust Estate or any part thereof or upon any income therefrom, and also (to the extent that such payment will not be contrary to any applicable laws) all taxes, assessments and other governmental charges lawfully levied, assessed or imposed upon the lien or interest of the Trustee or of the Bondholders in the Trust Estate, so that (to the extent aforesaid) the security interest and the lien created by this Indenture shall at all times be wholly preserved at the cost of the Corporation and without expense to the Trustee or the Bondholders; provided, however, that the Corporation shall not be required to pay and discharge or cause to be paid and discharged any such tax, assessment or governmental charge to the extent that the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings and the Corporation shall have established and shall maintain adequate reserves on its books for the payment of the same. The prompt payment of principal amount of Bonds due shall take precedence over payment of any other outstanding debt, lien or Permitted Encumbrances.

## Section 14.04 Maintenance of Trust Estate and Properties

The Corporation will cause all its properties (included in the Trust Estate) to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the reasonable judgment of the Corporation may be necessary. The Corporation shall not cause directly or indirectly, the deposit, installation or storage of any hazardous or toxic substances in any form whatsoever, upon any real property. The Trustee is empowered hereunder to require the Corporation, at the Corporation's expense to submit an independent environmental impact statement or report of similar effect and impact, to enable it to assess the effects, if any, of any deposit, installation or storage of such materials.

## Section 14.05 To Insure

The Corporation will at all times keep all property included in the Trust Estate of an insurable nature and of the character usually insured by companies operating similar properties, insured in amounts customarily carried and against loss or damage from such causes as are customarily insured against, by similar companies. All such insurance shall be effected with responsible insurance carriers. All policies or other contracts for such insurance upon any part of the Trust Estate shall provide that the proceeds of such insurance shall be payable to the Trustee as its interest may appear (by means of a standard mortgagee clause or other similar clause acceptable to the Trustee without contribution). The Corporation shall maintain in effect casualty and liability insurance covering the Premises in an amount equal to no less than \$3,075,000 which policy shall be maintained in effect throughout the period during which any of the Bonds issued hereunder remain outstanding. Each policy or other contract for such insurance, or such mortgagee clause, shall contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for the benefit of the Trustee for at least 30 calendar days after written notice to the Trustee of cancellation.

The Corporation will file annually with the Trustee an Officer's Certificate containing a detailed list of the insurance in force upon the Trust Estate on a date therein specified (which date shall be within 30 days of the filing of such Certificate), including the names of the insurers with which the policies and other contracts of insurance on the Trust Estate are carried, the numbers, amounts, and expiration dates of such policies and other contracts and the property and hazards covered thereby, and stating that the insurance so listed complies with this Section. Copies of the Officer's Certificate pertaining to the Corporation's insurance shall be furnished to the Trustee and Underwriter annually.

# UNOFFICIAL COPY

All proceeds of insurance received by the Trustee shall be held and paid over or applied by the Trustee as "Trust Moneys" as provided in Article VII.

All proceeds of any insurance on any part of the Trust Estate shall be payable to the Trustee, shall be held by the Trustee for application by the Corporation to the repair, rebuilding or replacement of the property destroyed or damaged, and shall be paid over to the Corporation by the Trustee as provided in Article VII.

## Section 14.06 Corporate Existence

Subject to Article XII, the Corporation will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, and rights (charter and statutory).

## Section 14.07 To Keep Books; Inspection by Trustee

The Corporation will keep proper books of record and account, in which full and correct entries shall be made of all dealings or transactions of or in relation to the Bonds and the Trust Estate, and affairs of the Corporation in accordance with generally accepted accounting principles. The Corporation will furnish to the Trustee and the Underwriter any and all information as the Trustee or the Underwriter may reasonably request, in addition to annual financial statements under Section 14.11 hereof, with respect to the performance by the Corporation of its covenants in this Indenture. Trustee will examine all reports and other information provided to the Trustee under the Trust Indenture and determine, based on the information provided and the standards set forth in the Trust Indenture, whether those reports and other instruments conform to the requirements of the Trust Indenture."

## Section 14.08 Use of Trust Moneys and Advances to the Trustee

If the Corporation shall fail to perform any of its covenants in this Indenture, the Trustee may, at any time and from time to time, use and apply any Trust Moneys held by it under Article VII. The Trustee may also make or secure advances, to effect performance of any such covenant on behalf of the Corporation; and all moneys so used or advanced by or through the Trustee, shall be repaid by the Corporation upon demand and such advances from whatever source(s) shall be secured under this Indenture prior to the Bonds. For the repayment of all such advances the Trustee shall have the right to use and apply any Trust Moneys or moneys advanced pursuant to this Section and no such use or application shall relieve the Corporation from any Default hereunder.

## Section 14.09 Contract/Non-Solicitation of Bondholders by Corporation

If any law now in force and which prevents the application of any provision(s) of this Indenture is subsequently repealed or ceases to be enforced, such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the application of any section of this Indenture. Except as may be specifically required by the laws of any applicable jurisdiction, the Corporation shall have no right or access to the identity (including names or addresses) of the individual Bondholders; nor shall the Corporation in the event it acquires (by force of law or otherwise) such information, communicate with or solicit such Bondholders for any purpose whatsoever without the prior written consent of the Underwriter.

## Section 14.10 Sinking Fund

- A. **Maintenance of Fund.** It is hereby established a "sinking fund" and a "sinking fund account" into which the sinking fund payments made by the Corporation shall be deposited, held and disbursed by the Trustee as the Paying Agent. In order to facilitate the payment of principal of and interest on the Series 2012 Bonds, the Corporation covenants and agrees to deliver weekly sinking fund payments as provided in Section 4.01 herein to the Paying Agent, commencing upon the sale of bonds, on or about September 15, 2012, and continuing each week thereafter until the entire principal of and interest on the Series 2012 Bonds has been paid in full, which payments shall be deposited by the Trustee as the Paying Agent into the sinking fund account. The word "deliver" as used in the preceding sentence shall, for the purposes of this section, mean to deposit in the United States Mail, properly addressed to the Paying Agent with first class postage pre-paid, or at the discretion of the Paying Agent and unless expressly waived by the Underwriter, shall mean to establish an automatic draft with sinking fund payments deducted automatically from a designated bank account of the Corporation. The amount of the sinking fund payments shall be as described in Section 4.01 herein, plus any Trustee charges and Administrative Fees which the Corporation is required to make. Provided that, in the event of early redemption of any of the Bonds, the Trustee shall, if required by the Corporation, consent to an appropriate reduction in the amount of the

# UNOFFICIAL COPY

weekly sinking fund payments so as to provide for continued full amortization and repayment of the Bonds in accordance with their scheduled maturity.

- B. Maintenance of Sinking Fund.** The Paying Agent shall receive and hold all payments made by the Corporation into the sinking fund and disburse therefrom all payments of principal of and interest on the Bonds, Trustee's fees, Underwriter's fees and such other sums as provided in Article X hereof. The Paying Agent shall hold said funds in trust, commingled with similar sinking funds of other corporations, but shall maintain detailed records to reflect the portions thereof attributable to each corporation. The Paying Agent may invest such funds in accordance with the laws of the state of its domicile as applied to Bank and Trust Companies in any form of account or deposit insured by depositor insurance or in interest-bearing obligations issued by any domestic corporation, or the United States Government or any political subdivision thereof, and money market mutual funds rate AAA or better by Standard & Poors, and shall credit to the Corporation any interest or other return from such investments, for payment of the Trustee's continuing right to set off against such income its reasonable compensation for its services and reimbursement for its expenses directly related to the performance of its functions and duties hereunder. The Paying Agent agrees that an amount equal to all deposits actually received by the Paying Agent from or on behalf of the Corporation, less all amounts disbursed in accordance herewith, shall be available at such times and for such purposes as required hereunder. The Paying Agent shall furnish periodic statements to the Corporation reflecting all receipts and disbursements from the sinking fund.
- C. Payment of Interest and Redemption of Bonds.** On each semi-annual principal payment date and each quarterly interest payment date with respect to the Bonds, the Paying Agent shall pay all principal and interest due on the Bonds using money withdrawn from the sinking fund but only to the extent of the funds held in the sinking fund. On any quarterly or semi-annual payment date, the Paying Agent shall not make any payment on the Bonds unless the sinking fund contains sufficient funds to enable it to make all payments then due on the Bonds and to pay its and the Trustee's fees. If sufficient funds are not available, and if the Trustee in its sole discretion determines not to utilize funds (if any) in the Reserve Account for this purpose, the Paying Agent shall so advise the Trustee and the Trustee shall promptly notify all Bondholders in accordance with the provisions for "Notice of Default" of Article VII, Section 7, of this Indenture. In the Event of Default hereunder the balance in the sinking fund and any amounts in the Reserve Account shall be held as additional collateral for the payment of Bonds, and the performance by the Corporation of all obligations hereunder, including without limitation the payment of insurance premiums, taxes and fees and expenses of the Paying Agent and the Trustee.
- D. Failure to Surrender Matured Bonds for Payment.** The Bonds shall not draw interest after maturity. As to any maturing installment of principal on any Bond which is not presented to the Paying Agent for payment on its maturity date, the Paying Agent shall retain a sum equal to such maturing installment of principal, and this shall operate as full payment of such installment as between the Corporation and the Holder thereof who shall look solely to such account for payment, until and unless the Paying Agent has paid such amounts, in accordance with applicable unclaimed property law. Upon payment by the Paying Agent of such amounts, the Holder(s) of such mature but unsurrendered Bond(s) shall look solely to the state or receiver for payment on such Bond(s).
- E. Payment of Administrative Fee to Underwriter.** Within ten (10) days of each quarterly interest payment date on the Bonds, the Paying Agent shall disburse to the Underwriter the Administrative Fee set forth in the Schedule of Interest Rates, Fees, Maturities and Payments, attached hereto as Exhibit "D." Upon redemption or repayment of all the Bonds, the balance of the Administrative Fee due pursuant to the Administrative Fee Schedule shall be due and payable, but shall be discounted or reduced to an amount equal to twenty percent (20%) of the sum of the balance of the scheduled payments.
- F. Payments to Corporation.** The Paying Agent shall, at the direction of the Trustee, pay to the Corporation all amounts in the sinking fund (1) remaining after payment in full of all interest on and principal of all Outstanding Bonds and all other amounts due hereunder, or (2) in excess of the amount necessary for such payment at maturity or earlier redemption and all fees and costs thereof, or (3) in the event funds on deposit with the Paying Agent for paying principal and interest are unclaimed, the Trustee shall preserve or otherwise disburse such unclaimed funds plus interest earned thereon in accordance with applicable provisions of Texas law.

## **Section 14.10.1 Proceeds Disbursement Account**

Upon transmission of Bond Proceeds to the Trustee, such funds will be used to fund the Proceeds Disbursement Account to be administered in accordance with the terms of the Proceeds Disbursement Agreement (which is incorporated herein by this reference). Any funds remaining in the Proceeds Disbursement Account after termination of the Proceeds Disbursement Agreement will constitute "Trust Moneys" as herein defined.

# UNOFFICIAL COPY

## Section 14.10.2 Reserve Account

The Corporation agrees to maintain with the Trustee the Reserve Account which shall be for the purpose of providing for, in part, the debt service requirements of the Bonds herein authorized. The funding of such account shall be in an amount of SEVENTEEN THOUSAND DOLLARS and No/100 (\$17,000). The amount specified for the Reserve Account shall be deposited with the Trustee, initially funded from the proceeds of the Bonds. In the event that the Reserve Account is diminished for any reason below the designated amount, the Corporation must replenish the Account to the original amount within no more than 90 calendar days of any such reduction below the required amount.

The Trustee is authorized to invest the moneys deposited in the Reserve Account in Permitted Investments. These sums together with earnings thereon shall be held by the Trustee and, at the written direction of the Corporation, may be applied to payments due on the Bonds as long as any First Mortgage Bonds remain outstanding. Provided there is no outstanding event of default with respect to the Bonds, the Corporation may once annually request the Trustee to disburse to it accrued interest on funds held in the Reserve Account.

## Section 14.11 Financial Statements

Commencing with the end of its 2012 fiscal year, and for each fiscal year thereafter, the Corporation shall annually furnish to the Trustee and the Underwriter reviewed (or audited at the Corporation's election) financial statements prepared and reviewed by an independent certified public accountant in accordance with Generally Accepted Accounting Principles, which financial statements shall be delivered within 120 calendar days of the fiscal year-end of the Corporation. These financial statements shall (i) include comparative balance sheets, comparative income statements, comparative statements of changes in fund balance and comparative statements of changes in financial position; (ii) contain notes that disclose all material financial information needed to interpret the financial statements and be prepared by a certified public accountant licensed or otherwise authorized to practice in Illinois. In the event the Corporation is in default hereunder as of the last day of any fiscal year, the Trustee may require the Corporation to provide pursuant to this section financial statements of the Corporation that are audited by an independent certified public accountant appointed by the Trustee. The Corporation shall also annually furnish a certificate from the Corporation's principal executive officer or principal financial officer as to his or her knowledge of the Corporation's compliance with all conditions and covenants of the Indenture. Any failure of the Corporation to furnish its financial statements or certificate of compliance shall constitute a covenant default, if the failure is not cured within thirty (30) days after a written demand by the Trustee is sent to the Corporation, and Trustee shall report such failure to Bondholders as required under section 11.02 of this Indenture.

## Section 14.12 Environmental Indemnity

### 1. Definitions.

- (a) "Hazardous Material" or "Hazardous Materials" shall mean "Hazardous Materials" as defined in the Federal Code of Regulations and in the code of the State in which the Premises is situated.
- (b) Environmental Claim ("Claim") means discovery of Hazardous Material on or about the Premises, or receipt of a notice, claim, demand or complaint of any governmental agency or office or from any third party for the payment of damages, costs or expenses for Hazardous Material disposal, or for remedial action pursuant to federal, state or local law relative to the Premises and relating to Hazardous Material present on, under or about the Premises or generated or stored on the Premises, or from the discharge of any pollutant or effluent into the ground or surface waters on, under or about the Premises, whether the source of such discharge is from the Premises or from an adjacent or neighboring property, and whether now known or existing or hereafter discovered or occurring.
- (c) Environmental Liability ("Liability") means the occurrence of a Claim, and all liability, damages, costs and expenses in connection therewith, including but not limited to legal, engineering, testing and other fees, and including a final determination or judgment entered or agreed upon.

2. Notice. If a Claim occurs, the party receiving notice of the occurrence, either Corporation or Trustee, shall immediately notify the other party in writing at the addresses set forth herein.
3. Disposal. If a Claim occurs, Corporation will proceed immediately and diligently after receipt of notice of the Claim to dispose of or secure the Hazardous Material, in full compliance with all applicable laws and regulations and to take all other action necessitated or resulting from the Claim. If Corporation fails to commence the disposal of the Hazardous Material or to take action to secure such Hazardous Material, or those portions of the Premises affected by the Hazardous

# UNOFFICIAL COPY

Material, immediately after receipt of notice of a Claim, or take such other action necessitated or resulting from the Claim, Trustee may, at its option, but without any obligation whatsoever, proceed to so dispose of or secure the Hazardous Material, or take such other action necessitated or resulting from the Claim.

4. **Legal Action.** In the event legal action is taken against Trustee or the Premises regarding a Claim, either jointly with Corporation or alone, the Corporation shall defend such action at its own expense, and Trustee shall cooperate with Corporation at Corporation's expense in the defense thereof, or, at Trustee's election, assume the defense of itself and the Premises, at the expense of Corporation. To the extent that Corporation has defaulted under the terms of this Agreement or is alleged to be liable under a Claim, Trustee shall have the right to join Corporation as party defendant in any such legal action brought against it or the Premises and Corporation hereby consents to the entry of an order making them a party defendant.
5. **Indemnify.** Corporation shall at all times indemnify and save Trustee harmless from and against all Liability which Trustee may for any cause at any time sustain or incur by reason of a Claim.
6. **Payment by Corporation.** Corporation shall pay, upon demand by Trustee, the amount of any Liability paid by Trustee. Corporation shall satisfy and discharge any judgment recovered against Trustee or the Premises by reason of such Liability promptly after the entry thereof, unless a timely appeal is taken and filed by Corporation, and provided Corporation provides Trustee with security sufficient in Trustee's sole discretion to protect Trustee from damage or loss from such Liability. If a final judgment is entered against Trustee or assessed against the Premises, Corporation shall satisfy and discharge such judgment. Trustee may, in its reasonable discretion, make any payment as required herein, and Corporation shall promptly repay to Trustee the amount of such payment, with interest thereon, from the date of payment.
7. **Default.** Corporation's failure to comply with the terms set forth herein shall constitute an event of default under and pursuant to the Indenture, and any other documents securing repayment of the Bonds or executed in connection with the issuance of the Bonds.
8. **Benefit.** The terms specified herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns, and shall survive repayment of the Bonds or foreclosure subsequent to sale or sales of the Premises.

## ARTICLE XV REDEMPTION OF BONDS

### Section 15.01 General

The Series 2012 Bonds shall be redeemable (in whole or part) prior to their stated Maturity Date, but in accordance with the provisions hereof and upon proper notice being given, without the payment of any early redemption premium.

Trust Moneys shall be applied by the Trustee, from time to time to the redemption of Outstanding Bonds as the Corporation shall request pursuant to a Corporate Request and upon receipt by the Trustee of the following:

- A. A Board Resolution directing the application (pursuant to this Section) of a specified amount of Trust Moneys and, in case any such moneys are to be applied to redemption, designating the Bonds so to be redeemed and stating the applicable Redemption Price, if any, and, in case such moneys are to be applied to the purchase of Bonds, prescribing the method of purchase, the price or prices to be paid and the maximum principal amount of Bonds to be purchased;
- B. Cash equal to the principal amount of the Bonds to be redeemed, plus accrued interest (if any beyond that received and to be received by the Trustee pursuant to the Corporation's regular weekly Sinking Fund Payments) and the premium, if any, required to be paid in connection with any such redemption or purchase which cash shall be held by the Trustee for such purpose; and
- C. An Officer's Certificate, dated not more than 30 calendar days prior to the date of the relevant Application, stating that:
  - (1) No Event of Default exists under this Indenture;
  - (2) No part of such Trust Moneys has been, or is required to be, set aside under Section 7.04.

# UNOFFICIAL COPY

Upon compliance with the foregoing provisions of this Section, the Trustee shall apply Trust Moneys as directed and specified by such Board Resolution, to pay the principal amount of the Bonds so redeemed, paid or purchased using the cash deposited pursuant to Subsection B of this Section, and any accrued interest and premium required in connection with such redemption.

A Board Resolution expressed to be irrevocable and directing the application of Trust Moneys under this Section to the payment of the principal of particular Bonds shall for all purposes of this Mortgage and Indenture be deemed the equivalent of the deposit of money with the Trustee in trust for such purpose. Such Trust Moneys and any cash deposited with the Trustee pursuant to Subsection B of this Section for the payment of principal, accrued interest and premium shall not, after compliance with the foregoing provisions of this Section, be deemed to be part of the Trust Estate or Trust Moneys.

## **Section 15.02 Election to Redeem; Notice to Trustee**

The election of the Corporation to redeem any Bonds shall be evidenced by a Board Resolution. In case of any redemption at the election of the Corporation of any of the Outstanding Bonds of any series, the Corporation shall, at least 30 calendar days prior to the Redemption Date fixed by the Corporation (unless a shorter notice shall be satisfactory to the Trustee) notify the Trustee of such Redemption Date and of the principal amount of Bonds of such series to be redeemed. The Corporation shall have the right to designate the particular Bonds to be redeemed. No Bonds called for redemption shall yield interest from and after the Redemption Date.

## **Section 15.03 Selection by the Trustee of Bonds to be Redeemed**

If less than all the Bonds are to be redeemed, and the Corporation has not designated the particular Bonds to be redeemed, the particular Bonds to be redeemed shall be selected by the Trustee not less than 15 nor more than 45 calendar days prior to the Redemption Date from the Outstanding Bonds of such series which have not been previously called for redemption, by lot or other random method. The Trustee shall notify the Paying Agent in writing of Bonds selected for early redemption and the method to be used for said redemption.

The Trustee shall promptly notify the Corporation in writing of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

## **Section 15.04 Notice of Redemption**

Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 15 nor more than 45 calendar days prior to the Redemption Date, to each Holder of Bonds of such series to be redeemed, at his address appearing in the Bond Register.

All Notices of redemption shall state:

- A. The Redemption Date;
- B. The Redemption Price;
- C. The principal amount of Bonds of such series to be redeemed, and, if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- D. That on the Redemption Date the Redemption Price of each of the Bonds to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said Date; and
- E. The place or places where the Bonds to be redeemed are to be surrendered for payment of the Redemption Price, which shall be the office of the Trustee, unless otherwise established by the Trustee.

Notice of redemption of Bonds to be redeemed at the election of the Corporation shall be given by the Corporation or, at the Corporation's request, by the Trustee or its agent in the name and at the expense of the Corporation.

# UNOFFICIAL COPY

## **Section 15.05 Deposit of Redemption Price**

At least ten (10) calendar days prior to any Redemption Date, unless waived or modified by the Trustee, the Corporation shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds which are to be redeemed on the Redemption Date, plus (in the case of a redemption of all the Bonds) any amounts due to the discounted balance of Administrative Fees due per Section 14.10E, minus a credit for Trust Monies held by the Trustee. Such money shall be held in trust for the benefit of the Persons entitled to such Redemption Price and shall not be deemed to be part of the Trust Estate or Trust Moneys. If any Bond of any series convertible into other securities is selected for redemption and is converted, any money deposited with the Paying Agent or so segregated and held in trust for the redemption of such Bond, shall be paid to the Corporation on Corporate Request or (if then held in trust by the Corporation) shall be discharged from such trust.

## **Section 15.06 Bonds Payable on Redemption Date**

Notice of redemption having been given, the Bonds to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and from and after such date (unless the Corporation shall default in the payment of the Redemption Price) such Bonds shall cease to bear interest. Upon surrender of any such Bond for redemption in accordance with said notice maturing after the Redemption Date, such Bond shall be paid by the Corporation at the Redemption Price. If any Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Bond.

## **Section 15.07 Bonds Redeemed in Part**

Any Bond which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Corporation or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Corporation and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Corporation shall execute and the Trustee shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds of the same series of any authorized denomination or denominations as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.



# UNOFFICIAL COPY

IN WITNESS WHEREOF, the following officers of the Corporation have caused this Trust Indenture to be duly executed, and the corporate seals (if any) to be hereunto affixed and attested as of September 15, 2012, shall be effective as of the day and year first above written.

"CORPORATION":

Christ's Oasis Ministries, Inc.  
a Illinois not-for-profit corporation

Bedford Park and Chicago, Illinois

By: [Signature] (President)  
Dr. Isaac Paintsil

By: [Signature] (Member)  
Charles Ofori-Kuragu

Property of Cook County Clerk's Office



State of Illinois )  
                                  ) :ss  
Cook County      )

Before me, Isaac Paintsil + Charles ofori-kuragu, a Notary Public of the State and County aforesaid, personally appeared Dr. Isaac Paintsil and Charles Ofori-Kuragu, with whom I am personally acquainted, and who, upon oath, acknowledged themselves to be President and Secretary, respectively, of Christ's Oasis Ministries, Inc., a Illinois non-profit corporation, and that they as such officers, executed the foregoing instrument for the purposes therein contained, at the direction and with the authorization of the Board of \_\_\_\_\_ of this Corporation, and on its behalf, in the capacities above set forth.

Witness my hand and seal, at office in willowbrook, this the 11<sup>th</sup> day of October 2012.

[Signature]  
Notary public

Susan Wood  
Printed Name of Notary



My Commission Expires: 10-15-14

(Notary Seal)

# UNOFFICIAL COPY

IN WITNESS WHEREOF, the following officer of the Trustee has caused this Trust Indenture to be duly executed, and the corporate seal (if any) to be hereunto affixed and attested as of September 15, 2012, shall be effective as of the day and year first above written.

"TRUSTEE":

Herring Bank  
Amarillo, Texas

By: Catana Gray  
CATANA GRAY  
Printed Name, Title

Signed, sealed and delivered in Amarillo, Texas in the presence of:

Attest: Leri Frazier

Title: Trust Analyst

State of Texas )  
County of Potter ) : ss

On this 30th day of October, 2012, before me a Notary Public in and for said county, appeared Catana Gray Vice President to me personally known, who being by me duly sworn, did say that he/she is the Vice President of Herring Bank, and that the seal affixed to said instrument is the corporate seal of the said corporation and that the said instrument was signed and sealed on behalf of the Corporation by authority of its Board of Directors and the said individual acknowledged said instrument to be the free act and deed of said Corporation.

Witness my hand and seal, at office in Amarillo, TX, this the 30th day of October, 2012.

Denise Messer  
Notary public

Denise Messer  
Printed Name of Notary



My Commission Expires: 12/20/15

(Notary Seal)

# UNOFFICIAL COPY

EXHIBIT "A" Legal Description



Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## LEGAL DESCRIPTION

STREET ADDRESS: 3101 N. PARKSIDE  
CITY: CHICAGO, IL 60634

COUNTY: COOK

### LEGAL DESCRIPTION:

PARCEL 1:

LOT 21 (EXCEPT THE NORTH 10 FEET THEREOF) AND ALL OF LOTS 22 TO 28, INCLUSIVE, IN BLOCK 1 IN SCHERENBERG'S SUBDIVISION OF BLOCK 1 IN KING AND PATTERSONS'S SUBDIVISION OF THE NORTHEAST 1/4 OF SECTION 29, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN'S: 13-29-207-018-0000  
13-29-207-019-0000  
13-29-207-020-0000  
13-29-207-035-0000  
13-29-207-036-0000

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

LEGAL LAND DESCRIPTION

**STREET ADDRESS:** 6855 W. 65th STREET

**CITY:** BEDFORD PARK IL 60638 **COUNTY:** COOK

**TAX NUMBER:** 19-19-117-053-0000 and 19-19-117-013-0000  
6600 S OAK PARK AVE., BEDFORD PARK, IL 60638

**LEGAL DESCRIPTION:**

**PARCEL 1:**

THAT PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF THE NORTH 50 FEET OF SAID QUARTER QUARTER SECTION WHICH IS 25 FEET WEST OF THE EAST LINE THEREOF; THENCE WEST ALONG THE SOUTH LINE OF SAID NORTH 50 FEET A DISTANCE OF 260.70 FEET; THENCE SOUTH PARALLEL WITH THE EAST LINE OF THE AFORESAID QUARTER QUARTER SECTION 157.50 FEET; THENCE WESTERLY 158.30 FEET TO A POINT ON THE WEST LINE OF THE EAST 444 FEET OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19 AFORESAID, WHICH IS 207.50 FEET SOUTH OF THE NORTH LINE THEREOF; THENCE SOUTH ALONG THE WEST LINE OF THE EAST 444 FEET OF SAID QUARTER QUARTER SECTION 332 FEET TO AN INTERSECTION WITH A CURVED LINE CONVEX TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG SAID CURVED LINE WITH A RADIUS OF 278.94 FEET A DISTANCE OF 66.79 FEET TO THE POINT OF TANGENCY OF SAID CURVED LINE LYING ON THE NORTH LINE OF THE SOUTH 800 FEET OF THE AFORESAID SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19; THENCE EAST ALONG SAID LINE 352.80 FEET TO THE WEST LINE OF THE EAST 25 FEET OF SAID QUARTER QUARTER SECTION; THENCE NORTH 480.55 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

**PARCEL 2:**

THAT PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF THE NORTH 50 FEET OF SAID QUARTER QUARTER SECTION WHICH IS 285.70 FEET WEST OF THE EAST LINE THEREOF; THENCE WEST ALONG THE SOUTH LINE OF SAID NORTH 50 FEET A DISTANCE OF 429.30 FEET; THENCE SOUTH AT RIGHT ANGLES TO THE SOUTH LINE OF THE NORTH 50 FEET OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 19, A DISTANCE OF 558 FEET TO THE POINT OF TANGENCY OF A CURVED LINE CONVEX TO THE SOUTHEAST; THENCE SOUTHWESTERLY ALONG SAID CURVED LINE WITH A RADIUS OF 278.94 FEET, A DISTANCE OF 161.37 FEET TO AN INTERSECTION WITH A DIAGONAL LINE RUNNING ACROSS THE AFORESAID SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19, DRAWN FROM THE NORTHEAST CORNER TO THE SOUTHWEST CORNER OF SAID QUARTER QUARTER SECTION; THENCE NORTHEASTERLY ALONG SAID DIAGONAL LINE 59.54 FEET TO AN INTERSECTION WITH A CURVED LINE CONCENTRIC WITH AND 18 FEET DISTANT FROM THE CURVED LINE HERETOFORE DESCRIBED; THENCE SOUTHWESTERLY ALONG SAID CURVED LINE WITH A RADIUS OF 296.94 FEET, A DISTANCE OF 43.04 FEET TO AN INTERSECTION WITH A LINE 14 FEET SOUTHEASTERLY FROM AND PARALLEL WITH THE DIAGONAL LINE HERETOFORE DESCRIBED; THENCE NORTHEASTERLY ALONG THE LAST DESCRIBED LINE 133.86 FEET; THENCE SOUTHEASTERLY AT RIGHT ANGLES 16 FEET; THENCE NORTHEASTERLY FROM AND PARALLEL WITH THE DESCRIBED DIAGONAL LINE RUNNING ACROSS THE AFORESAID QUARTER QUARTER SECTION 85.99 FEET TO THE POINT OF TANGENCY OF A CURVED LINE CONVEX TO THE NORTHWEST; THENCE NORTHEASTERLY ALONG SAID CURVED LINE WITH A RADIUS OF 278.94 FEET (SAID CURVED LINE BEING ALSO TANGENT TO THE NORTH LINE OF THE SOUTH 800 FEET TO AFORESAID SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19 AT A POINT 377.90 FEET WEST OF THE EAST LINE OF SAID QUARTER QUARTER SECTION) A DISTANCE OF 151.83 FEET TO AN INTERSECTION WITH THE WEST LINE OF THE EAST 444 FEET OF THE QUARTER QUARTER SECTION AFORESAID; THENCE NORTH ALONG THE LAST DESCRIBED LINE 332 FEET TO A POINT 207.20 FEET SOUTH OF THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19 AFORESAID; THENCE EASTERLY 158.30 FEET TO A POINT ON THE WEST LINE OF THE EAST 285.70 FEET TO SAID QUARTER QUARTER SECTION, WHICH IS 207.50 FEET SOUTH OF THE NORTH LINE THEREOF; THENCE NORTH ALONG THE DESCRIBED LINE 157.50 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

**PARCEL 3:**

THAT PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 25 FEET WEST OF THE EAST LINE AND 650 FEET NORTH OF THE SOUTH LINE OF SAID

# UNOFFICIAL COPY

QUARTER QUARTER SECTION; THENCE WEST PARALLEL TO THE SOUTH LINE THEREOF 504.23 FEET; THENCE SOUTHWESTERLY 218.62 FEET ON A CURVED LINE. CURVE CONVEX TO THE NORTHWEST RADIUS 278.94 FEET SAID CURVE BEING TANGENT TO THE LINE 650 FEET NORTH OF THE SOUTH LINE OF THE QUARTER SECTION AFORESAID AND ALSO TANGENT TO A DIAGONAL LINE 30 FEET SOUTHEASTERLY OF AND PARALLEL TO A LINE RUNNING FROM THE NORTHEAST CORNER TO THE SOUTHWEST CORNER OF THE SOUTH EAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 19; THENCE SOUTHWESTERLY ALONG SAID DIAGONAL LINE 100.66 FEET TO AN INTERSECTION WITH A CURVED LINE, CURVE CONVEX TO THE NORTHWEST RADIUS 296.94 FEET SAID CURVE BEING TANGENT TO A LINE 526 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF THE AFORESAID QUARTER QUARTER SECTION; THENCE NORTHEASTERLY ALONG SAID CURVE 131.03 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE EASTERLY 40.01 FEET TO A POINT 525 FEET NORTH OF THE SOUTH LINE AND 631.41 FEET WEST OF THE EAST LINE OF THE AFORESAID QUARTER QUARTER SECTION; THENCE EAST PARALLEL TO THE SOUTH LINE OF SAID QUARTER QUARTER SECTION 606.41 FEET; THENCE NORTH 125 FEET TO THE PLACE OF BEGINNING.

## PARCEL 4:

THAT PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 25 FEET WEST OF THE EAST LINE AND 800 FEET NORTH OF THE SOUTH LINE OF SAID QUARTER QUARTER SECTION; THENCE WEST PARALLEL TO THE SOUTH LINE THEREOF 352.80 FEET; THENCE SOUTHWESTERLY 218.62 FEET ON A CURVED LINE, CURVE CONVEX TO THE NORTHWEST RADIUS 278.94 FEET; SAID CURVE BEING TANGENT TO THE LINE 800 FEET NORTH OF THE SOUTH LINE OF THE QUARTER QUARTER SECTION AFORESAID AND ALSO TANGENT TO A DIAGONAL LINE 30 FEET SOUTHEASTERLY OF AND PARALLEL TO A LINE RUNNING FROM THE NORTHEAST CORNER TO THE SOUTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 19; THENCE SOUTHWESTERLY ALONG SAID DIAGONAL 212.47 FEET TO THE POINT OF TANGENCY OF A CURVED LINE, CURVE CONVEX TO THE NORTHWEST RADIUS 278.94 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE 218.62 FEET TO THE POINT OF TANGENCY OF SAID CURVE LYING ON A LINE 650 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID QUARTER QUARTER SECTION AFORESAID; THENCE EAST ALONG SAID LINE 504.23 FEET TO A POINT 25 FEET WEST OF THE EAST LINE OF SAID QUARTER QUARTER SECTION; THENCE NORTH 150 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

# UNOFFICIAL COPY

EXHIBIT "B" Bond Specimen

(Attached)

Property of Cook County Clerk's Office

A large, dense, black scribble consisting of multiple overlapping, horizontal, wavy lines that completely obscures any text or graphics that might have been present in the center of the page.

UNOFFICIAL COPY

ACCOUNT NO.

PRINCIPAL AMOUNT

Empty box for Principal Amount with dollar sign

ISSUE DATE STATED MATURITY INTEREST RATE INTEREST PAYABLE TRUST NO. BOND NO.

CONTROL NO. 1002

ISSUED TO:

FOR VALUE RECEIVED, the above named issuer promises to pay in lawful money of the United States to the registered holder hereof upon the surrender of this bond on the maturity date entered above (hereinafter called "Maturity") the principal sum entered above, together with interest thereon at the annual rate entered above from the date of the settlement of purchase hereof until Maturity. With respect to simple interest bonds, accrued interest shall be paid periodically as entered above and principal shall be paid at Maturity (as specified); with respect to compound interest bonds, accrued interest and principal shall be paid only at Maturity (as specified). This bond shall cease to bear interest from and after Maturity. All periodic payments of interest and principal shall be made at the office of the Paying Agent of such other place as may be designated, or by mailing a check therefor to the registered address of the holder hereof.

Unless this bond has been executed by the Registrar this bond shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

ISSUED SUBJECT TO THE TERMS AND CONDITIONS LISTED ON REVERSE SIDE

TRUSTEE'S CERTIFICATE

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

THE HERRING NATIONAL BANK  
Trustee, Registrar, and Paying Agent  
P.O. Box 50488  
Amarillo, Texas 79159



CHURCH BOND  
TRUSTEE

By:



**TERMS AND CONDITIONS**

**UNOFFICIAL COPY**

This bond is one of a series of serially numbered bonds of even date in the aggregate principal amount shown on the reverse side of this bond. These bonds are issued only as registered bonds, without coupons, and are issued subject to a Trust Indenture between the Issuer and The Herring National Bank. The Trust Indenture describes fully the rights of the bondholders and terms of the bonds. The terms and conditions set forth herein are summarized and incomplete and in the event of discrepancy between the terms as described herein and in the Trust Indenture, the terms in the Trust Indenture shall govern and prevail. The holder hereof should refer to the Trust Indenture on file with the Issuer, the Trustee, and where applicable, in the public records where the Issuer is located, for the respective rights of the holders, the Trustee, and the Issuer.

The Issuer has appointed The Herring National Bank as Registrar and as Paying Agent of this bond issue. The Issuer has obligated itself to establish and maintain with the Paying Agent a sinking fund for the payment and retirement of this bond and all other bonds secured by said Trust Indenture, together with interest thereon. To the extent of funds deposited in the sinking fund, the Paying Agent will mail to the registered holders of compound bonds at the address shown on its records principal plus interest accrued thereon up to the date of maturity as of the maturity date; and, with respect to holders of simple interest bonds, the Paying Agent will mail to the registered holder of simple interest bonds at the address shown on its records, payments of interest as required. At maturity of a bond, the registered bondholder must mail, present or cause the bond to be presented to the Paying Agent for payment. This bond shall cease to bear interest from and after the maturity thereof. Any funds remaining in the sinking fund (and bond redemption) after the maturity of the last maturing bond shall be subject to the terms of said Trust Indenture.

This bond shall be registered in the holder's name on the bond register of the Issuer prepared and maintained by the Registrar, who shall note the initial registration hereon, after which no transfer hereof shall be valid unless duly signed below by the registered holder hereof or by his attorney duly authorized in writing. For such transfer to be effective, this bond must be presented to the Registrar and the Registrar must note the required change in ownership hereon and in the bond register, for which the Registrar will make a nominal charge. For the purpose of receiving payment on account hereof and for all other purposes, the Issuer and the Registrar and Paying Agent may deem and treat the registered holder hereof as the absolute owner of this bond (whether or not it shall be overdue, and notwithstanding any notation of ownership or writing hereon which may have been made by anyone other than the Registrar), and the Issuer, the Registrar, and Paying Agent and the Trustee shall not be affected by any notice to the contrary.

If an event of default as defined in said Trust Indenture shall have occurred and be continuing, the principal hereof may be declared due and payable and with the effect provided in said Trust Indenture.

The Issuer reserves the right to select this bond for redemption in accordance with the terms of said Trust Indenture. Written notice of redemption shall be given as required to the registered holder of each bond selected for redemption at his address as shown on the bond register maintained by the Registrar. If this bond is selected for redemption, it shall become due and payable on its redemption date and it shall cease to bear interest from and after such redemption date. Thereafter this bond shall be excluded from participation in the security afforded by said Trust Indenture.

The Herring National Bank as Registrar and as Paying Agent does not in any way guarantee or act as surety for the payment of this bond and may not be held liable therefore under any conditions (unless due to its own misconduct or gross negligence), and its only responsibility with respect to funds is to disburse from the sinking fund to be maintained by the Issuer all payments of principal and interest due on this series of bonds, but only as and to the extent funds are deposited by the Issuer in said sinking fund. Moreover, if at any time the amount in said sinking fund is insufficient to pay in full all charges, principal and interest then due, the Paying Agent will not make any payments whatever, even in part, unless the Issuer deposits additional funds sufficient to cover such payments in full. If funds are not deposited by the Issuer in a sufficient amount for this purpose, the holder of this bond may not look to The Herring National Bank as Registrar and as Paying Agent to make up any deficiency.

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

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

Additional abbreviations may also be used though not in the above list.  
**AT MATURITY PRESENT THIS BOND TO THE TRUSTEE'S AGENT FOR PAYMENT  
 ASSIGNMENT: FOR VALUE RECEIVED (I or We) hereby sell, assign, and transfer unto**

(NAME AND ADDRESS OF TRANSFEREE MUST BE PRINTED OR TYPEWRITTEN)

CITY STATE ZIP SOCIAL SECURITY NUMBER

this bond with accrued interest thereon, and all right, title and interest thereto, and do hereby irrevocably constitute and appoint the Registrar to transfer the said bond on the books of the within named Issuer, with full power of substitution in the premises. Social Security Number of Transferee (New Owner), their name and mailing address where they wish to receive interest checks or notices MUST be provided before TRANSFER can be completed.

Under penalties of perjury, I certify (1) that the number shown on this form is my correct taxpayer identification number and (2) that I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

Date \_\_\_\_\_, 19\_\_\_\_  
 IN THE PRESENCE OF \_\_\_\_\_

SIGNED \_\_\_\_\_

SIGNED \_\_\_\_\_

(Signature must be Medallion guaranteed — include Officer's Title. Entities must use its "Medallion" stamp.)

**INSTRUCTIONS**

All interest will be paid when due and will be mailed to your registered address by The Herring National Bank of Amarillo, Texas, Trustee. Upon maturity, the bond must be surrendered to the Trustee for redemption. Upon redemption, a check in the principal amount of the Bond will be forwarded by the Trustee to you at your registered address.

Should your address change prior to the maturity of the Bond, a written statement of this fact and your new address should be forwarded to the Trustee as soon as possible in order that future payments of principal and interest upon the Bond may be properly paid to you. Should you sell or transfer the Bond to another party it will be necessary for you to complete the assignment appearing above, sign the assignment in the presence of an officer of a national bank and forward the Bond to the Trustee to be reissued in the name of the assignee.

These securities are issued pursuant to a claim of exemption from registration under Section 3(a)(4) of the Federal Securities Act of 1933 and from registration under the laws of certain states. The registration or qualification of these securities in various other states shall not be regarded as a recommendation thereof by the State Authorities involved. Neither the Securities and Exchange Commission nor any State Agency has passed upon the merits or sale of these securities.

ADDRESS FOR PRESENTATION OF BOND  
 The Herring National Bank  
 Church Bond Trust Department  
 P.O. Box 50488  
 Amarillo, TX 79159



# UNOFFICIAL COPY

EXHIBIT "C" Trustee Fee Schedule

(Attached)

Property of Cook County Clerk's Office



# UNOFFICIAL COPY

## EXHIBIT C

### Trustee Fee Schedule

#### Trustee, Paying Agent, & Bond Registrar/Transfer Agent

The Issuer will receive the Herring Bank (hereinafter referred to as "Trustee") Premier Money Market rate of interest on the Reserve Account. Interest on all other account balances shall constitute the Trustee's Base Fee due hereunder.

In addition, the Issuer shall pay to the Trustee a weekly maintenance fee equal to \$3.00 per \$100,000 (or any portion thereof) of the principal amount of all bonds initially offered by Issuer under the terms of the Trust Indenture, but in no event shall the annual maintenance fee be less than \$700. Such fee shall be payable in weekly or monthly installments, payable in addition to and simultaneously with the scheduled sinking fund payments required to pay principal and interest on the bonds, commencing with the first sinking fund payment attributable to the offering.

In the event Issuer prepays or exchanges all or part of the Bonds, the Trustee shall further charge an additional handling fee in the greater amount of \$2.50 per Bond for prepaid, or exchanged, or a minimum of \$750, as well as \$200 for letter, plus postage costs. Exchange issues require an additional fee of \$1,500.

In the event the Issuer's sinking fund payment is returned due to insufficient funds, closed account, or other circumstances not the fault of the Trustee, a processing fee in the amount of \$25.00 (per payment) will be charged, and may be paid from the bond sinking fund account, bond proceeds account, or any other funds of the Issuer held by the Trustee.

In the event the Issuer becomes 30 or more days delinquent in the payment of any sinking fund payment required to pay the principal and interest upon the bonds, Issuer shall pay to the Trustee a delinquent fee equal to five percent (5%) of each delinquent payment for each month that Issuer is delinquent in the payment of any sinking fund payment, but in no event shall the delinquent fee be less than \$50.00 per month. Such delinquent fee may be paid from the bond sinking fund account, bond proceeds account, or any other funds of the Issuer held by the Trustee.

The Trustee reserves the right to modify fee charges should circumstances warrant such modification.

# UNOFFICIAL COPY

EXHIBIT "D" Schedule of Interest Rates, Maturities and Payments

Property of Cook County Clerk's Office



---

# UNOFFICIAL COPY

RECEIVED

OCT 29 2012

Issue Amount:		\$3,075,000										EXHIBIT D	
Christ's Oasis Ministries													
25 year Church rate 7.5%													
0.5	3/15/2013	3.25%	26,000	3,075,000	213	93	5,450.57	141,714.75					
1.0	9/15/2013	3.50%	27,000	3,049,000	211	93	5,470.78	142,240.25	283,955		5,461		
1.5	3/15/2014	4.00%	26,000	3,022,000	209	93	5,412.14	140,715.75					
2.0	9/15/2014	4.25%	29,000	2,996,000	207	93	5,505.53	143,143.75	283,860		5,459		
2.5	3/15/2015	4.50%	28,000	2,967,000	205	93	5,441.37	141,475.50					
3.0	9/15/2015	4.75%	29,000	2,939,000	203	93	5,453.60	141,793.50	283,269		5,447		
3.5	3/15/2016	5.00%	29,000	2,910,000	201	93	5,425.11	141,052.75					
4.0	9/15/2016	5.00%	31,000	2,881,000	199	93	5,472.14	142,275.75	283,329		5,449		
4.5	3/15/2017	5.00%	30,000	2,850,000	197	93	5,401.88	140,448.75					
5.0	9/15/2017	5.25%	33,000	2,820,000	195	93	5,486.41	142,646.75	283,096		5,444		
5.5	3/15/2018	5.25%	32,000	2,787,000	193	93	5,412.63	140,728.50					
6.0	9/15/2018	5.50%	35,000	2,755,000	181	93	5,493.71	142,836.50	283,565		5,453		
6.5	3/15/2019	5.50%	35,000	2,720,000	188	93	5,453.69	141,796.00					
7.0	9/15/2019	5.75%	36,000	2,685,000	186	93	5,453.13	141,781.50	283,578		5,453		
7.5	3/15/2020	5.75%	37,000	2,649,000	183	93	5,448.79	141,668.50					
8.0	9/15/2020	5.75%	38,000	2,612,000	181	93	5,444.34	141,552.75	283,221		5,447		
8.5	3/15/2021	6.00%	40,000	2,574,000	178	93	5,476.24	142,382.25					
9.0	9/15/2021	6.00%	40,000	2,531,000	175	93	5,427.09	141,104.25	283,487		5,452		
9.5	3/15/2022	6.00%	44,000	2,494,000	173	93	5,532.78	143,852.25					
10.0	9/15/2022	6.25%	41,000	2,451,000	170	93	5,363.63	139,454.25	283,307		5,448		
10.5	3/15/2023	6.25%	45,000	2,409,000	167	93	5,465.19	142,095.00					
11.0	9/15/2023	6.50%	46,000	2,364,000	164	93	5,446.57	141,610.75	283,706		5,456		
11.5	3/15/2024	6.50%	50,000	2,318,000	160	93	5,538.91	144,011.75					
12.0	9/15/2024	6.75%	47,000	2,268,000	157	93	5,358.03	139,308.75	283,321		5,448		
12.5	3/15/2025	6.75%	53,000	2,221,000	154	93	5,524.79	143,644.50					
13.0	9/15/2025	7.00%	51,000	2,168,000	150	93	5,375.07	139,751.75	283,396		5,450		
13.5	3/15/2026	7.00%	57,000	2,117,000	147	93	5,534.18	143,888.75					
14.0	9/15/2026	7.00%	55,000	2,060,000	143	93	5,376.53	139,789.75	283,679		5,455		
14.5	3/15/2027	7.00%	60,000	2,005,000	139	93	5,410.80	142,760.75					
15.0	9/15/2027	7.25%	60,000	1,945,000	135	93	5,406.03	140,556.75	283,318		5,448		
15.5	3/15/2028	7.25%	65,000	1,885,000	131	93	5,510.68	142,277.75					
16.0	9/15/2028	7.25%	64,000	1,820,000	126	93	5,376.60	139,731.50	283,069		5,444		
16.5	3/15/2029	7.50%	70,000	1,756,000	122	93	5,514.13	143,367.50					
17.0	9/15/2029	7.50%	69,000	1,686,000	117	93	5,369.71	139,612.50	282,980		5,442		
17.5	3/15/2030	7.50%	75,000	1,617,000	112	93	5,495.96	142,895.00					
18.0	9/15/2030	7.75%	76,000	1,542,000	107	93	5,421.25	140,952.50	283,648		5,459		
18.5	3/15/2031	7.75%	80,000	1,466,000	101	93	5,455.83	141,851.50					
19.0	9/15/2031	7.75%	83,000	1,386,000	96	93	5,446.98	141,621.50	283,473		5,451		
19.5	3/15/2032	7.75%	85,000	1,303,000	90	93	5,394.20	140,249.25					
20.0	9/15/2032	7.75%	91,000	1,218,000	84	93	5,492.29	142,799.50	283,049		5,443		
20.5	3/15/2033	7.75%	95,000	1,127,000	78	93	5,504.51	143,117.25					
21.0	9/15/2033	7.75%	96,000	1,032,000	71	93	5,394.38	140,254.00	283,371		5,449		
21.5	3/15/2034	7.75%	102,000	936,000	65	93	5,476.08	142,378.00					
22.0	9/15/2034	7.75%	105,000	834,000	58	93	5,432.44	141,243.50	283,622		5,454		
22.5	3/15/2035	7.75%	111,000	729,000	50	93	5,498.72	142,966.75					
23.0	9/15/2035	7.75%	113,000	618,000	43	93	5,403.21	140,483.50	283,450		5,451		
23.5	3/15/2036	7.75%	120,000	505,000	35	93	5,496.03	142,896.75					
24.0	9/15/2036	7.75%	122,000	385,000	27	93	5,386.11	140,038.75	282,936		5,441		
24.5	3/15/2037	7.75%	130,000	263,000	18	93	5,502.97	143,077.25					
25.0	9/15/2037	7.75%	133,000	133,000	9	93	5,415.61	140,805.75	283,883		5,459		
			3,075,000					7,085,763	7,085,763				