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FIRST SUPPLEMENTAL TRUST INDENTURE

Dated as of February 1, 1993

Between

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. T3222 TRAN 7318 03/09/93 10:24:00
. #9783 * -93-174355
. COOK COUNTY RECORDER

ILLINOIS EDUCATIONAL FACILITIES AUTHORITY

AND

CONTINENTAL BANK, NATIONAL ASSOCIATION,
As Trustee

\$9,515,000 Illinois Educational Facilities Authority
Revenue Bonds, Columbia College, Series 1993

This instrument was prepared by:

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ATTACHMENTS TO THE FIRST SUPPLEMENTAL TRUST INDENTURE:

- EXHIBIT A — Description of Project
- EXHIBIT B — Description of Additional Real Estate
- EXHIBIT C — Form of Series 1993 Bond
- EXHIBIT D — Letter of Representations
- EXHIBIT E — Opinion of College Counsel
- EXHIBIT F — Description of Real Estate Contained in Original Indenture

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FIRST SUPPLEMENTAL TRUST INDENTURE

THIS FIRST SUPPLEMENTAL TRUST INDENTURE dated as of the first day of February, 1993, supplementing and amending that certain Trust Indenture dated as of June 1, 1992, by and between the ILLINOIS EDUCATIONAL FACILITIES AUTHORITY, a public instrumentality duly created and existing under the laws of the State of Illinois (the "Authority"), and Continental Bank, National Association, a national banking association established, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, with its principal office, domicile and post office address at 231 South LaSalle Street, Chicago, Illinois 60697 (the "Trustee");

WITNESSETH:

WHEREAS, the Authority is a body politic and corporate, being a public instrumentality created by the Illinois Educational Facilities Authority Act, Public Act 76-1810 of the General Assembly of the State of Illinois (said Public Act as from time to time amended being hereinafter called the "Act"); and

WHEREAS, the Authority is authorized under the Act, among other things, to finance and refinance the cost of educational facilities used by private institutions of higher education by purchasing their securities, to issue bonds for the purpose of obtaining funds for such purchase, such bonds to be secured by a pledge of such securities and to be payable solely out of the payments made by such institutions thereon, and to enter into a trust agreement providing for the issuance of such bonds and for their payment and security; and

WHEREAS, the Authority has heretofore executed and delivered to the Trustee that certain Trust Indenture dated as of June 1, 1992 (the "Original Indenture") pursuant to which the Authority issued \$25,605,000 aggregate principal amount of its Revenue Refunding Bonds, Columbia College, Series 1992 (the "Series 1992 Bonds"), to (i) advance refund the Illinois Educational Facilities Authority Revenue Bonds (Columbia College Project), Series 1988 (the "Series 1988 Bonds"), issued in the original aggregate principal amount of \$25,605,000, (ii) finance or refinance the costs of the acquisition, construction, renovation, improvement and equipping of certain of its educational facilities constituting "educational facilities" as defined in the Act and as more fully described in Exhibit A of the Original Indenture, (iii) establish a debt service reserve fund for the Series 1992 Bonds, and (iv) pay certain costs incurred in connection with the issuance of the Series 1992 Bonds and the advance refunding of the Series 1988 Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Authority applied the proceeds from the sale of the Series 1992 Bonds to the purchase of the First Mortgage Note, Series 1992 (the "Series 1992 Note"), of Columbia College, an Illinois not for profit corporation (the "College"), in the principal amount of \$25,605,000, issued under and secured by the Mortgage and Security Agreement dated as of June 1, 1992 (the "Original Mortgage"), between the College and the Authority; and

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WHEREAS, Section 207 of the Original Indenture authorizes the issuance of Additional Bonds (as defined therein) by the Authority from time to time in accordance with the provisions thereof and of Section 5.1 of the Original Mortgage to provide funds through the purchase by the Authority of Additional Notes (as defined in the Original Indenture) of the College for the purposes of, among other things, financing or refinancing the costs or estimated costs of the construction, acquisition, renovation, improvement or equipping of additional "educational facilities" (as defined in the Act); and

WHEREAS, the College desires to (i) finance all or a portion of the costs or estimated costs of the acquisition, construction, renovation and equipping of a building constituting an "educational facility" as defined in the Act and as more fully described in *Exhibit A* hereto (the "Series 1993 Project"), (ii) establish a debt service reserve fund for the Series 1993 Bonds, hereinafter referred to, and (iii) pay certain costs incurred in connection with the issuance of the Series 1993 Bonds, all through the purchase by the Authority of the First Mortgage Note, Series 1993 (the "Series 1993 Note"), of the College in the principal amount of \$9,515,000, issued under and secured by the Original Mortgage, as supplemented by a First Supplemental Mortgage and Security Agreement dated as of February 1, 1993 (the "First Supplemental Mortgage," and together with the Original Mortgage, the "Mortgage"); and

WHEREAS, it has been determined that in order to obtain funds to purchase the Series 1993 Note, the Authority will issue its Revenue Bonds, Columbia College, Series 1993 (the "Series 1993 Bonds") in the aggregate principal amount of \$9,515,000 as Additional Bonds pursuant to Section 207 of the Original Indenture and Section 5.1 of the Original Mortgage; and

WHEREAS, the Authority and the College have entered into the First Supplemental Mortgage to reconvey and confirm the mortgage of and grant of a security interest in the Mortgaged Property described in the Original Mortgage and to assign, pledge, grant and mortgage, and grant a security interest in, unto the Authority and its successors and assigns, all the College's right, title and interest in, to and under the property more fully described in *Exhibit B* hereto and specifying payments on the Series 1993 Note sufficient to pay the principal of, premium, if any, and interest on the Series 1993 Bonds; and

WHEREAS, the execution and delivery of this First Supplemental Trust Indenture and the issuance of the Series 1993 Bonds under the Original Indenture, as amended and supplemented by this First Supplemental Trust Indenture (collectively, the "Indenture"), have been duly approved by the Authority and the Trustee; and

WHEREAS, an executed copy of the Original Indenture has been recorded in the office of the Recorder of Deeds of Cook County, Illinois, on July 1, 1992, as Document No. 92478864, and an executed copy of the Original Mortgage has been recorded in the office of the Recorder of Deeds of Cook County, Illinois on July 1, 1992, as Document No. 92478863; and

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WHEREAS, all acts, conditions and things necessary to make this First Supplemental Indenture a valid and enforceable agreement according to its terms and for the purposes herein expressed have happened and have been done and performed, and the execution and delivery of this First Supplemental Indenture have been in all respects duly authorized; and

WHEREAS, all things necessary to make the Series 1993 Bonds, when authenticated by the Trustee and issued as in this First Supplemental Indenture provided, the valid, legal and binding obligations of the Authority and to constitute this First Supplemental Indenture a valid assignment and pledge of the payments and prepayments upon the Series 1993 Note to be applied to the payment of, principal of, premium, if any, and interest on the Series 1993 Bonds and a valid assignment of the rights of the Authority under the Mortgage, have been done and performed and the creation, execution and issuance of the Series 1993 Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to (i) secure the payment of the principal of and interest and premium, if any, on all Bonds issued under the Indenture according to their tenor, purport and effect, (ii) secure the performance and observance of all the covenants and conditions contained in the Indenture and in the Bonds, and (iii) declare the terms and conditions upon which all Bonds are issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become owners thereof and for and in consideration of the mutual covenants contained in the Indenture, of the acceptance by the Trustee of the trust created by the Indenture, and the purchase and acceptance of the Bonds by the owners thereof, the Authority has executed and delivered this First Supplemental Indenture, and has assigned and pledged to the Trustee, its successors in the trust and its assigns forever, to the extent provided in the Original Indenture, with the power of sale, all and singular, the property described in the granting clauses of the Original Indenture including, without limitation, the real estate specifically described in *Exhibit F* hereto and by these presents does hereby assign and pledge to the Trustee, its successor or successors and its or their assigns forever, to the extent provided in this First Supplemental Indenture, with power of sale, all and singular, the property hereinafter described:

GRANTING CLAUSES

DIVISION I

The Series 1993 Note, which has been endorsed by the Authority to the order of the Trustee, and all sums payable in respect of the indebtedness evidenced thereby; and

DIVISION II

All right, title and interest of the Authority in and to the First Supplemental Mortgage and the Mortgaged Property referred to therein, including the real estate specifically

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described in *Exhibit B* hereto, which First Supplemental Mortgage has been recorded and filed concurrently herewith in the office of the Recorder of Deeds of Cook County, Illinois;

SUBJECT, HOWEVER, to Permitted Encumbrances, as defined in the Indenture;

EXCEPTED PROPERTY

There is, however, expressly excepted and excluded from the lien and operation of this First Supplemental Indenture amounts held by the Trustee in the Rebate Fund established by the Series 1993 Tax Agreement (as such term is hereafter defined);

TO HAVE AND TO HOLD the same unto the Trustee, and its successor or successors and its or their assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, to secure, equally and ratably, the payment of the Bonds to be issued hereunder and under the Original Indenture, the premium, if any, payable upon redemption or prepayment thereof, and the interest payable thereon, and to secure also the observance and performance of all the terms, provisions, covenants and conditions hereof and of the Original Indenture, and for the equal and ratable benefit and security of all and singular the owners of all Bonds issued hereunder, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter provided, of any one Bond over any other Bond or as between principal and interest.

It is hereby mutually covenanted and agreed that the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become the owners thereof, and the trusts and conditions upon which the pledged moneys and revenues are to be held and disbursed, are as follows:

ARTICLE I DEFINITIONS

Words and terms which are defined in the Original Indenture, the Original Mortgage and the First Supplemental Mortgage shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent.

In addition to the words and terms elsewhere defined in this First Supplemental Trust Indenture, the following words and terms as used in the Original Indenture, this First Supplemental Trust Indenture, the Original Mortgage and the First Supplemental Mortgage shall have the following meanings unless the context or use indicates another or different meaning or intent:

"DTC" means the Depository Trust Company, New York, New York, and any successor corporation.

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"*DTC Participant*" means each broker-dealer, bank and other financial institution reflected on the books of DTC as holding beneficial interests in the Series 1993 Bonds.

"*First Supplemental Mortgage*" means the First Supplemental Mortgage and Security Agreement dated as of February 1, 1993 by and between the Authority and the College, supplementing and amending the Original Mortgage.

"*First Supplemental Indenture*" means this instrument.

"*Indenture*" means the Original Indenture and this First Supplemental Indenture, as from time to time supplemented and amended.

"*Lakeside Press Building Ground Lease*" means the ground lease between American National Bank and Trust Company of Chicago, as Trustee under Trust No. 116530-01 dated January 20, 1993, as lessor, and the College, as lessee, as from time to time supplemented and amended.

"*Lakeside Press Building Property*" means the property described in the Granting Clauses of the First Supplemental Mortgage.

"*Mortgage*" means the Original Mortgage and the First Supplemental Mortgage, as from time to time supplemented and amended.

"*Original Indenture*" means that certain Trust Indenture dated as of June 1, 1992, by and between the Authority and the Trustee.

"*Original Mortgage*" means that certain Mortgage and Security Agreement dated as of June 1, 1992, from the College, as mortgagor, to the Authority, as mortgagee.

"*Series 1993 Bond*" or "*Series 1993 Bonds*" means one or more of the \$9,515,000 aggregate principal amount of Illinois Educational Facilities Authority Revenue Bonds, Columbia College, Series 1993, authorized to be issued by the Authority under Section 207 of the Original Indenture and Article II hereof.

"*Series 1993 Cost of Issuance Fund*" means the Fund established pursuant to Section 303 hereof.

"*Series 1993 Debt Service Reserve Fund*" means the Fund established under Section 304 hereof.

"*Series 1993 Debt Service Reserve Fund Requirement*" means an amount equal to \$751,918.75.

"*Series 1993 Letter of Representations*" means the Letter of Representations dated the date of issuance of the Series 1993 Bonds between the Authority and the Trustee and accepted by DTC, in the form attached hereto as *Exhibit D*.

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"Series 1993 Note" means the First Mortgage Note, Series 1993, of the College dated February 15, 1993, in the principal amount of \$9,515,000, in substantially the form attached to the First Supplemental Mortgage as Exhibit B, being issued by the College to the Authority, and then being pledged by the Authority with the Trustee, concurrently with the issuance of the Series 1993 Bonds, and any Note issued pursuant to the Mortgage in exchange or substitution therefor.

"Series 1993 Official Statement" means the Official Statement of the Authority and the College prepared in connection with the issuance and sale of the Series 1993 Bonds.

"Series 1993 Project" means the financing, directly or indirectly, in whole or in part, of the acquisition, renovation and equipping of an educational facility of the College, as more fully described in Exhibit A to this First Supplemental Indenture.

"Series 1993 Project Certificate" means that certain Certificate Regarding the Financed Properties and Expenditure of Funds dated the date of issuance of the Series 1993 Bonds and delivered by the College with respect to certain tax matters relating to the Series 1993 Bonds.

"Series 1993 Project Completion Certificate" means the certificate required to be delivered by the College pursuant to Section 302(C) hereof after completion of the Series 1993 Project.

"Series 1993 Project Completion Date" means the date on which the College delivers the Series 1993 Project Completion Certificate to the Trustee.

"Series 1993 Project Period" means the period beginning on the date of issuance of the Series 1993 Bonds and ending on the Series 1993 Project Completion Date.

"Series 1993 Project Fund" means the Fund established pursuant to Section 302 hereof.

"Series 1993 Tax Agreement" means the Tax Exemption Agreement and Certificate delivered by the Authority, the College and the Trustee on the date of issuance of the Series 1993 Bonds, as the same may be amended or supplemented from time to time.

ARTICLE II THE SERIES 1993 BONDS

Section 201. Authorized Amount of Series 1993 Bonds. No Series 1993 Bonds may be issued under the provisions of the Indenture except in accordance with this Article. The total principal amount of Series 1993 Bonds that may be issued is hereby expressly limited to \$9,515,000.

Section 202. Designation of Series 1993 Bonds. The Series 1993 Bonds shall be designated "Illinois Educational Facilities Authority Revenue Bonds, Columbia College,

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Series 1993". The Series 1993 Bonds shall bear interest from their respective dates and shall be issuable as fully registered Bonds without coupons in the denominations of \$5,000 and any integral multiple thereof in substantially the form attached hereto as *Exhibit C*. Each Series 1993 Bond shall bear interest on overdue principal and premium and, to the extent permitted by law, on overdue interest, at the stated rate of interest borne by such Bond. Unless the Authority shall otherwise direct, the Series 1993 Bonds shall be lettered R and numbered sequentially from 1 upward.

The Series 1993 Bonds shall be of the same rank as the Series 1992 Bonds, but shall be dated, bear such interest rate or rates and have such maturity date or dates, redemption dates and redemption premiums as are hereinafter set forth in this First Supplemental Indenture.

Each Series 1993 Bond shall be dated as of February 15, 1993, and shall bear interest from the interest payment date to which interest has been paid as of the date on which it is authenticated or if it is authenticated prior to the first date on which interest is to be paid, from February 15, 1993. Interest on the Series 1993 Bonds shall be payable on December 1 and June 1 of each year commencing December 1, 1993. Interest on the Series 1993 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Series 1993 Bonds shall initially bear interest at the respective rates set forth in and shall mature on December 1 of each of the years set forth in and in the principal amount set opposite each year in the following schedule:

MATURITY DATE <u>DECEMBER 1</u>	INTEREST RATE	PRINCIPAL AMOUNT
1994	4.000%	\$ 180,000
1995	4.500	190,000
1996	5.000	200,000
1997	5.250	210,000
1998	5.500	220,000
2003	5.875	1,300,000
2018	6.125	7,215,000

The Series 1993 Bonds maturing, respectively, on December 1, 2003 and December 1, 2018 are subject to the mandatory sinking fund provisions of Section 401 hereof.

The principal of and premium, if any, on the Series 1993 Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and such principal and premium, if any, shall be payable at the principal corporate trust office of the Trustee, in the City of Chicago, Illinois, or at the principal office of any successor trustee or additional paying agent appointed under the Indenture, provided, however, that payment of

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principal of and premium, if any, on the Series 1993 Bonds to any registered owner of \$1,000,000 or more in aggregate principal amount of Series 1993 Bonds may be made by wire transfer upon an appropriate written request therefor received by the Trustee not less than 15 days prior to any payment date (it being understood that such request may refer to multiple principal payments) and upon presentation and surrender of such Series 1993 Bonds at the principal office of the Trustee or any such successor trustee or additional paying agent. Payment of the interest on the Series 1993 Bonds on any interest payment date shall be made to the person appearing on the Bond registration books of the Authority as the registered owner thereof on the 15th day of the calendar month preceding such interest payment date and shall be made: (1) by check or draft of the Trustee or any alternate paying agent appointed pursuant to the Indenture mailed on the applicable interest payment date to such registered owner at such owner's address as it appears on such registration books or at such other address as is furnished the Trustee in writing by such registered owner; or (2) at the option of any registered owner of Series 1993 Bonds in the aggregate principal amount of not less than \$1,000,000, by wire transfer to such registered owner upon written request from such registered owner, which written request shall contain the wire transfer address (which shall be in the continental United States of America) to which such registered owner wishes to have such wire directed and which written request is received not less than 15 days prior to any interest payment date for which such payment by wire transfer is requested (it being understood that such request may refer to multiple interest payments), except, in each case, that, if and to the extent that there shall be a default in the payment of the interest due on such interest payment date, such defaulted interest shall be paid to the registered owners in whose name any such Series 1993 Bonds are registered at the close of business on the fifth Business Day immediately preceding the date of payment of such defaulted interest. The CUSIP number identification with appropriate dollar amounts for each CUSIP number shall be included with all payments of principal, premium and interest on the Series 1993 Bonds, whether made by check or by wire transfer.

Section 203. Delivery of Series 1993 Bonds. Upon the execution and delivery of this First Supplemental Indenture, the Authority shall execute and deliver to the Trustee and the Trustee shall authenticate the Series 1993 Bonds in the aggregate principal amount of \$9,515,000 and deliver them to or upon the order of the Authority as hereinafter provided in this Section 203.

Prior to the delivery by the Trustee of any of the Series 1993 Bonds there shall be filed with the Trustee:

(a) Copies, duly certified by the Chairman, the Vice Chairman or the Executive Director of the Authority, of the resolution adopted by the Authority authorizing the execution and delivery of the First Supplemental Mortgage, the Series 1993 Official Statement, the Series 1993 Tax Agreement and this First Supplemental Indenture and the issuance and sale of the Series 1993 Bonds;

(b) A copy, duly certified by the Secretary or an Assistant Secretary of the College, of the resolutions adopted by the Board of Trustees of the College authorizing the execution and delivery of the Series 1993 Note, the First Supplemental

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Mortgage and the Series 1993 Tax Agreement and approving this First Supplemental Indenture and the issuance and sale of the Series 1993 Bonds;

(c) Executed counterparts of this First Supplemental Indenture, the First Supplemental Mortgage and the Series 1993 Tax Agreement and the executed Series 1993 Note;

(d) A written opinion of Independent Counsel for the College in form and substance satisfactory to the Authority and Bond Counsel, such satisfaction to be conclusively evidenced by the delivery of the Series 1993 Bonds by the Authority and by the delivery of the opinion of Bond Counsel referred to in paragraph (e) of this Section;

(e) A written opinion of Bond Counsel in form and substance satisfactory to the Authority, such satisfaction to be conclusively evidenced by the delivery of the Series 1993 Bonds by the Authority;

(f) A written opinion of Independent Counsel for the Authority stating that the Authority has full and lawful authority to enter into and to perform the First Supplemental Mortgage, the Series 1993 Tax Agreement and this First Supplemental Indenture and to issue and sell the Series 1993 Bonds;

(g) A Written Request of the Authority to the Trustee to authenticate and deliver the Series 1993 Bonds in the aggregate principal amount of \$9,515,000 upon payment to the Authority of the sum specified in such Written Request. Such proceeds shall be paid over to the Trustee and applied and deposited to the credit of various funds as hereinafter provided under Section 301 hereof.

(h) such documents as are required to be furnished pursuant to Section 207 of the Original Indenture; and

(i) Such further documents, certificates and opinions as may be required by the provisions of the resolution of the Authority authorizing the issuance of the Series 1993 Bonds, this First Supplemental Indenture, the bond purchase agreement relating to the sale of the Series 1993 Bonds or the closing agenda prepared by Bond Counsel in connection with the issuance and delivery of the Series 1993 Bonds, the satisfaction of such requirements to be conclusively evidenced by the delivery of the Series 1993 Bonds by the Authority and by the delivery of the opinion of Bond Counsel referred to in paragraph (e) of this Section.

Section 204. Book-Entry Only System. The Series 1993 Bonds shall be initially issued in the form of a separate single fully registered Series 1993 Bond for each maturity. Upon initial issuance, the ownership of each such Series 1993 Bond shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, and except as hereinafter provided, all of the outstanding Series 1993 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

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With respect to Series 1993 Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the Authority, the College and the Trustee shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Series 1993 Bonds. Without limiting the immediately preceding sentence, the Authority, the College and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in any Series 1993 Bond, (ii) the delivery to any DTC Participant or any other Person, other than a Bondholder, as shown in the Bond Register, of any notice with respect to any Series 1993 Bonds, including without limitation any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than a Bondholder, as shown in the Bond Register, of any amount with respect to principal of, premium, if any, or interest on any Series 1993 Bond. Notwithstanding any other provision of the Indenture to the contrary, the Authority, the Trustee and each other Paying Agent, if any, shall be entitled to treat and consider the Person in whose name each Series 1993 Bond is registered in the Bond Register as the absolute owner of such Series 1993 Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Series 1993 Bond, for the purpose of giving notices of redemption, for the purpose of registering transfers with respect to such Series 1993 Bond, and for all other purposes whatsoever. The Trustee and each other Paying Agent, if any, shall pay all principal of, premium, if any, and interest on the Series 1993 Bonds only to or upon the order of the respective Bondholders, as shown in the Bond Register as provided in the Indenture, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to payment of principal of, premium, if any, and interest on the Series 1993 Bonds to the extent of the sum of sums so paid. No Person other than a Bondholder, as shown in the Bond Register, shall receive a Series 1993 Bond certificate evidencing the obligation of the Authority to make payments of principal, premium, if any, and interest pursuant to the Indenture.

The Bondholders have no right to a depository for the Series 1993 Bonds. The Authority or the Trustee may remove DTC or any successor thereto for any reason at any time. DTC may determine to discontinue providing its services with respect to the Series 1993 Bonds at any time by giving notice to the Trustee and the College and discharging its responsibilities. The Trustee shall notify the Authority of such discontinuation of DTC's services. In such event, the Authority shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer or cause the transfer of one or more separate Series 1993 Bond certificates to such successor securities depository or (ii) notify DTC of the availability through DTC of Series 1993 Bond certificates and transfer or cause the transfer of one or more separate Series 1993 Bond certificates to DTC Participants having Series 1993 Bonds credited to their DTC accounts. In such event, the Series 1993 Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names the DTC Participants receiving Series 1993 Bonds shall designate, in accordance with the provisions of the Indenture.

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The Authority, the Trustee and DTC will execute the Series 1993 Letter of Representations in connection with the issuance of the Series 1993 Bonds. Notwithstanding any other provision of the Indenture, so long as DTC, or its designee, is the registered owner of all Series 1993 Bonds the provisions set forth in the Series 1993 Letter of Representations shall apply to the redemption of any Series 1993 Bonds and to the payment of principal of and interest on the Series 1993 Bonds, including without limitation, that:

(a) presentation of Series 1993 Bonds to the Trustee upon redemption or at maturity shall be deemed made to the Trustee when the right to exercise ownership rights in the Series 1993 Bonds through DTC or DTC's Participants is transferred by DTC on its books; and

(b) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Bondholders under the Indenture on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Series 1993 Bonds through DTC or DTC's Participants.

So long as the Series 1993 Bonds are registered in the name of Cede & Co., as nominee of DTC, the Trustee agrees to comply with the terms and provisions of the Letter of Representations attached hereto as *Exhibit D* and made a part hereof.

ARTICLE III

APPLICATION OF SERIES 1993 BOND PROCEEDS

Section 301. Application of Series 1993 Bond Proceeds. The Authority shall deposit with the Trustee all of the net proceeds from the sale of the Series 1993 Bonds. The Trustee shall dispose of all such proceeds as follows:

(a) deposit \$37,811.25 to the credit of the Interest Fund established under Section 403 of the Indenture, representing the accrued interest on the Series 1993 Bonds;

(b) deposit \$751,918.75 to the credit of the Series 1993 Debt Service Reserve Fund established under Section 304 hereof;

(c) deposit \$46,884.72 to the credit of the Series 1993 Cost of Issuance Fund established under Section 303 hereof; and

(d) deposit the balance of the proceeds from the sale of the Series 1993 Bonds to the credit of the Series 1993 Project Fund established under Section 302 hereof, to be disbursed by the Trustee for the purposes and in the manner set forth in said Section 302.

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Section 302. Series 1993 Project Fund. (A) Establishment of Series 1993 Project Fund. The Authority shall establish with the Trustee and maintain throughout the period of the acquisition, renovation and equipping of the Series 1993 Project a separate Fund to be known as the "Series 1993 Project Fund - Columbia College Series 1993 Project" (the "Series 1993 Project Fund"), to the credit of which a deposit shall be made as required by the provisions of Section 301(d) hereof. Any moneys received by the Trustee from any source for the Series 1993 Project shall be deposited in the Series 1993 Project Fund. The moneys in the Series 1993 Project Fund shall be held in trust by the Trustee, shall be applied to the payment of the costs of the Series 1993 Project except to the extent required to be transferred to the Rebate Fund in accordance with the Series 1993 Tax Agreement and, pending such application, shall be held as trust funds under the Indenture until paid out or transferred as provided in this Section 302. The Trustee may, in its discretion, establish such accounts within the Series 1993 Project Fund, and subaccounts within any of such accounts, as the Trustee may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from the Series 1993 Project Fund and its accounts, or for the purpose of complying with the requirements of the Code relating to arbitrage, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of the Indenture with respect to the deposit or use of money in the Series 1993 Debt Service Reserve Fund, the Interest Fund or the Bond Sinking Fund, or result in commingling of funds not permitted hereunder. In establishing such accounts or subaccounts, the Trustee may at any time request, receive and rely with full acquittance upon an opinion of Bond Counsel, addressed to the Trustee, that the establishment of such accounts or subaccounts will not adversely affect any exemption from federal income taxation to which interest on the Series 1993 Bonds would otherwise be entitled.

Moneys deposited into the Series 1993 Project Fund shall be held in the Series 1993 Project Fund and disbursed as hereinafter provided.

(B) Withdrawals for Acquisition. Except for withdrawals made in accordance with subparagraph (C) below, moneys deposited in the Series 1993 Project Fund in an amount not to exceed \$7,850,000 shall be disbursed by the Trustee (such disbursement may be made through a title escrow with the hereafter defined Title Insurer) in order to pay the cost of acquisition of the building and improvements located on the real property subject to the Lakeside Press Building Ground Lease upon receipt by the Trustee of a Written Request of the College therefor and (i) a Lender's ALTA-1970 Policy of Title Insurance issued by Commonwealth Land Title Insurance Company or such other title insurance company as is acceptable to the Trustee (the "Title Insurer") in the aggregate principal amount of the Series 1993 Bonds showing the leasehold estate under the Lakeside Press Building Ground Lease and title to all improvements located on the real property subject thereto in the College, subject only to Permitted Encumbrances, and showing the Trustee, as assignee of the Authority, as mortgagee thereof, subject only to Permitted Encumbrances, with extended coverage over general exceptions, a 100 comprehensive endorsement, a 3.1 zoning endorsement modified to include loading docks, an access endorsement, a location endorsement, a usury endorsement, encroachment endorsements over any encroachments, an endorsement that the Lakeside Press Building Ground Lease and the First Supplemental Mortgage are valid and enforceable despite the fact that the ground lessee under the Lakeside

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Press Building Ground Lease and the beneficiary of Trust No. 11653-01 dated January 20, 1993, are the same entity, and such other endorsements as the Trustee may reasonably request, (ii) such other instruments or documents as the Authority or the Trustee may reasonable request , (iii) an opinion of counsel for the College to the effect set forth in *Exhibit E* hereto, and (iv) executed counterparts of the Lakeside Press Building Ground Lease, the Intercreditor Agreement and the Junior Collateral ABI (as such terms are defined in *Exhibit E* hereto) in such respective forms as are acceptable to the Trustee after consultation with Chapman and Cutler, Bond Counsel to the Authority.

(C) *Withdrawals for Improvements.* Except for withdrawals made in accordance with the Series 1993 Tax Agreement or subparagraph (B) above, moneys deposited in the Series 1993 Project Fund shall be paid out from time to time by the Trustee in order to pay, or to reimburse the College for payment made, for the costs of the Series 1993 Project (including any expense of planning, financing or other services constituting a cost of the Series 1993 Project), in each case only upon receipt by the Trustee of the following:

1. The Written Request of the College:

(a) stating the item number of such Written Request, the name of the person, firm or corporation to whom each such payment is due, each amount to be paid or reimbursed, the general classification of the costs for which each obligation to be paid was incurred, and that such costs were incurred for or in connection with the Series 1993 Project;

(b) stating that such costs have been incurred by the College and are currently due and payable or have been paid by the College and are reimbursable hereunder and each item thereof is a proper charge against the Series 1993 Project Fund and has not been paid or reimbursed, as the case may be;

(c) stating that such costs are valid "costs" of a "project" under the Act and no part thereof was included in any other Written Requests previously filed with the Trustee under the provisions hereof;

(d) stating that there has not been filed with or served upon the College any notice of any lien, right to a lien or attachment upon or claim affecting the right of any Person, firm or corporation to receive payment of the respective amount stated in such Written Request;

(e) stating that the amount of moneys which will remain on deposit in the Series 1993 Project Fund after the withdrawal in question is made plus its reasonable estimate of investment income to be earned thereon and on the other Funds to the extent such income is required to be deposited in the Series 1993 Project Fund and any other moneys then on hand at the College or committed to the College which are or will be available, and are anticipated by the College to be applied, to pay costs of the Series 1993 Project will, after payment of the

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amount requested in such Written Request, be sufficient to complete the Series 1993 Project substantially in accordance with any construction contracts, plans and specifications and building permits therefor, if any, then in effect;

(f) stating that the necessary permits and approvals, if any, required for that portion of the Series 1993 Project for which such withdrawal is to be made have been issued and are in full force and effect;

(g) stating that the withdrawal and use of the Series 1993 Project Fund moneys for the purpose intended will not cause any of the representations or certifications contained in the Series 1993 Project Certificate to be untrue or result in a violation of any covenant in the Series 1993 Project Certificate;

(h) stating that no event of default has occurred and is continuing under the Mortgage; and

(i) stating that attached to such Written Request are true and correct copies of invoices or bills of sale covering all items for which payment or reimbursement is being requested in such Written Request.

2. With respect to the Series 1993 Project, there shall be required copies of invoices or bills of sale covering all items for which payment is being requested in the Written Request of the College delivered pursuant to the foregoing subdivision 1 issued by the manufacturers, suppliers or other sellers of such items showing the College as the owner or purchaser thereof and evidencing that the amount of the payment for such items set forth in such Written Request does not exceed the purchase price thereof.

To the extent that the College leases items for the Series 1993 Project from third parties, the costs thereof shall not be deemed to be costs of the Series 1993 Project for which a withdrawal from the Series 1993 Project Fund may be made.

(D) *Progress Reports and Series 1993 Project Completion Certificate.* The College shall cause to be submitted to the Authority and the Trustee semi-annual progress reports, beginning December 1, 1993, concerning the Series 1993 Project, showing whether the amounts actually expended therefor exceed or are less than the amounts budgeted therefor and whether the Series 1993 Project is proceeding on the schedule originally established therefor; and the College is further required to deliver to the Authority and the Trustee within 90 days after the completion of the Series 1993 Project a Series 1993 Project Completion Certificate signed by an Authorized Officer of the College:

1. stating that all portions of the Series 1993 Project have been fully completed in accordance with any plans and specifications therefor, as then amended, and the date of completion; and

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2. stating that such Authorized Officer has made such investigation of such sources of information as are deemed by such person to be necessary, including pertinent records of the College, and are of the opinion that the Series 1993 Project has been fully paid for and that no claim or claims exist against the College or against the properties of the College or, to the best of such persons' knowledge, against the Authority or against the properties of the Authority, out of which a lien based on furnishing labor or material for the Series 1993 Project exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the College intends to contest such claim or claims, in which event such claim or claims shall be described; provided, further, however, that in such event such certificate shall state that amounts are on deposit in the Series 1993 Project Fund which, together with a reasonable estimate of investment income to be earned thereon and on the other Funds to the extent such income is required to be deposited into the Series 1993 Project Fund and any other moneys then on hand at the College or committed to the College which are or will be available, and are anticipated by the College to be applied, to pay costs of the Series 1993 Project, are sufficient to make payment of the full amount which might in any event be payable in order to satisfy such claim or claims.

In the event such certificate shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Authority and the Trustee a certificate of the College signed by an Authorized Officer stating that such claim or claims have been paid when the same has in fact occurred; and

3. stating that the withdrawal of moneys from the Series 1993 Project Fund and the use of the property financed, refinanced or reimbursed therefrom will not cause any of the representations or certifications contained in the Series 1993 Project Certificate to be untrue or result in a violation of any term or covenant in the Series 1993 Project Certificate.

(E) *Disposition of Series 1993 Project Fund Moneys After Completion.* Promptly after the Trustee receives the Series 1993 Project Completion Certificate mentioned in subparagraph (D) of this Section 302 with respect to the Series 1993 Project and the Trustee has paid all moneys required to be paid from the Series 1993 Project Fund pursuant to Written Requests theretofore tendered to the Trustee under the provisions of subparagraphs (B) and (C) of this Section 302, any balance of moneys in the Series 1993 Project Fund (other than any moneys being retained in the Series 1993 Project Fund to satisfy a lien or claim involving the Series 1993 Project pursuant to subparagraph (D)(2) of this Section) shall, at the option of the College, be (i) applied pursuant to Section 2.12 of the First Supplemental Mortgage to pay the "costs" of other "educational facilities" or "cultural facilities" (as such terms are defined in the Act) of the College, with the approval of the Authority, provided that the College shall have received an opinion of Bond Counsel to the effect that such application will not adversely affect the validity or enforceability in accordance with their terms of the Series 1993 Bonds or any exemption from federal income taxation to which interest on the Series 1993 Bonds would otherwise be entitled, (ii)

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withdrawn by the Trustee from the Series 1993 Project Fund and deposited into the Optional Redemption Fund to be applied to the redemption of Series 1993 Bonds in accordance with the provisions of this First Supplemental Indenture and/or (iii) applied in any other lawful manner, provided that there shall be delivered to the Trustee and the Authority an opinion of Bond Counsel to the effect that such application will not adversely affect the validity of the Series 1993 Bonds or any exemption from federal income taxation to which the interest on the Series 1993 Bonds would otherwise be entitled. Pursuant to the provisions of Section 2.9 of the First Supplemental Mortgage, if the College determines not to complete any part of the Series 1993 Project for which Series 1993 Bond proceeds are available or if the College elects to fund any part of the Series 1993 Project from other sources, such excess Series 1993 Bond proceeds must be used either (i) to pay costs of the remaining parts of the Series 1993 Project, provided that (x) the College certifies to the Authority and the Trustee that such use will not cause the average maturity of the Series 1993 Bonds to exceed 120% of the average reasonably expected economic life of the Series 1993 Project being financed with proceeds of the Series 1993 Bonds and (y) if the portion of the Series 1993 Project which the College determines not to complete or to fund from other sources exceeds \$250,000, the College shall obtain the written consent of the Authority for such change in use, (ii) to pay, pursuant to Section 2.9 of the First Supplemental Mortgage, the costs of other educational or cultural facilities qualifying under the Act, with the approval of the Authority, provided that the College shall have received an opinion of Bond Counsel to the effect that such application will not adversely affect the validity or enforceability in accordance with their terms of any Series 1993 Bonds or any exemption from federal income taxation to which interest on the Series 1993 Bonds would otherwise be entitled, (iii) to be applied to the redemption of Series 1993 Bonds in accordance with the provisions of this First Supplemental Indenture or (iv) in any other lawful manner, provided that there shall be delivered to the Trustee and the Authority an opinion of Bond Counsel to the effect that such application will not adversely affect the validity of the Series 1993 Bonds or any exemption from federal income taxation to which the interest on the Series 1993 Bonds would otherwise be entitled.

(F) *Investment of Series 1993 Project Fund Moneys.* Subject to the provisions of Section 407 of the Indenture, moneys at any time on deposit in the Series 1993 Project Fund shall, by oral instruction followed promptly by a Written Request of the College, be invested or reinvested by the Trustee in Qualified Investments. Investment earnings on moneys in the Series 1993 Project Fund shall be applied pursuant to Section 407 of the Indenture. The Trustee shall not be obligated to invest any moneys held by it hereunder except as directed by the College, but shall as soon as practicable inform the College and the Authority of any amounts that remain uninvested but are eligible for investment in Qualified Investments. The Trustee may sell or present for redemption any obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment pursuant to this section 302, and the Trustee shall not be liable or responsible for any loss resulting from such investments. Notwithstanding any other provisions of this Article, all investment earnings shall be subject to the provisions of the Series 1993 Tax Agreement.

Section 303. *Series 1993 Cost of Issuance Fund.* The Trustee shall establish and maintain in a separate Fund to be known as the "Series 1993 Cost of Issuance Fund," to the

withdrawal from the Interest Fund or the Bond Sinking Fund, the amount of such deficiency, and the College agree

credit rating of the bank, insurance company or other financial institution issuing a letter of credit or surety bond policy on deposit in the Series 1993 Debt Service Reserve Fund is no longer in compliance with the rating requirements set forth above, the First Supplemental Mortgage requires the College to replace such letter of credit or surety bond policy within 12 months with (a) cash in the amount necessary to fund the Series 1993 Debt Service Reserve Fund in an amount equal to the Series 1993 Debt Service Reserve Fund Requirement, (b) a letter of credit or surety bond policy or both meeting the requirements of this First Supplemental Indenture in a face amount equal to the amount necessary to fund the Series 1993 Debt Service Reserve Fund in an amount equal to the Series 1993 Debt Service Reserve Fund Requirement or (c) a combination of (a) and (b). Such letter of credit or surety bond policy shall provide that the Trustee shall receive payment thereunder prior to any expiration or termination thereof and whenever moneys are required for the purposes for which Series 1993 Debt Service Reserve Fund moneys may be applied. The First Supplemental Mortgage requires that, two months prior to the expiration date of a letter of credit or surety bond policy on deposit in the Series 1993 Debt Service Reserve Fund, the

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