In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana (“Bond Counsel”), under existing laws, interest on the Series 2011 C Bonds (as defined herein) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Series 2011 C Bonds. In the opinion of Bond Counsel, under existing laws, interest on the Series 2011 C Bonds is exempt from income taxation in the State of Indiana for all purposes, except the State financial institutions tax. See “FAX MATTERS” and “APPENDIX B—Form of Opinion of Bond Counsel” herein.

$39,000,000
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT
BOND BANK BONDS, SERIES 2011 C

Dated: Date of Delivery Due: As Shown on the Inside Cover

The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2011 C (the “Series 2011 C Bonds”) will be dated the date of delivery, and will bear interest from that date to their respective maturities in the amounts and at the rates set forth on the inside cover hereof. The Series 2011 C Bonds are issuable only as fully registered bonds in denominations of $5,000 or any integral multiple thereof. The Series 2011 C Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), securities depository for the Series 2011 C Bonds. Purchases of the Series 2011 C Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interests in the Series 2011 C Bonds. See “APPENDIX D—Book-Entry-Only System.” Interest on the Series 2011 C Bonds will accrue from the date of their delivery, and will be payable on February 1 and August 1 of each year, commencing August 1, 2011. Interest, together with the principal of and premium, if any, on the Series 2011 C Bonds will be paid directly to DTC by The Bank of New York Mellon Trust Company, N.A., as trustee, registrar and paying agent (the “Trustee,” “Registrar” and “Paying Agent”), or its successor, for the Series 2011 C Bonds so long as DTC or its nominee is the registered owner of the Series 2011 C Bonds. See “THE SERIES 2011 C BONDS.”

The Series 2011 C Bonds are issued by the Bond Bank pursuant to a Trust Indenture, dated as of March 1, 2011, by and between the Bond Bank and the Trustee (the “Indenture”) for the principal purpose of providing funds to: (i) purchase the City of Indianapolis, Indiana Redevelopment District Tax Increment Revenue Multipurpose Bonds, Series 2011A (the “2011 District Bonds”), to be issued by the Redevelopment District (the “District” or “Redevelopment District”) of the City of Indianapolis, Indiana (the “City”); and (ii) pay the cost of issuance of the Series 2011 C Bonds and the 2011 District Bonds and other related expenses, including the premiums for the Series 2011 C Bond Insurance Policy and the Series 2011 C Reserve Fund Credit Facility (each as defined herein). The 2011 District Bonds are secured by Tax Increment Revenues (as defined herein). See “FINANCING PLAN” and “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011 C BONDS.”

The Series 2011 C Bonds are subject to redemption prior to maturity as more fully described herein under the caption “THE SERIES 2011 C BONDS—Redemption.”

The scheduled payment of principal of and interest on the Series 2011 C Bonds when due will be guaranteed under an insurance policy (the “Series 2011 C Bond Insurance Policy”) to be issued concurrently with the delivery of the Series 2011 C Bonds by Assured Guaranty Municipal Corp. (the “Series 2011 C Bond Insurer”).


Pursuant to the Indenture, the Bond Bank has agreed to request that the City-County Council of the City of Indianapolis and of Marion County, Indiana (the “City-County Council”) appropriate amounts to restore the Bond Bank Reserve Fund to the Bond Bank Reserve Requirement (each as defined herein) in accordance with IC 5-1-4-5. The City-County Council is authorized under certain circumstances, to replenish the Bond Bank Reserve Fund, but is not legally required to do so. See “SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2011 C BONDS – Bond Bank Reserve Fund and the Replenishment Thereof.”

This cover page contains information for quick reference only and is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2011 C Bonds are offered when, as and if issued by the Bond Bank and received by the Underwriters and subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Barnes & Thornburg LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on for the Bond Bank by its General Counsel, for the District and the City by the Corporation Counsel for the City, and for the Underwriters by their counsel, Krieg DeVault LLP, Indianapolis, Indiana. It is expected that the Series 2011 C Bonds will be available for delivery through the facilities of DTC in New York, New York, on or about March 10, 2011.
### SERIAL BONDS

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<th>Interest Rate</th>
<th>Yield</th>
<th>Price</th>
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### TERM BONDS

- $3,775,000 5.00% Term Bond due August 1, 2022  
  Price $109.381 Yield 3.85%* CUSIP 45528S8G4(1)
- $2,710,000 5.00% Term Bond due August 1, 2024  
  Price $105.752 Yield 4.28%* CUSIP 45528S8K5(1)

* Yield to the February 1, 2021 par call

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(1) The CUSIP number listed above is being provided solely for the convenience of the holders of the Series 2011 C Bonds only, and the Bond Bank does not make any representations with respect to such number or undertake any responsibility for its accuracy. The CUSIP number is subject to being changed after the issuance of the Series 2011 C Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2011 C Bonds.
USE OF INFORMATION IN THIS OFFICIAL STATEMENT

No dealer, salesperson, or other person has been authorized by the Bond Bank, the City, the District or the Underwriters to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2011 C Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the Bond Bank, the City, the District or the Underwriters. This Official Statement, which includes the cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2011 C Bonds by any person, in any jurisdiction in which it is unlawful for such persons to make such offer, solicitation, or sale.

The information set forth in this Official Statement has been obtained from the Bond Bank, the City, the District, the Series 2011 C Bond Insurer and from the sources referenced throughout this Official Statement, which the Bond Bank, the City, and the District believe to be reliable. No guarantee is made by the Bond Bank, the City and the District, however, as to the accuracy of information provided from sources other than the Bond Bank, the City and the District. The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any statement nor any sale of the Series 2011 C Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the Bond Bank, the City or the District, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

The Series 2011 C Bond Insurer makes no representation regarding the Series 2011 C Bonds or the advisability of investing in the Series 2011 C Bonds. In addition, the Series 2011 C Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Series 2011 C Bond Insurer supplied by the Series 2011 C Bond Insurer and presented under the heading “BOND INSURANCE” and “APPENDIX E—Specimen Municipal Bond Insurance Policy.”

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their respective responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction and reasonably believe such information to be accurate and complete, but the Underwriters do not guarantee the accuracy or completeness of such information, and it is not to be construed as the promise or guarantee of the Underwriters.

THE PRICES AT WHICH THE SERIES 2011 C BONDS ARE OFFERED TO THE PUBLIC BY THE UNDERWRITERS (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITERS MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE SERIES 2011 C BONDS, THE UNDERWRITERS MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE SERIES 2011 C BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE 'DISCONTINUED AT ANY TIME.


The statements contained in this Official Statement, including, but not limited to, the “APPENDIX A—Tax Increment Financing (TIF) Report” and any other information provided by the Bond Bank, the City or the District, that are not purely historical, are forward-looking statements. The forward-looking statements herein are necessarily based on various assumptions and estimates, are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements contained in this Official Statement would prove to be accurate.
Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Bond Bank, the City or the District on the date hereof, and the Bond Bank, the City and the District assume no obligation to update any such forward-looking statements.
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THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

BOARD OF DIRECTORS
Briane M. House, Chairperson
E. Sahara Williams, P.E., Vice Chairperson
Milton Thompson
Fred Miller
James S. Carr

Deron S. Kintner, Executive Director and General Counsel

METROPOLITAN DEVELOPMENT COMMISSION OF MARION COUNTY, INDIANA

COMMISSIONERS
Timothy M. Ping, President
Dorothy J. Jones, Vice President
Ed Mahern
Charles Eberhardt
Randy Snyder
Tom Morales
Diana Hamilton
Tasha Phelps
Lisa Kobe

Jeffrey L. Spalding, Controller
City of Indianapolis, Indiana

BOND COUNSEL
Barnes & Thornburg LLP
Indianapolis, Indiana

UNDERWRITERS’ COUNSEL
Krieg DeVault LLP
Indianapolis, Indiana

FINANCIAL ADVISOR
Crowe Horwath LLP
Indianapolis, Indiana

TRUSTEE, REGISTRAR AND PAYING AGENT
The Bank of New York Mellon Trust Company, N.A.
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OFFICIAL STATEMENT

$39,000,000
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT
BOND BANK BONDS, SERIES 2011 C

INTRODUCTION

General

The purpose of this Official Statement, including the cover page, the inside cover page, other preliminary pages and the appendices, is to provide certain information in connection with the issuance and sale by The Indianapolis Local Public Improvement Bond Bank (the “Bond Bank”) of its $39,000,000 aggregate principal amount of Bonds, Series 2011 C (the “Series 2011 C Bonds”). The Series 2011 C Bonds are authorized by a resolution adopted by the Board of Directors of the Bond Bank on January 24, 2011 (the “Bond Bank Resolution”), and are issued and secured by a Trust Indenture, dated as of March 1, 2011 (the “Indenture”), between the Bond Bank and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), all pursuant to the laws of the State of Indiana, particularly Indiana Code 5-1.4, as amended from time to time (the “Act”). The Bank of New York Mellon Trust Company, N.A. will also serve as registrar (“Registrar”) and paying agent (“Paying Agent”) for the 2011 C Bonds and will also serve as trustee (the “Redevelopment Trustee”) under the 2011 District Bond Resolution (as hereinafter defined). Unless otherwise defined herein, capitalized terms used in this Official Statement are defined in “APPENDIX C—Summary of Provisions of Certain Legal Documents.”

The Bond Bank is a body corporate and politic, separate from the City of Indianapolis, Indiana (the “City”), and established for the public purposes set forth in the Act. Pursuant to the Act, the purpose of the Bond Bank is to purchase and sell securities of “qualified entities,” which includes the Redevelopment District (the “District” or “Redevelopment District”) of the City. The Bond Bank is governed by a board of five Directors, each appointed by the Mayor of the City. The Bond Bank has no taxing power. See “THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK.”

The offering of the 2011 C Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the 2011 C Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement, including the appendices and the documents summarized or described therein, and particularly the section entitled “RISKS TO THE BONDHOLDERS.” Detachment or other use of this “INTRODUCTION” without the entire Official Statement, including the cover page, inside cover page, other preliminary pages and appendices, is unauthorized.

Financing Plan

The proceeds from the sale of the Series 2011 C Bonds will be used to provide funds to: (i) purchase the City of Indianapolis, Indiana, Redevelopment District Tax Increment Revenue Multipurpose Bonds, Series 2011A, to be issued by the Redevelopment District of the City in the aggregate principal amount of $39,000,000 (the “2011 District Bonds”), thereby allowing for the redemption of the 1991 District Bonds, the Series 1991A Bonds and the Series 2001 C Bonds (all as defined and further described herein); and (ii) pay the costs of issuance of the Series 2011 C Bonds and the 2011 District Bonds and other related expenses, including the premiums for the Series 2011 C Bond Insurance Policy and a portion of the Series 2011 C Reserve Fund Credit Facility (each as defined herein). See “FINANCING PLAN—Sources and Uses of Bond Proceeds.”

The proceeds from the sale of the 2011 District Bonds will be used by the District to provide funds, together with other funds of the District available for such purpose, to (i) refund all of the District’s outstanding Tax Increment Revenue Bonds of 1991 (Harding Street Project) which were issued on April 24, 1991 and purchased by the Bond Bank in the aggregate principal amount of $35,451,123 and, are currently outstanding in the aggregate
principal amount of $28,455,000 (the “1991 District Bonds”); (ii) fund a debt service reserve fund or pay premiums on a debt service reserve fund surety bond and municipal bond insurance policy allocable to the 2011 District Bonds; (iii) pay all or a portion of amounts payable pursuant to the Taxpayer Agreement, dated April 24, 1991 (the “Taxpayer Agreement”), between the Commission (as defined herein) and Eli Lilly and Company (the “Company”); and (iv) pay costs and expenses incurred in connection with or on account of the issuance of the Series 2011 C Bonds and the 2011 District Bonds.

The 1991 District Bonds were authorized by a resolution of the Commission adopted on January 16, 1991 (the “1991 District Bond Resolution”) which provided that the 1991 District Bonds were payable from Tax Increment (as defined in the 1991 District Bond Resolution) derived from the Allocation Area, and, to the extent of any deficiency in such Tax Increment, from payments received under the Taxpayer Agreement. Under the terms of the Taxpayer Agreement, in the event that the Company was required to make a Taxpayer Payment (as defined in the 1991 District Bond Resolution), the District was obligated to reimburse the Company for such payment together with interest due thereon. As of March 10, 2011, the District owes the Company an amount equal to $14,821,885.44, which represents all reimbursable Taxpayer Payments made by the Company together with accrued interest thereon to that date. At the time of issuance of the 2011 District Bonds and the purchase of such 2011 District Bonds by the Bond Bank, the Commission, acting on behalf of the District, will make payment in full to the Company of all amounts due under the Taxpayer Agreement. At such time, the Commission and the Company will each be released from their respective obligations under the Taxpayer Agreement, and the Taxpayer Agreement will be terminated.

The proceeds of the 1991 District Bonds were utilized to pay for certain infrastructure improvements for general public use, including street and sewer improvements that are in or serving the Consolidated/Harding Street Redevelopment Project Area (as defined herein). In particular, the proceeds of the 1991 District Bonds were used to widen Harding Street and Morris Street, install storm sewers along the improved streets, install a new sanitary sewer line under Harding Street and repair and upgrade existing sanitary sewer lines along Harding Street and related costs associated with these improvements, including the costs of issuing and paying capitalized interest on the 1991 District Bonds.

In connection with the issuance of the 1991 District Bonds, the Bond Bank issued its Bonds, Series 1991A, in the aggregate issued amount of $35,451,123 (the “Series 1991A Bonds”), the proceeds of which were utilized to (i) purchase the 1991 District Bonds; (ii) fund a debt service reserve fund; and (iii) pay costs of issuance of the Series 1991A Bonds and the 1991 District Bonds. Thereafter, the Bond Bank issued its Bonds, Series 2001C in the aggregate issued amount of $27,170,000 (the “Series 2001 C Bonds”) for the purpose of (i) refunding the current interest portion of the Series 1991A Bonds, (ii) partially funding a debt service reserve fund, (iii) paying the costs of issuance of the Series 2001 C Bonds and (iv) reimbursing the Company for Taxpayer Payments in the amount of $1,468,386. The Series 1991A Bonds and the Series 2001C Bonds were issued under the provisions of a Trust Indenture, dated as of April 1, 1991, as supplemented and amended by the First Supplemental Trust Indenture, dated as of June 1, 2001 (collectively, the “Prior Indenture”) between the Bond Bank and The Bank of New York Mellon Trust Company, N.A. (successor to Bank One Trust Company, National Association, as successor to INB National Bank, Indianapolis, Indiana), as prior trustee (the “Prior Trustee”).

The proceeds of 2011 District Bonds received by the Bond Bank in connection with the redemption of the 1991 District Bonds will be applied by the Bond Bank, together with other funds of the Bond Bank available for such purpose, to: (i) refund all of the Series 2001C Bonds, presently outstanding in the aggregate principal amount of $21,490,000 (the “Refunded Series 2001C Bonds”); and (ii) refund the capital appreciation bond portion of the Series 1991A Bonds presently outstanding in the aggregate principal amount of $7,700,000 (the “Refunded Series 1991A Bonds,” and together with the Refunded Series 2001C Bonds, the “Refunded Bonds”). Following the issuance of the Series 2011 C Bonds and the 2011 District Bonds, the only bonds of the Redevelopment District issued and payable from the Allocation Area will be the 2011 District Bonds. See “FINANCING PLAN—Refinancing.”

A portion of the proceeds of the Series 2011 C Bonds, together with other funds of the Bond Bank available for such purpose, will be deposited into an escrow fund, containing separate escrow accounts (the “Escrow Fund”) established under an Escrow Deposit Agreement, dated as of March 1, 2011 (the “Escrow Deposit Agreement”) to be entered into among the Bond Bank and The Bank of New York Mellon Trust Company, N.A., as
escrow trustee (the “Escrow Trustee”) and Prior Trustee, and will be used to purchase direct obligations of the United States of America consisting of State and Local Government Series securities acquired from the Secretary of the United States Treasury (“Escrow Securities”), the principal of and interest on which, when due, together with earnings thereon and cash, if any, will be sufficient to pay when due the principal of, redemption premium, if any, and interest on the Refunded Bonds to and including the date of maturity or redemption of the Refunded Bonds, as established in the verification report of Crowe Horwath LLP, financial advisor to the Bond Bank. Upon the deposit of such funds in the Escrow Fund and compliance with the procedures set forth in the Prior Indenture regarding the discharge thereof, the Refunded Bonds will be defeased and will no longer be outstanding under the Prior Indenture. Neither the principal of nor the interest on the Escrow Securities will secure or be available to pay the principal of or interest on the Series 2011 C Bonds. See “VERIFICATION OF MATHEMATICAL COMPUTATIONS.”

2011 District Bonds; Consolidated/Harding Street Redevelopment Project Area and Allocation Area

The Metropolitan Development Commission of Marion County, Indiana, acting as the Redevelopment Commission of the City of Indianapolis, Indiana (the “Commission”), being the governing body of the Redevelopment District of the City, will cause to be issued, in the name of the City, the 2011 District Bonds, for the purposes and uses described herein. The 2011 District Bonds have been issued under and pursuant to a resolution adopted by the Commission on October 6, 2010 (the “2011 District Bond Resolution”). The District has previously adopted and confirmed resolutions which (i) declare an area of the City, known as the Consolidated/Harding Street Redevelopment Project Area (the “Consolidated/Harding Street Redevelopment Project Area”), to be a “redevelopment area” within the meaning of Indiana Code 36-7-15.1, as amended, (ii) designated a portion of the Consolidated/Harding Street Redevelopment Project Area, known as the Harding Street Redevelopment Project Allocation Area (the “Allocation Area”) as an “allocation area” for purposes of Indiana Code 36-7-15.1-26, and (iii) created the Harding Street Redevelopment Project Allocation Area Fund (the “Allocation Fund”) pursuant to Indiana Code 36-7-15.1-26. The 2011 District Bonds are secured by and payable from (i) property tax proceeds resulting from increases in the assessed valuation of real property in the Allocation Area (as further described in “APPENDIX A—Tax Increment Financing (TIF) Report” and the “TAX INCREMENT REVENUES—The Allocation Area” herein) (the “Tax Increment Revenues”), all of which have been pledged as security for the 2011 District Bonds under the 2011 District Bond Resolution and (ii) all other funds and accounts established and pledged as security under the 2011 District Bond Resolution. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011 C BONDS.”

The Series 2011 C Bonds

The Series 2011 C Bonds are issued solely as fully registered certificates in denominations of $5,000, or any integral multiple thereof. The Series 2011 C Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), the securities depository for the Series 2011 C Bonds. Purchases of the Series 2011 C Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the Series 2011 C Bonds. See “APPENDIX D—Book-Entry-Only System.” The Series 2011 C Bonds mature and bear interest calculated based on a 360-day year consisting of twelve 30-day months as set forth on the inside cover page hereof. The payment of principal of and interest on the Series 2011 C Bonds is described under the caption “THE SERIES 2011 C BONDS—General.”

The Series 2011 C Bonds are subject to redemption prior to maturity as more fully described herein under the caption “THE SERIES 2011 C BONDS—Redemption.”

Security and Sources of Payment for the Series 2011 C Bonds

The Series 2011 C Bonds are limited obligations of the Bond Bank secured exclusively by and payable solely from the following (the “Trust Estate”):

(i) the 2011 District Bonds, and the earnings thereon and all proceeds thereof, including (A) all amounts paid or required to be paid for principal and interest by the Redevelopment District to the Bond Bank on the 2011 District Bonds, and (B) any fees and charges established by the Bond Bank from time to time pursuant to the Act which are payable by the Redevelopment District to the Bond Bank under any
agreement for the purchase and sale of the 2011 District Bonds ((A) and (B), the “Qualified Obligation Payments”);

(ii) the funds and accounts created or established under the Indenture (the “Funds” and “Accounts,” respectively), including the Bond Bank Reserve Fund, and all moneys and investments in such Funds and Accounts (excluding the Rebate Fund); and

(iii) the income, revenues and profits of the Funds and Accounts, including the Qualified Obligation Payments, and earnings and profits (after consideration of any accrued interest paid and/or amortization of premiums or discount on the investment) on the moneys in the Funds and Accounts (excluding the Rebate Fund) (such income, revenues and profits, the “Revenues”).

The Series 2011 C Bonds will be issued under and secured by the Indenture. The Series 2011 C Bonds are issued and secured separately from any other obligations issued by the Bond Bank. The principal of and interest on any and all of the Series 2011 C Bonds and any additional bonds that may be authorized and issued by the Bond Bank on a parity with the Series 2011 C Bonds (collectively, the “Bonds”), are payable from the Trust Estate which is pledged pursuant to the Indenture for the benefit of the owners of the Bonds without priority. Additional bonds may be issued on a parity with the Series 2011 C Bonds only to refund (in whole or in part) bonds issued under the Indenture or to purchase additional bonds of the District for the purpose of refunding (in whole or in part) the 2011 District Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011 C BONDS.”

Neither the faith, credit nor taxing power of the State of Indiana (the “State”) or any political subdivision thereof, the City, Marion County (the “County”), or any Qualified Entity (as defined in the Act), including the Redevelopment District, are pledged to the payment of the principal of, premium, if any, and interest on any of the Series 2011 C Bonds. The Series 2011 C Bonds are not a debt, liability, loan of the credit or pledge of the faith and credit of the State or of any political subdivision thereof, including the City, the County, or the Redevelopment District. The Bond Bank has no taxing power.

The Indenture establishes a debt service reserve fund which will provide for the payment of the principal of and interest on the Series 2011 C Bonds in the event there are not sufficient funds then on deposit in the general account established under the Indenture (the “Bond Bank Reserve Fund”). The Act provides that, in order to maintain the Bond Bank Reserve Fund at the Bond Bank Reserve Requirement (as defined herein) established in the Indenture, the City-County Council may make annual appropriations to replenish the Bond Bank Reserve Fund. Under the Indenture, and pursuant to the provisions of Indiana Code 5-1.4-5, the Bond Bank covenants that if a deficiency in or depletion of the Bond Bank Reserve Fund (including any projected draw on a Reserve Fund Credit Facility (as defined herein)) below the Bond Bank Reserve Requirement is projected in the Bond Bank’s annual budget, the Bond Bank shall request the City-County Council of the City of Indianapolis and of Marion County, Indiana (the “City-County Council”) to appropriate funds to restore the Bond Bank Reserve Fund to the Bond Bank Reserve Requirement established in the Indenture. Under the Act, the Council is not obligated to make such appropriations to restore the Bond Bank Reserve Fund, although in 1985 it adopted Special Ordinance 67,85 indicating its general intention to consider such appropriations if necessary. Under the Indenture, the Bond Bank can satisfy the Bond Bank Reserve Requirement by depositing a Reserve Fund Credit Facility to the credit of the Bond Bank Reserve Fund. The Bond Bank has elected to purchase a Reserve Fund Credit Facility to satisfy the Bond Bank Reserve Requirement. See “SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2011 C BONDS—Bond Bank Reserve Fund and the Replenishment Thereof.”

Financial Information

Certain financial information regarding the Redevelopment District, the Consolidated/Harding Street Redevelopment Project Area and the Tax Increment Revenues derived from the Allocation Area and pledged as security for the 2011 District Bonds is contained in “APPENDIX A—Tax Increment Financing (TIF) Report.” Additionally, certain information regarding the Tax Increment Revenues collected by the Redevelopment District from the Allocation Area may be found in the Comprehensive Annual Financial Reports of the City which are filed with and available from the Municipal Securities Rule Making Board’s Electronic Municipal Market Access System found at http://emma.msrb.org/. See “AVAILABILITY OF DOCUMENTS AND FINANCIAL INFORMATION.” See also, “CONTINUING DISCLOSURE.”
**Bond Insurance**

The scheduled payment of principal of and interest on the Series 2011 C Bonds when due will be guaranteed under the Series 2011 C Bond Insurance Policy issued by the Series 2011 C Bond Insurer. See “BOND INSURANCE.” See also, “APPENDIX E—Specimen Municipal Bond Insurance Policy.”

**Reserve Fund Credit Facility**

The Bond Bank Reserve Fund and the Bond Bank Reserve Requirement have been funded by the deposit of the Series 2011 C Reserve Fund Credit Facility with the Trustee. See “RESERVE FUND CREDIT FACILITY.”

**The Official Statement; Additional Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

The information contained in this Introduction is qualified by reference to this entire Official Statement (including the appendices). This Introduction is only a brief description and a full review should be made of this entire Official Statement (including the appendices), as well as the documents summarized or described in this Official Statement. The summaries of and references to all documents, statutes and other instruments referred to in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the full text of each such document, statute or instrument. Summaries of certain provisions of the Indenture and the 2011 District Bond Resolution are set forth in “APPENDIX C—Summary of Provisions of Certain Legal Documents.”

Information contained in this Official Statement with respect to the Bond Bank, and the City and the District and copies of the Indenture and the and other documents and instruments referred to herein may be obtained from The Indianapolis Local Public Improvement Bond Bank, 200 East Washington Street, Room 2342, City-County Building, Indianapolis, Indiana 46204. The Bond Bank’s telephone number is (317) 327-4220.
FINANCING PLAN

Project

The proceeds from the sale of the Series 2011 C Bonds will be used to provide funds to (i) purchase the 2011 District Bonds, to be issued by the Redevelopment District of the City in the aggregate principal amount of $39,000,000; and (ii) pay the costs of issuance of the Series 2011 C Bonds and the 2011 District Bonds and other related expenses, including the premiums for the Series 2011 C Bond Insurance Policy and a portion of the Series 2011 C Reserve Fund Credit Facility.

The proceeds from the sale of the 2011 District Bonds to the Bond Bank will be used to provide funds to: (i) refund all of the outstanding 1991 District Bonds, issued in the aggregate principal amount of $35,451,123, consisting of $29,445,000 in aggregate principal amount of current interest bonds and $6,006,123 in aggregate issued amount of capital appreciation bonds, which are presently outstanding in the aggregate issued amount of $28,455,000; (ii) fund a debt service reserve fund or pay the premiums on a debt service reserve fund surety policy and municipal bond insurance policy allocable to the 2011 District Bonds; (iii) pay all or a portion of amounts payable pursuant to the Taxpayer Agreement; and (iv) pay costs and expenses incurred in connection with or on account of the issuance of the Series 2011 C Bonds and the 2011 District Bonds.

In connection with the reimbursement of amounts payable under the Taxpayer Agreement, the District, the Company and NOS Innovation Partners, LLC (the “Developer”) (or such affiliates or subsidiaries thereof as may be designated by the Company or the Developer) have agreed that such amounts will be allocated to certain costs anticipated to be incurred in connection with a new, mixed-use development project to be constructed by the Developer in the downtown area of the City and located within the Consolidated/Harding Street Redevelopment Project Area.

Refinancing

The Bond Bank issued its Series 1991 A Bonds, on April 24, 1991, in the aggregate issued amount of $35,451,123, consisting of $29,445,000 in aggregate principal amount of current interest bonds and $6,006,123 in aggregate issued amount of capital appreciation bonds. The Series 1991 A Bonds were issued to: (i) purchase the 1991 District Bonds; (ii) fund a debt service reserve fund; and (iii) pay costs of issuance of the Series 1991 A Bonds and the 1991 District Bonds. Thereafter, the Bond Bank issued its Series 2001 C Bonds on June 28, 2001, in the aggregate principal amount of $27,170,000. The Series 2001 C Bonds were issued to: (i) provide for the current refunding of the portion of the Series 1991 A Bonds issued as current interest bonds and maturing on February 1, 2002, 2003, 2004 and February 1, 2020; (ii) fund a portion of a debt service reserve fund; (iii) pay costs of issuance of the Series 2001 C Bonds; and (iv) reimburse the Company for Taxpayer Payments in the amount of $1,468,386.

The proceeds received by the Bond Bank in connection with the District’s refunding of its 1991 District Bonds will be applied by the Bond Bank, together with other funds of the Bond Bank available for such purpose, to refund all of the Refunded Bonds (being the Refunded Series 1991 A Bonds and the Refunded Series 2001 C Bonds).

The refunding of the Refunded Bonds will be accomplished by depositing, concurrently with the issuance of the Series 2011 C Bonds, a portion of the proceeds thereof, together with other moneys legally available therefor, in the Escrow Fund, which will be held by The Bank of New York Mellon Trust Company, N.A. as escrow trustee and Prior Trustee for the Refunded Bonds. Moneys on deposit in the Escrow Fund will be invested in the Escrow Securities, the principal of and interest on which, when due, together with earnings thereon and cash, if any, will provide sufficient moneys for the payment of: (i) principal of, premium, if any, and interest on the Refunded Series 1991 A Bonds as such becomes due upon maturity in accordance with the terms thereof; and (ii) the redemption price of the Refunded Series 2001 C Bonds maturing on or after August 1, 2011 which will be called for optional redemption on April 11, 2011. Upon such deposits and investment, the Refunded Bonds will no longer be outstanding under the Prior Indenture, and the indebtedness with respect thereto will be discharged. Following the refunding of Refunded Bonds, the only outstanding bonds payable from Tax Increment Revenues on deposit in the Allocation Fund for the Allocation Area will be the 2011 District Bonds. See “VERIFICATION OF MATHEMATICAL COMPUTATIONS.”
Sources and Uses of Bond Proceeds

The proceeds of the Series 2011 C Bonds, together with other funds of the Bond Bank available for such purpose, are to be applied on the issue date thereof as follows:

Sources:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Principal Amount of Series 2011 C Bonds</td>
<td>$39,000,000.00</td>
</tr>
<tr>
<td>Net Original Issue Premium</td>
<td>$2,606,435.65</td>
</tr>
<tr>
<td>Transfer from Prior Debt Service Reserve Fund</td>
<td>$3,317,612.00</td>
</tr>
<tr>
<td>Contribution by Bond Bank</td>
<td>$10,672.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$44,934,720.15</strong></td>
</tr>
</tbody>
</table>

Uses:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit to Escrow Fund</td>
<td>$29,297,013.00</td>
</tr>
<tr>
<td>Deposit to Bond Issuance Expense Account to Pay Cost of Issuance (1)</td>
<td>$300,000.00</td>
</tr>
<tr>
<td>Underwriters’ Discount</td>
<td>$280,546.72</td>
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<tr>
<td>Premium for Series 2011 C Bond Insurance Policy</td>
<td>$105,228.93</td>
</tr>
<tr>
<td>Premium for Series 2011 C Reserve Fund Credit Facility (2)</td>
<td>$127,672.50</td>
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<tr>
<td>Deposit to Acquisition Account</td>
<td>$14,821,885.44</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$2,373.56</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$44,934,720.15</strong></td>
</tr>
</tbody>
</table>

(1) Includes, legal, printing, financial advisor, rating agency fees, and other miscellaneous costs of issuance and related expenses.

(2) The premium for the Series 2011 C Reserve Fund Credit Facility will be paid from proceeds of the Series 2011 C Bonds in the amount of $117,000.00 and from funds contributed by the Bond Bank in the amount of $10,672.50.

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THE SERIES 2011 C BONDS

General Description

The Series 2011 C Bonds are issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof (“Authorized Denominations”). The Series 2011 C Bonds will be dated as of the date of their delivery, anticipated to be March 10, 2011. The Series 2011 C Bonds are initially to be registered in the name of “CEDE & Co.,” as nominee for DTC, the securities depository for the Series 2011 C Bonds. See “APPENDIX D—Book-Entry-Only System.”

Interest on the Series 2011 C Bonds will be payable on February 1 and August 1 of each year, commencing August 1, 2011 (each an “Interest Payment Date”). The Series 2011 C Bonds will bear interest (calculated on the basis of a 30-day month and a 360-day year) at the rates and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. Each Series 2011 C Bond will bear interest from the Interest Payment Date next preceding the date on which it is authenticated unless it is (a) authenticated prior to the close of business on July 15, 2011, in which event it will bear interest from the date of delivery, or (b) authenticated after the fifteenth day of the calendar month immediately preceding an Interest Payment Date (a “Record Date”), in which event it will bear interest from such Interest Payment Date; provided, however, that if, at the time of authentication of any Series 2011 C Bond, interest is in default, such Series 2011 C Bond will bear interest from the date to which interest has been paid.

So long as CEDE & Co. is the registered owner of the Series 2011 C Bonds, principal of, premium, if any, and interest on the Series 2011 C Bonds are payable by wireable transfer of funds by the Trustee to CEDE & Co., as nominee for DTC. DTC is obligated, in turn, to remit such amounts to its participants as described herein for subsequent disbursement to the Beneficial Owners (as defined in APPENDIX D). See “APPENDIX D—Book-Entry-Only System.”

Redemption

Optional Redemption. The Series 2011 C Bonds maturing on or after August 1, 2021, are subject to redemption prior to maturity, in whole or in part, in order of maturity determined by the Bond Bank and by lot within a maturity, commencing February 1, 2021, at par value, plus accrued interest to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The Series 2011 C Bonds set forth below (the “Term Bonds”) are also subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption, on the dates and in the amounts indicated below:

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<thead>
<tr>
<th>August 1, 2022 Term Bond</th>
<th>Date</th>
<th>Principal Amount</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>February 1, 2022</td>
<td>$1,865,000</td>
</tr>
<tr>
<td></td>
<td>August 1, 2022*</td>
<td>$1,910,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>August 1, 2024 Term Bond</th>
<th>Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>February 1, 2024</td>
<td>$2,060,000</td>
</tr>
<tr>
<td></td>
<td>August 1, 2024*</td>
<td>$ 650,000</td>
</tr>
</tbody>
</table>

* Final Maturity
The Trustee shall credit against the mandatory sinking fund requirement for the Term Bonds as set forth above any Series 2011 C Bonds of such maturity delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and canceled by the Trustee and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date, and any excess of such amount shall be credited to future redemption obligations, and the principal amount of Series 2011 C Bonds of such maturity to be redeemed by operation of the mandatory sinking fund redemption requirements shall be accordingly reduced; provided, however, the Trustee shall only credit such Series 2011 C Bonds to the extent such are received on or before 45 days preceding the applicable mandatory redemption date as set forth above.

Selection of Bonds to be Redeemed. If fewer than all of the Series 2011 C Bonds shall be called for redemption, the principal amount and maturity of the particular Series 2011 C Bonds to be redeemed shall be selected by the Bond Bank or, if no such selection is made, by lot by the Trustee from among all outstanding Series 2011 C Bonds eligible for redemption; provided, however, that no Series 2011 C Bond may be redeemed in part if the principal amount to be outstanding following such partial redemption is not an Authorized Denomination. If it is determined that one or more, but not all, of the Authorized Denomination increments of principal amount represented by any Series 2011 C Bond are to be called for redemption, then, upon notice of intention to redeem such Authorized Denomination increments of principal amount of such Series 2011 C Bond, the owner of such Series 2011 C Bond, upon surrender of such Series 2011 C Bond to the Trustee for payment to such owner of the redemption price or the principal amount of such Series 2011 C Bond called for redemption, shall be entitled to receive a new Series 2011 C Bond or Series 2011 C Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such Series 2011 C Bond. New Series 2011 C Bonds representing the unredeemed balance of the principal amount of such Series 2011 C Bond shall be issued to the owner thereof without charge therefor.

Notice of Redemption. In the case of redemption of the Series 2011 C Bonds, notice of the call for any such redemption identifying the Series 2011 C Bonds, or portions of fully registered Series 2011 C Bonds to be redeemed shall be given by the Trustee by mailing a copy of the redemption notice by first class mail at least 30 days but not more than 45 days prior to the date fixed for redemption to the registered owner of each Series 2011 C Bond to be redeemed at the address shown on the registration books. Failure to give such notice by mailing to any bondholder, or any defect in the notice, shall not affect the validity of any proceeding for the redemption of any other Series 2011 C Bonds. On the date fixed for redemption of any Series 2011 C Bond, funds for the payment thereof shall be on deposit in the Redemption Account (as defined in APPENDIX C) representing monies deposited by the Redevelopment District with the Trustee and the Trustee hereby is authorized to directed to apply such funds to the payment of each Series 2011 C Bond or portion thereof called for redemption, together accrued interest thereon to the redemption date and any required premium. On the date so designated for redemption, notice having been given in the manner and under the conditions herein above provided for, and any conditions precedent to such redemption having been satisfied, any Series 2011 C Bond or portion thereof so called for redemption shall become due and payable at the redemption price provided for in the Indenture.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011 C BONDS

The Series 2011 C Bonds Are Limited Obligations

The Series 2011 C Bonds will be limited obligations of the Bond Bank, issued under the Indenture, payable solely from and secured exclusively by the Trust Estate, which consists of the following:

(i) the 2011 District Bonds, and the earnings thereon and all proceeds thereof, including (A) all amounts paid or required to be paid for principal and interest by the Redevelopment District to the Bond Bank on the 2011 District Bonds and (B) any fees and charges established by the Bond Bank from time to time pursuant to the Act which are payable by the Redevelopment District to the Bond Bank under any agreement for the purchase and sale of the 2011 District Bonds (items (A) and (B), the “Qualified Obligation Payments”);

(ii) the Funds and Accounts established under the Indenture (excluding the Rebate Fund), and all moneys and investments therein; and
The Series 2011 C Bonds, together with interest thereon, are limited obligations of the Bond Bank payable solely from the Trust Estate and will be a valid claim of the respective owners thereof only against the Trust Estate. The Series 2011 C Bonds do not constitute a debt, liability or loan of the credit of the State of Indiana (the “State”), any political subdivision thereof, the City, the County or any Qualified Entity, including the Redevelopment District, under the constitution and laws of the State or a charge against or a pledge of the faith, credit and taxing power of the State, any political subdivision thereof, the City, the County or any Qualified Entity, including the Redevelopment District, but will be payable solely from the Trust Estate. The issuance of the Series 2011 C Bonds under the provisions of the Act does not directly, indirectly or contingently, obligate the State, any political subdivision thereof, the City, the County or a Qualified Entity, including the Redevelopment District, to levy any form of taxation for the payment thereof or to make any appropriation for their payment. Neither the State or any political subdivision thereof, the City, the County any Qualified Entity, including the Redevelopment District, nor any agent, attorney, member, officer, director or employee of the State or any political subdivision thereof, the City, the County, any Qualified Entity, including the Redevelopment District, or of the Bond Bank will in any event be liable for the payment of the principal of or interest on the Series 2011 C Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bond Bank. No breach by the Bond Bank of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any political subdivision thereof, the City, the County or any Qualified Entity, including the Redevelopment District, or upon any of the State’s, any political subdivision’s, the City’s, the County’s, any Qualified Entity’s, including the Redevelopment District’s, or the Bond Bank’s agents, members, attorneys, employees, officers or directors or any charge upon the general credit of the State or any political subdivision thereof, the City, the County or any Qualified Entity, including the Redevelopment District, or a charge against the taxing power of the State, any political subdivision thereof, the City, the County or any Qualified Entity, including the Redevelopment District. The Bond Bank has no taxing power.

Pledge of 2011 District Bonds and Payments Thereon

To secure the payment of the principal of, premium, if any, and interest on the Series 2011 C Bonds, the Indenture creates the continuing pledge of, and lien on, the 2011 District Bonds and all earnings thereon and proceeds thereof, for the benefit of the owners of the Series 2011 C Bonds. The principal, premium, if any, and interest payments to be made by the Redevelopment District on the 2011 District Bonds, together with other available revenues, have been structured to be sufficient to pay the principal of, premium, if any, and interest on the Series 2011 C Bonds when due. See “RISKS TO THE BONDHOLDERS” and “VERIFICATION OF MATHEMATICAL COMPUTATIONS.”

The Qualified Obligation Payments and the investments thereof, if any, and the proceeds of such investments, if any, and all Funds and Accounts established by the Indenture (other than the Rebate Fund) are pledged for the payment of the principal of and interest on the Series 2011 C Bonds in accordance with the terms and provisions of the Indenture. Under the Act, such pledge will be valid and binding from and after the date of delivery of the Series 2011 C Bonds under the Indenture, and the 2011 District Bonds and the payments thereon shall be immediately subject to the lien of such pledge without any physical delivery of the payments or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Bond Bank, irrespective of whether such parties have notice thereof.

Bond Bank Reserve Fund and the Replenishment Thereof

General. Pursuant to the Indenture, the Bond Bank has established the Bond Bank Reserve Fund (the “Bond Bank Reserve Fund”) as security for the Series 2011 C Bonds. The Bond Bank Reserve Requirement (the “Bond Bank Reserve Requirement”) is an amount equal to the maximum annual principal and interest requirements on the Series 2011 C Bonds, which at the time of issuance of the Series 2011 C Bonds means an amount equal to $4,255,750, and thereafter, if less than such amount, shall be the maximum annual principal and interest requirements on the outstanding Series 2011 C Bonds in the then current or any succeeding Fiscal Year (as defined in APPENDIX C).
Moneys in the Bond Bank Reserve Fund up to the amount of the Bond Bank Reserve Requirement are required under the Indenture to be held and applied solely to the payment of the interest on and principal of the Series 2011 C Bonds or related payments on the 2011 District Bonds as the same shall become due and payable, and for the retirement of Series 2011 C Bonds. Such moneys may not be withdrawn from the Bond Bank Reserve Fund if a withdrawal would reduce the amount in the Bond Bank Reserve Fund to an amount less than the Bond Bank Reserve Requirement, except for payment of interest then due and payable on the Series 2011 C Bonds and the payment of principal of Series 2011 C Bonds then maturing and payable, whether by reason of maturity or mandatory redemption, for which other moneys of the Bond Bank are not then available.

Under the Indenture, upon certain conditions the Bond Bank may substitute a Reserve Fund Credit Facility (as defined in APPENDIX C) for all or a portion of the moneys held in the Bond Bank Reserve Fund provided that such substitution does not adversely affect the ratings on the Series 2011 C Bonds by any Rating Agency (as defined in APPENDIX C). A Reserve Fund Credit Facility may be a letter of credit, surety bond, liquidity facility, insurance policy or comparable instrument furnished by a Reserve Fund Credit Facility Provider whose debt obligations at the time of issuance are rated in one of the two highest Rating Categories by S&P and Moody’s, and by Fitch (each as defined in APPENDIX C), but only if Fitch is then rating the Series 2011 C Bonds. See “RESERVE FUND CREDIT FACILITY.”

Moneys in the Bond Bank Reserve Fund up to the amount of the Bond Bank Reserve Requirement are required under the Act and the Indenture to be held and applied solely for the payment of interest on and principal of the Series 2011 C Bonds. If moneys in the Bond Bank Reserve Fund exceed the Bond Bank Reserve Requirement, such excess may be withdrawn by the Redevelopment District with the consent of the Bond Bank and used for any lawful purpose.

Replenishment of Bond Bank Reserve Fund. The Act provides that, in order to maintain the Bond Bank Reserve Fund at the Bond Bank Reserve Requirement, the City-County Council may annually appropriate to the Bond Bank for deposit in the Bond Bank Reserve Fund a sum, certified by the Chairman of the Bond Bank to the City-County Council, that is necessary to restore the Bond Bank Reserve Fund to the Bond Bank Reserve Requirement. The Chairman of the Bond Bank, before December 1 of each year, is required under the Act and the Indenture to make and deliver to the City-County Council a certificate stating the sum required to restore the Bond Bank Reserve Fund to the Bond Bank Reserve Requirement. The Act does not create any debt or liability of the City or an obligation of the City-County Council to make any such appropriation. Although the City-County Council is not obligated to make such appropriations to replenish the Bond Bank Reserve Fund, it has previously adopted a special ordinance, prior to the issuance of the Series 2011 C Bonds indicating its general intention to consider such appropriations if necessary.

Additional Bond Bank Bonds

Additional Bonds of the Bond Bank may be issued on a parity with the Series 2011 C Bonds pursuant to the Indenture only for the purpose of (a) refunding (in whole or in part) bonds issued by the Bond Bank pursuant to the Indenture or (b) purchasing additional Qualified Obligations of the Redevelopment District for the purpose of refunding (in whole or in part) the 2011 District Bonds.

Provisions for Payment of 2011 District Bonds

The principal of, premium, if any, and interest on the 2011 District Bonds under Indiana Code 36-7-15.1 and IC 36-7-25 (collectively with all supplemental laws, including IC 5-1-14, the “Redevelopment Statute”) will be payable solely out of (a) Tax Increment Revenues and (b) all cash and securities held in the funds and accounts established in the 2011 District Bond Resolution (except to the extent transferred or disbursed from such funds and accounts from time to time in accordance with the 2011 District Bond Resolution), and all earnings and profits on such funds and account. The Bond Bank has retained Crowe Horwath LLP to prepare a report regarding the Tax Increment Revenues expected to be deposited in the Allocation Fund entitled “Tax Increment Financing (TIF) Report” (the “Report”). The Report, dated February 15, 2011, and speaking as of the dates set forth therein, is set forth in APPENDIX A and should be read in its entirety. Tax Increment Revenues will be allocated and deposited in the Allocation Fund pursuant to the provisions of the Redevelopment Statute and in accordance with terms and
conditions contained in the 2011 District Bond Resolution. See “TAX INCREMENT REVENUES” and “APPENDIX C—Summary of Provisions of Certain Legal Documents.”

Pursuant to the 2011 District Bond Resolution, Tax Increment Revenues will be paid upon collection into the Allocation Fund and set aside together with earnings thereon to provide:

1. first, for required deposits into the Bond and Interest Account (as defined in the 2011 District Bond Resolution);

2. second, for required deposits into the Debt Service Reserve Account (as defined in the 2011 District Bond Resolution), if so existing; and

3. third, for required deposits into the General Account (as defined in the 2011 District Bond Resolution), in the following order of priority for (a) the payment of principal of or interest on the 2011 District Bonds or any obligations issued on parity therewith and any trustee or Bond Bank fees or fiscal agency charges; (b) to fund or replenish the Debt Service Reserve Account, if so established under the 2011 District Bond Resolution; (c) for deposit to the Rebate Fund to pay any rebate obligation owed on the 2011 District Bonds; (d) to pay any obligations of the City payable from Tax Increment Revenues which are subordinate to the 2011 District Bonds; (e) to pay the Commission or reimburse the City for additional costs of the Project (as defined in the 2011 District Bond Resolution); (f) to pay fees and charges or for other purposes required by the Purchase Agreement (as defined in APPENDIX C); and (g) for any other purposes permitted by the Act except that the Commission may not disburse any funds in the General Account to the taxing units in the Allocation Area as long as any of the 2011 District Bonds issued under the 2011 District Bond Resolution are outstanding.

See “APPENDIX C—Summary of Provisions of Certain Legal Documents.”

Based on the assumptions and procedures described in the Report, the Bond Bank and the Redevelopment District believe that sufficient Tax Increment Revenues will be generated to pay debt service on the Series 2011 C Bonds. See “TAX INCREMENT REVENUES” and “APPENDIX A—Tax Increment Financing (TIF) Report.”

Indiana Code 36-7-15.1-17 provides that bonds payable from Tax Increment Revenues, including the 2011 District Bonds, may be issued in any amount without limitation. The 2011 District Bond Resolution permits the Redevelopment District to issue additional bonds ranking on parity with the 2011 District Bonds (the “Parity Bonds”). The authorization and issuance of Parity Bonds shall be subject to any condition so provided in the applicable purchase agreement with the Bond Bank and the following conditions precedent:

1. all interest and principal payments with respect to all obligations payable from Tax Increment Revenues shall be current to date with no payment in arrears;

2. the balance in debt service reserve account, if so established, shall be equal to the debt service reserve requirement; and

3. the Commission shall have received a certificate prepared by an independent certified public accountant or an independent financial consultant (the “Certifier”) certifying that the Tax Increment Revenues estimated to be received in each succeeding year, adjusted as provided below, are estimated to be equal to at least one hundred twenty-five percent (125%) of the principal and interest requirements of all obligations of the Commission payable from Tax Increment Revenues for each respective year during the term of the 2011 District Bonds and the Parity Bonds with respect to the 2011 District Bonds and the Parity Bonds. In estimating Tax Increment Revenues to be received in a future year, the Certifier shall base his calculation on assessed valuation actually assessed or to be assessed as of the assessment date immediately preceding the issuance of the Parity Bonds; provided, however, the Certifier shall adjust such assessed values for the current and future reductions of real property tax abatements granted to property owners in the Allocation Area. No increase in the Tax Increment Revenues to be received in any future year shall be
assumed which results from projected inflation in property values. Except as otherwise provided above, so long as any of the 2011 District Bonds are outstanding, no additional bonds, bond anticipation notes other obligations pledging any portion of the Tax Increment Revenues shall be authorized, executed or issued by the City acting for and on behalf of the District except such as shall be made subordinate and junior in all respects to the 2011 District Bonds, unless all of the 2011 District Bonds are redeemed and retired coincidentally with the delivery of such additional bonds, bond anticipation notes or other obligations, or, funds sufficient to effect the redemption of the 2011 District Bonds are available and set aside for that purpose at the time of issuance of such additional bonds, bond anticipation notes or other obligations.

TAX INCREMENT REVENUES

Description

The 2011 District Bonds will be secured solely by the Tax Increment Revenues. Tax Increment Revenues consist of all property taxes on real property in excess of those attributable to the Base Assessed Value and must be paid under IC 36-7-15.1-26 into the Allocation Fund established in connection with the Allocation Area. The “Base Assessed Value” for purposes of this allocation means the net assessed value of all the real property in the Allocation Area as finally determined for the assessment date immediately preceding the effective date of a resolution adopted pursuant to IC 36-7-15.1-26 establishing the Allocation Area as finally determined as of the effective date of the resolution adopted pursuant to IC 30-7-15.1-26 establishing the Allocation Area. Tax Increment Revenues in the Allocation Fund may only be used by the Redevelopment District for certain limited purposes which include payment of the principal and interest on bonds to which such proceeds are pledged and establishing, augmenting and restoring any reserve accounts for bonds payable therefrom. Pursuant to Indiana law, property taxes are due and payable to the County Treasurer each May 10 and November 10. Before July 15 of each preceding calendar year, the Redevelopment District must determine and notify the County Auditor of the amount, if any, by which incremental assessed value of the Allocation Area is expected to exceed the amount of incremental assessed value necessary to generate sufficient Tax Increment Revenues to meet the obligations (including required reserves and debt service coverage ratios) which may be legally paid with such Tax Increment Revenues. Excess assessed value may be allocated annually to all overlapping taxing units, wholly or partially located in the Allocation Area, so long as doing so will not jeopardize the interests of owners of bonds payable in whole or in part from Tax Increment Revenues. After property taxes are paid to the County Treasurer as described above, on or before each June 30 and December 31, such taxes are paid over to the County Auditor who, based on the previous year’s certification, pays the portion of property tax receipts which represents Tax Increment Revenues into the Allocation Fund. Pursuant to the 2011 District Bond Resolution, amounts collected in the Allocation Fund will be paid immediately to the Redevelopment Trustee. See “APPENDIX C—Summary of Provisions of Certain Legal Documents.”

The Report

The Bond Bank has retained Crowe Horwath LLP, Indianapolis, Indiana, to prepare the Report. The complete Report is set forth in APPENDIX A. Based on the assumptions in the Report, the Redevelopment District believes that sufficient Tax Increment Revenues will be generated to pay debt service on the 2011 District Bonds. The Report incorporates numerous assumptions and methodologies in projecting Tax Increment Revenues, including interpretations of recently enacted changes to Indiana property tax statutes, and other matters and states that any forecast is subject to uncertainties. Some assumptions and methodologies used to develop the forecasts may not be realized and unanticipated events and circumstances may occur, including further changes in the Indiana property tax statutes or administrative or judicial interpretations thereof. Therefore, the actual results achieved during the forecast period may vary, and the variations may be material. Neither the Bond Bank, the City, the Redevelopment District nor Crowe Horwath LLP can give any assurances that the collection of Tax Increment Revenues will meet the estimates in the Report. For certain risks to holders of the Series 2011 C Bonds, see “RISKS TO THE BONDHOLDERS” herein.
The following table sets forth the historical assessed values for property within the Allocation Area:

### Historical Assessed Valuation

<table>
<thead>
<tr>
<th>Tax Payable Year</th>
<th>Base Assessed Value</th>
<th>Incremental Assessed Value</th>
<th>Total Net Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010(1)(2)</td>
<td>$ 0</td>
<td>$ 169,659,793</td>
<td>$ 169,659,793</td>
</tr>
<tr>
<td>2009</td>
<td>22,680,647</td>
<td>149,505,860</td>
<td>172,186,507</td>
</tr>
<tr>
<td>2008</td>
<td>55,950,125</td>
<td>129,711,909</td>
<td>185,662,034</td>
</tr>
<tr>
<td>2007</td>
<td>28,384,572</td>
<td>75,990,498</td>
<td>104,375,070</td>
</tr>
<tr>
<td>2006</td>
<td>42,624,800</td>
<td>96,255,300</td>
<td>138,880,100</td>
</tr>
</tbody>
</table>

Source: Provided by The Indianapolis Local Public Improvement Bond Bank. See, Report for Tax Payable Years 2006-2010 (unaudited).

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(1) Net of appeals.

(2) The base assessed valuation has been reduced to zero as a result of TIF neutralization in order to maintain the historical revenues generated by the Allocation Area as a result of Trending. See “RISK TO BONDHOLDERS—Reassessment and Trending.”
The ten largest real property taxpayers, measured by gross assessed values (i.e., the total value of land and improvements including exemptions and deductions), for the Allocation Area are listed below along with the assessed values of their property located within the Allocation Area:

Ten Largest Real Property Taxpayers for 2009 Payable 2010 (Unaudited)

<table>
<thead>
<tr>
<th>Business</th>
<th>Principal Business Or Use</th>
<th>Gross Assessed Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eli Lilly and Company</td>
<td>Pharmaceutical</td>
<td>$166,538,660</td>
</tr>
<tr>
<td>INDOPCO, Inc.</td>
<td>Plastic and Resin Manufacturing</td>
<td>15,150,700</td>
</tr>
<tr>
<td>Indianapolis Power &amp; Lighting Co.</td>
<td>Utility</td>
<td>6,228,400</td>
</tr>
<tr>
<td>Raymond &amp; White River Inc.</td>
<td>Automotive Speedometer Manufacturing</td>
<td>2,739,500</td>
</tr>
<tr>
<td>Independent Concrete Pipe Corp.</td>
<td>Pipe Manufacturing</td>
<td>2,203,300</td>
</tr>
<tr>
<td>Massburn, Inc.</td>
<td>Manufacturing</td>
<td>1,771,315</td>
</tr>
<tr>
<td>WBRJGR, LLC</td>
<td>Information Technology Services</td>
<td>1,057,500</td>
</tr>
<tr>
<td>Stewart-Warner Corporation</td>
<td>Manufacturing</td>
<td>1,053,000</td>
</tr>
<tr>
<td>Citizens Gas &amp; Coke</td>
<td>Utility</td>
<td>886,300</td>
</tr>
<tr>
<td>Morris Street, LLC</td>
<td>Unclassified</td>
<td>856,500</td>
</tr>
</tbody>
</table>

For 2009 property taxes payable in 2010, the real property of the ten largest taxpayers in the Allocation Area represents 93% of the total net Assessed Valuation of taxable real property in the Allocation Area. For information with respect to Net Assessed Valuation, see the Report. The pay 2010 net assessed valuation in the report is net of appeals.

Source: Indianapolis Local Public Improvement Bond Bank

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The Allocation Area

As described herein, Tax Increment Revenues consist of a portion of the taxes paid on all real property in the Allocation Area, excluding residential areas contained therein. The Allocation Area is located southwest of the central business district of downtown Indianapolis and consists of the area bounded on the north by I-70, on the east and south by White River and on the west by Big Eagle Creek and Harding Street. The Consolidated/Harding Street Redevelopment Project Area contains mostly industrial and commercial property, but also includes certain residential areas. The largest taxpayer in the Consolidated/Harding Street Redevelopment Project Area is the Company, and the Tax Increment Revenues are obtained solely from the Allocation Area (which encompass a portion of the Consolidated/Harding Street Redevelopment Project Area), including certain existing improvements to and expansions of the Company’s facilities. The Allocation Area was originally established by a resolution of the Commission on January 9, 1983, as amended on March 2, 1983, and was expanded by a resolution of the Commission adopted on September 5, 1990. The base assessment date for the original area is March 1, 1983 for purposes of determining Tax Increment Revenues. The base assessment date for the new portion of the Allocation Area is March 1, 1990. The base assessed valuation of the Allocation Area has been reduced to zero as a result of TIF neutralization.

There have been several substantial commercial and other developments undertaken in the City. These recent activities are both within and outside of the Allocation Area. While only developments located in the Allocation Area will result in Tax Increment Revenues being collected in the Allocation Fund, substantial developments located outside the Allocation Area may, depending upon circumstances, affect the Allocation Area.

Eli Lilly. The Company is a major pharmaceutical and health related company based in Indianapolis, and has substantial facilities located both in and near the Allocation Area. The Lilly Technology Center is in the Allocation Area. It consists of the Lilly Technology Center North and Lilly Technology Center South. The north campus has over 1,500 Company employees in 46 buildings located on 81 acres of land. The south campus has over 4,800 employees in 71 buildings on 175 acres. In 2008 the company completed its $1 billion in expansion to the Lilly Technology Center, including its new Biosynthetic Human Insulin Production Complex. Just outside the Allocation Area, at Delaware and McCarty streets, the Company has its headquarters and administrative offices known as the Lilly Corporate Center. Here the company also has completed significant construction projects including a new research facility, new parking garages containing 2,700 parking spaces and other related infrastructure.

Sports and Convention Related Facilities. The City has continued to develop sports and convention-related facilities in or adjacent to the Allocation Area. Completed and opened in August of 2008, Lucas Oil Stadium, with 63,000 permanent seats, features a retractable roof that allows for multiple uses in addition to serving as the home of the 2006 Super Bowl champion Indianapolis Colts. Lucas Oil Stadium is the site for the 2012 Super Bowl. Like the recently demolished RCA Dome, Lucas Oil Stadium is not subject to property taxation and does not directly generate Tax Increment Revenues.

Conseco Fieldhouse is a state-of-the-art facility that is the home of the National Basketball Association’s Indiana Pacers and the Women’s National Basketball Association’s Indiana Fever and serves as the venue for other sporting and other events. Although not a direct generator of Tax Increment Revenues, a portion of the Fieldhouse is located within the Allocation Area three blocks east of the Indiana Convention Center and encourages development in the surrounding area both within and outside of the Allocation Area which is currently under-utilized.

Victory Field is the downtown home of the Indianapolis Indians AAA professional baseball team. Although located just west of the Allocation Area and therefor not directly generating Tax Increment Revenues, Victory Field brings additional visitors to the downtown area.

The City is on the verge of having one of the nation’s top 20 largest convention center complexes. The combination of the new multi-purpose Lucas Oil Stadium and an expanded Indiana Convention Center (the “Convention Center”) will make the Convention Center the nation’s 16th largest. It currently is the 32nd largest.
The Convention Center expansion will sit on the RCA Dome footprint. The RCA Dome closed in April 2008 and has been demolished.

The growth of the facilities is partly driven by location. Indianapolis is within one day’s drive of more than half of the nation’s population. The Indianapolis International Airport is just 15 minutes from downtown. The Convention Center is located in the heart of Indianapolis’ revitalized downtown, connected by skywalks to eight hotels, 3,200 rooms and Circle Centre Mall. Also located within walking distance of the Convention Center are more than 50 major attractions, 200 restaurants and, by 2011, 27 hotels with more than 7,100 rooms. These and other amenities, along with its mid-America location, make Indianapolis a major draw for meetings both large and small.

Since the Convention Center’s opening in 1972, there have been three major expansions to it. The most recent expansion involved the construction of a major addition to the convention center on the RCA Dome site, which was completed in 2010. The $329 million expansion, combined with the new Lucas Oil Stadium, increases the amount of exhibition, meeting room, ballroom and pre-function space to more than 3.4 million square feet. Exhibition space in the Convention Center has been increased to 566,600 square feet. Coupled with 183,000 square feet of exhibit space that is available via an enclosed pedestrian walkway, in Lucas Oil Stadium, a total of 749,600 square feet is available for events. The expansion also included an additional 63,000 square feet of meeting rooms. The Indiana Convention Center is not subject to property tax and does not directly generate Tax Increment Revenues.

**Hotel Developments.** During the past ten years, numerous hotels have been constructed or renovated in the Allocation Area including Marriott, Westin and Hilton hotels. In 2006, the Conrad, a 241 room 23 story luxury hotel, adjacent to Circle Centre Mall and connected to the Convention Center, was completed and opened.

The newly completed $450 million JW Marriott Indianapolis development features 1,626 rooms in four new hotels: JW Marriott Indianapolis, Indianapolis Courtyard by Marriott Downtown, Indianapolis Fairfield Inn & Suites by Marriott Downtown, and the Indianapolis SpringHill Suites by Marriott Downtown. The project also includes an underground, 1,000 space parking facility. The hotel complex serves as the premier convention headquarters hotel in Indianapolis with 104,000 square feet of meeting, banquet and exhibit space and one of Marriott’s largest hotel ballrooms in the world totaling 40,500 square feet. This hotel development, featuring the 34-story JW Marriott Indianapolis, is located at 10 South West Street, Indianapolis, Indiana on a seven acre site overlooking White River State Park.

**Office Building Developments.** In addition to the developments discussed above relating to the Company, other office building developments in the downtown area have occurred over the past ten years. The corporate headquarters for Emmis Communications is a seven-story office building on Monument Circle, with improvements totaling more than $30,000,000. Adjacent to Emmis Communications’ headquarters, historically significant buildings known as the Guaranty Building and the Test Building were renovated at a combined cost of more than $5,000,000. An office complex for WellPoint (a major health insurance provider) was constructed in two-phases and is located immediately southeast of Conseco Fieldhouse. An approximately 300,000 square feet headquarters building for Simon Property Group, Inc. (a real estate investment trust, engaged in the ownership, development and management of income producing properties, primarily regional malls and community centers) was completed in 2006 at a cost of $55 million.

**White River State Park.** White River State Park, a state park on the banks of the White River lying to the immediate west of the Allocation Area and therefore not directly generating Tax Increment Revenues, has undergone substantial development that benefits the Allocation Area and the downtown area as a whole. Completed developments in the park include: the Indianapolis Zoo, including the White River Gardens (a botanical garden); the Eiteljorg Museum, containing 73,000 square feet dedicated to exhibits relating to Native American and Southwest American arts and cultures; the extension of the Central Canal and associated landscaped walkways to the White River; an IMAX 3-D theater; the NCAA Headquarters, including the NCAA Hall of Champions; and the $105 million Indiana State Museum.

**Other Developments Near the Allocation Area.** Indiana University-Purdue University Indianapolis (“IUPUI”) is just north and east of the Allocation Area. It was formed in 1969 as a partnership between Indiana
University and Purdue University to bring together all of the Indiana University and Purdue University schools existing in Indianapolis. The first buildings on the new campus opened in 1971 near the medical and health facilities along West Michigan Street just west of downtown. Over the past 40 years the university has seen continued campus development as it has grown to more than 30,000 students in 21 schools and academic units with more than 250 degree programs. Since 2002, IUPUI has completed projects at a cost of $180.0 million.

Two hospitals adjacent to IUPUI are undertaking very significant construction projects. Wishard Memorial, the county hospital, is building a completely new $754 million complex, to be completed in 2013, to replace its existing nearby facilities. Riley Children’s Hospital is expanding with the Simon Family Tower, also to be completed in 2013, at a cost of approximately $475 million.

Rolls-Royce Corporation has its Indianapolis design and manufacturing facility, which includes the former GM/Allison Engine Company, along South Tibbs Avenue, immediately west of the area. A defense aerospace division of the Rolls-Royce Group, the Rolls-Royce Corporation employs approximately 4,300 in Indianapolis and has been awarded hundreds of millions of dollars of U.S. military contracts during the past year including a $160.6 million contract to manufacture helicopter engines for the Air Force and Navy.

Airport.  Indianapolis International Airport, an approximate 15-minute drive from downtown and the Allocation Area and the major airport serving the Indianapolis metropolitan area, has had significant recent development through the completion in 2008 of the Midfield Terminal. The Midfield Terminal development is expected to have a beneficial effect on development throughout the City and surrounding areas. Federal Express also has completed an expansion of its facilities at the airport. FedEx’s facilities now contain approximately one million square feet.

The foregoing is not intended to be an exhaustive listing or discussion of recent and current development in or near the Allocation Area nor is it predictive of any such future development.

PROCEDURES FOR PROPERTY TAX ASSESSMENT, TAX LEVY AND COLLECTION

On December 4, 1998, the Indiana Supreme Court affirmed in part, and reversed in part, a ruling by the Indiana Tax Court that the true tax value method of valuing property for purposes of levying property taxes was unconstitutional. Town of St. John v. State Board of Tax Commissioners, 702 N.E.2d 1034 (Ind. 1998). The Indiana Supreme Court ruled that the reproduction cost schedules used by the State Board of Tax Commissioners (now known as the Department of Local Government Finance and hereinafter, the “DLGF”) are arbitrary and unconstitutional. This ruling affects only the valuation method and not the ability of political subdivisions to levy a property tax to pay debt service on bonds when due. The State Board of Tax Commissioners issued a new real property assessment regulation on July 1, 2001, which was implemented beginning with the March 1, 2002 assessment date, affecting taxes payable beginning in 2003. The new regulation, which is briefly described under this caption of this Official Statement, shifted the tax burden among various classes of property owners, but does not impact the total tax levy. This new regulation affects only the valuation method and not the ability of political subdivisions to levy a property tax to pay debt service on bonds when due. The District cannot predict the timing, likelihood or impact on property tax collections of any future judicial actions, legislation, regulations or rulings taken, enacted, promulgated or issued to implement those regulations or of future property tax reform in general.

Real and personal property in the State is assessed each year as of March 1. On or before August 1 each year, each county auditor must submit to each underlying taxing unit located within that county a statement of (1) information concerning the assessed value of the taxing units for the next calendar year, (2) an estimate of the taxes to be distributed to the unit during the last six months of the current calendar year, (3) the current assessed valuation as shown on the abstract of charges, (4) the average growth in assessed valuation in the political subdivision over the preceding three budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the DLGF; and (5) any other information at the disposal of the county auditor that might affect the assessed value as shown on the most recent abstract of property.

By statute, the budget, tax rate and levy of a local taxing unit must be established no later than November 1. The budget, tax levy and tax rate are subject to review and revision by the DLGF, which can lower, but not raise, the
tax levy or tax rate (with the exception of increasing any debt service or lease rental levy as may be required). The DLGF must complete its actions on or before February 15 of the immediately succeeding calendar year.

On or before March 1, each county auditor prepares and delivers to the Auditor of State and the county treasurer the final abstract of property taxes within that county. The county treasurer mails tax statements the following April (but mailing may be delayed due to reassessment or other factors). Property taxes are due and payable to the county treasurer in two installments on May 10 and November 10. If an installment of taxes is not completely paid on or before the due date, a penalty of 10% of the amount delinquent is added to the amount due; provided, that so long as the installment is completely paid within 30 days of the due date and the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel, the amount of the penalty is 5% of the amount of the delinquent taxes. On May 10 and November 10 of each year after one year of delinquency, an additional penalty equal to 10% of any taxes remaining unpaid is added. The penalties are imposed only on the principal amount of the delinquency. Real property becomes subject to tax sale procedures on July 1 if a delinquency then exists with respect to an installment due on or before May 10 of the prior year. With respect to delinquent personal property taxes, each county treasurer will serve a demand upon each county resident who is delinquent in the payment of personal property taxes after November 10, but before August 1 of the succeeding year. Each county auditor distributes property taxes collected to the various taxing units on or before the June 30 or December 31 after the due date of the tax payment.

Under State law, personal property is assessed at its actual historical cost less depreciation, whereas real property is valued for assessment purposes at its “true tax value” as defined in the 2002 Real Property Assessment Manual adopted by the DLGF (the “Manual”), and as interpreted in the rules and regulations of the DLGF, including the Real Property Assessment Guidelines for 2002-Version ‘A’ (the “Guidelines”), and the Real Property Assessment Manual Rule, 50 Indiana Administrative Code 2.3. The Manual defines “true tax value” as “the market value in use of property for its current use, as reflected by the utility received by the owner or a similar user from that property.” The Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal methodology, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they are capable of producing accurate and uniform values throughout the jurisdiction and across all classes of property. The Manual specifies the standards for accuracy and validation that the DLGF will use to determine the acceptability of any alternate appraisal method.

There are certain credits, deductions and exemptions available for various classes of property. For instance, residential real property is eligible for certain deductions for mortgages, rehabilitation, solar energy heating or cooling systems, wind power devices, coal conversion systems, hydroelectric power devices, geothermal energy heating or cooling devices, veterans, the aged and the blind. Commercial and industrial real property, new manufacturing equipment and research and development equipment may be entitled to economic revitalization area deductions. Government-owned properties and properties owned, used and occupied for charitable, educational or religious purposes may be entitled to exemptions from tax. “Gross assessed value” is equal to the “true tax value.” “Net assessed value” or “taxable value” represents the “gross assessed value,” less all such deductions, credits and exemptions, and is the value used for taxing purposes in the determination of tax rates.

Changes in assessed values of real property occur periodically as a result of general reassessments scheduled by the State General Assembly, as well as when changes occur in the property due to new construction or demolition of improvements. The most recent scheduled reassessment became effective as of the March 1, 2002 assessment date, and affects taxes payable beginning in 2003. The next scheduled reassessment will be effective as of the March 1, 2012 assessment date, and will affect taxes payable beginning in 2013 and reassessments are scheduled to occur every five (5) years thereafter. Beginning with the March 1, 2006 assessment date and affecting taxes payable beginning in 2007 and thereafter, the assessed value of real property will be annually adjusted to reflect changes in market value, based, in part, on comparable sales data, in order to account for changes in value that occur between general reassessments. This process is generally known as “Trending.”

When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner must first request in writing a preliminary conference with the county
or township official who sent the owner such written notification. That request must be filed with such official within 45 days after the written notification is given to the taxpayer. That preliminary conference is a prerequisite to a review of the assessment by the county property tax assessment board of appeals. While the appeal is pending: (1) any taxes on real property which become due on the property in question must be paid in an amount based on the immediately preceding year’s assessment, or it may be paid based on the amount that is billed; and (2) any taxes on personal property which become due on the property in question must be paid in an amount based on the assessed value reported by the taxpayer on the taxpayer’s personal property tax return.

Beginning with property taxes first due and payable in 2003, the State increased the amount of the State-funded Property Tax Replacement Credit ("PTRC") attributable to school corporation general fund levies from 20% to 60%. This additional credit was increased in an amount equal to the increased PTRC rate, thus, resulting in a reduction of Tax Increment Revenues. At that time, Indiana Code 6-1.1-21.2 provided that Tax Increment Revenues reduced as a result of the increased additional credit could be replaced with a property tax levy imposed on the district ("TIF Replacement Levy"). Effective January 1, 2009, if Tax Increment Revenues are not sufficient to meet obligations due in the next calendar year, a governing body may, after a public hearing, do the following: (1) impose a special assessment on the owners of property that is located in an allocation area; (2) impose a tax on all taxable property in the district; or (3) reduce the base assessed value of property in the allocation area.

Beginning with property taxes payable in 2009, the State assumed 100% of the cost of medical assistance to wards, family and children, children’s psychiatric residential treatment services, children with special health care needs, hospital care for the indigent, state forestry, state fair, school general, pre-school special education, and child welfare (fire and police pensions will be substantially reduced but may not be completely eliminated). To fund a portion of these assumed levies, the State eliminated all PTRC payments currently paid to local taxing units, beginning in 2009.

A supplemental homestead credit provided by the State is also applied to the property tax liability of an owner of a primary residence in the state. Beginning in 2009, statewide supplemental homestead credits are limited to approximately $140,000,000, and in 2010, the homestead credits will be limited to approximately $80,000,000. State funded supplemental homestead credits will not be available for distribution after 2010.

Prior to February 15 of each year for taxes to be collected during that year, the DLGF is required to review the proposed budgets, tax rates and tax levies of each political subdivision, and the proposed appropriations from those levies to pay principal of and interest on each political subdivision’s outstanding general obligation bonds and to pay the political subdivision’s outstanding lease rental obligations (collectively “bond and lease obligations”) to be due and payable in the next calendar year. If it determines that the proposed levies and appropriations are insufficient to pay the bond and lease obligations, the DLGF may at any time increase the tax rate and tax levy of a political subdivision to pay such bond and lease obligations.

In 2007, the Indiana General Assembly enacted legislation (IC 6-1.1-20.6), and in 2008 amended the legislation (the “Legislation”), which provides taxpayers with a tax credit for all property taxes in an amount that exceeds a percentage of the gross assessed value of real and personal property eligible for the credit (“Circuit Breaker Tax Credit”). For property assessed as a residential homestead (as defined in IC 6-1.1-20.9-1), the Circuit Breaker Tax Credit is the amount by which the property taxes attributable to the homestead exceed 2% of the gross assessed value of the homestead, beginning with property taxes first due and payable in 2008. Beginning with property taxes payable in 2009, property taxes for residential homesteads will be limited to 1.5% of the gross assessed value of the homestead; property taxes for agricultural land, other residential rental property and long term care facilities will be limited to 2.5% of gross assessed value, and; property taxes for all other real and personal property will be limited to 3.5% of gross assessed value. Beginning with property taxes payable in 2010 and thereafter, property taxes for residential homesteads will be limited to 1.0% of the gross assessed value of the homestead; property taxes for agricultural land, other residential rental property and long term care facilities will be limited to 2.0% of gross assessed value; and property taxes for all other real and personal property will be limited to 3.0% of gross assessed value. Additional property tax limits have been made available to certain senior citizens.

On the November 2, 2010 general election, a statewide public question was placed on the ballot to amend Article 10, Section 1 of the Indiana Constitution, to include the provisions of the Circuit Breaker Tax Credit into the Indiana Constitution (“Public Question #1”). Public Question #1 proposed amending the Constitution of the State of
Indiana, with respect to property taxes first due and payable in 2012 and thereafter, to limit a taxpayer’s annual property tax bill to the following percentages of gross assessed value: (A) 1% for an owner-occupied primary residence (homestead); (B) 2% for residential property, other than an owner-occupied primary residence, including apartments; (C) 2% for agricultural land; (D) 3% for other real property; and (E) 3% for personal property. These percentages exclude any property taxes imposed after being approved by the voters in a referendum. Public Question #1 also specified that the Indiana General Assembly may grant a property tax exemption in the form of a deduction or credit and exempt a mobile home used as a primary residence to the same extent as real property. On November 2, 2010, Public Question #1 was approved by 71.9% of the voters as officially certified by the Indiana Secretary of State, Election Division.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. A political subdivision may not increase its property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

IC 6-1.1-20.6-10 requires that property taxes collected by a political subdivision must first be applied to pay debt service or lease rental obligations on all outstanding bonds or lease rental revenue bonds. If property tax collections are insufficient to fully fund debt service or lease rental levies due to the Circuit Breaker Tax Credit, taxing units must use non-property tax revenues or revenues from property tax levies for other funds (including operating) to offset revenue loss to the debt service fund. The statute also requires that upon the failure of a political subdivision to pay any of the political subdivision’s debt service obligations during a calendar year when due, the treasurer of state, upon being notified of the failure by a claimant, will pay the unpaid debt service obligations that are due from money in the possession of the state that would otherwise be available for distribution to the political subdivision under any other law, deducting the payment from the amount distributed. The deductions will be made first from any undistributed county adjusted gross income taxes, county option incomes taxes or county economic development income taxes in possession of the state and then from any other funds to be distributed to the political subdivision in possession of the state.

In the event the application of the credits results in a reduction of the property tax collections of any political subdivision, the Legislation prohibits the political subdivision from increasing its property tax levy or borrowing money to make up for that reduction. However, the State General Assembly enacted legislation that created a statewide nine-member distressed unit appeal board (the “Appeal Board”), to which, under certain limited circumstances, political subdivisions may appeal for relief from application of the Legislation for property taxes due and payable prior to 2012. If certain conditions are met, the Appeal Board may: (1) increase the percentage thresholds (specified as a percentage of gross assessed value), at which the credit applies to a taxpayer’s property tax liability in the political subdivision; (2) provide for percentage reductions to credits otherwise provided in a political subdivision; or (3) provide that some or all of the property taxes that (a) are being imposed to pay bonds, leases or other debt obligations and (b) would otherwise be included in the calculation of the credits in the political subdivision must not be included for purposes of calculating a person’s credit. A distressed political subdivision may petition the State of Indiana Tax Court for judicial review of a final determination of the Appeal Board. No calculation has been performed to determine the effect of those credits on the District’s anticipated tax receipts.

There has been no judicial interpretation of the Legislation or the DLGF’s position or authority to require the application of property tax revenues as described above, and there can be no assurance that the DLGF will continue adhering to such position. In addition, there can be no assurance as to future events or legislation that may impact the Legislation or the collection of property taxes by the District.

Included as APPENDIX A is the Report of Crowe Horwath LLP, the Bond Bank's financial advisor, which projects expected Tax Increment Revenues to be collected based upon the assumptions and methodologies described therein. The actual results achieved may vary from the projections contained therein and those variances may be material. The Report should be read in its entirety.
RISKS TO THE BONDHOLDERS

Among other factors, holders of the Series 2011 C Bonds (the “Bondholders”) should consider the following risks in purchasing the Series 2011 C Bonds:

Tax Increment Revenues-Related Assumptions and Risks

The estimate of Tax Increment Revenues is dependent on certain assumptions as to future events, the occurrence of which cannot be guaranteed. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. See “FORWARD LOOKING STATEMENTS.” In relying on estimates of Tax Increment Revenues contained herein, consideration should be given to risk factors which could result in reductions in the estimated Tax Increment Revenues Risk factors include, but are not limited to, the following:

**General Risks of Tax Increment Revenues.** Tax Increment Revenues available to pay debt service due on the 2011 District Bonds is based on assessed valuation of current development and planned expansions in the Allocation Area since the respective base assessment dates. There are certain risks associated with the Tax Increment Revenues estimates such as, but not limited to, the following: (i) destruction of property in the Allocation Area caused by natural disaster; (ii) delinquent taxes or adjustments of or appeals on assessments by property owners in the Allocation Area, including but not limited to appeals by the Company; (iii) a decrease in the assessed value of properties in the Allocation Area due to increases in depreciation, obsolescence or other factors by the County Assessor’s office; (iv) acquisition of property in the Allocation Area by a tax-exempt entity; (v) removal or demolition of real property improvements by property owners in the Allocation Area; (vi) delayed billing, collection or distribution of Tax Increment Revenues by the County Auditor; (vii) a decrease in property tax rates that would reduce the Tax Increment Revenues available to pay debt service on the 2011 District Bonds and, in turn, on the Series 2011 C Bonds; (viii) the General Assembly, the courts, the DLGF or other administrative agencies with jurisdiction in the matter could enact new laws or regulations or interpret, amend, alter, change or modify the laws or regulations governing the calculation, collection, definition or distribution of Tax Increment Revenues, including laws or regulations relating to reassessment, or a revision in the property tax system that could affect the Tax Increment Revenues (see discussion of litigation and legislation below); or (ix) a change in any taxing unit’s funding mechanism would reduce the amount of Tax Increment Revenues if that taxing unit’s funding is changed to sources other than property taxes. Any such changes could cause the Tax Increment Revenues to fall below the levels set forth in the “APPENDIX A—Tax Increment Financing (TIF) Reports—Exhibit B—Summary of Estimated TIF Revenues (Real Property Only)” schedule shown in the Report which would reduce the Tax Increment Revenues available to pay debt service on the 2011 District Bonds and, in turn, on the Series 2011 C Bonds.

**Reduction of Tax Rates or Tax Collection Rates.** Any substantial increase in State or Federal aid or other sources of local revenues which would reduce local required fiscal support for certain public programs or any substantial increase in assessments outside the Allocation Area could reduce the rates of taxation by the taxing bodies levying taxes upon property within the Allocation Area and have an adverse effect on the amount of Tax Increment Revenues. Economic conditions or administrative action could reduce the collection rate achieved by Marion County within its jurisdiction, including the Allocation Area. Excessive taxpayer refunds resulting from the settlement of appeals of assessed value in the Allocation Area paid from current Tax Increment Revenues may reduce the amount of Tax Increment Revenues available for payment of debt service on the 2011 District Bonds and, in turn, on the Series 2011 C Bonds.

**Litigation.** Neither the Bond Bank, the City nor the District can predict the impact on property tax collections, or the possibility of any future judicial actions, legislation or rulings enacted as a result of the new Regulations. See the discussion of State Bd. of Tax Comm’rs v. Town of St. John under “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION.”
Reassessment and Trending. The next general reassessment of property in the State is scheduled to be effective for property assessed March 1, 2012, for taxes payable in 2013. Reassessments are scheduled to occur every five years thereafter. Trending (see "PROCEDURES FOR PROPERTY ASSESSMENTS, TAX LEVY AND COLLECTION") is scheduled to occur on an annual basis. The DLGF is required by law to make annual adjustments to neutralize the effect of reassessment and trending on property within tax increment allocation areas, including the Allocation Area, so that owners of obligations secured by tax increment revenues will not be adversely affected. Delays in the reassessment and trending process, the inability to neutralize the effect of reassessment, or appeals of assessments and reassessments could adversely affect the Tax Increment Revenues.

Additional Credit and Tax Rates Assumed in the Report. The Tax Increment Revenues estimate assumes that the property tax rates will remain at approximately the same level throughout the term of the 2011 C Bonds. Any decrease in the tax rate could result in a decrease in the amount of Tax Increment Revenues.

Tax Increment Replacement Levy. IC 6-1.1-21-2 authorizes a property tax levy in the District ("Replacement Levy") to replace the Tax Increment Revenues lost to address Tax Increment Revenues shortfalls due to legislative changes to a level sufficient to meet the obligations of the District. In addition to the Replacement Levy, the District could instead impose a special assessment on the owners of property located in the allocation area or could reduce the base assessed value of property in the allocation area to generate Tax Increment Revenues sufficient to meet the District's obligations. The Bond Bank cannot predict the exact effect that this or any other property tax changes by the Indiana General Assembly may have on Tax Increment Revenues.

Circuit Breaker. On the November 2, 2010 general election, Public Question #1 was placed on the ballot to amend Article 10, Section 1 of the Indiana Constitution, to include the provisions of the Circuit Breaker Tax Credit into the Indiana Constitution. Public Question #1 proposed amending the Constitution of the State of Indiana, with respect to property taxes first due and payable in 2012 and thereafter, to limit a taxpayer's annual property tax bill to the following percentages of gross assessed value: (A) 1% for an owner-occupied primary residence (homestead); (B) 2% for residential property, other than an owner-occupied primary residence, including apartments; (C) 2% for agricultural land; (D) 3% for other real property; and (E) 3% for personal property. These percentages exclude any property taxes imposed after being approved by the voters in a referendum. Public Question #1 also specified that the Indiana General Assembly may grant a property tax exemption in the form of a deduction or credit and exempt a mobile home used as a primary residence to the same extent as real property. On November 2, 2010, Public Question #1 was approved by 71.9% of the voters as officially certified by the Indiana Secretary of State, Election Division.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. A political subdivision may not increase its property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit. Future events, such as the loss of a major taxpayer, reductions in assessed value or increases in property tax rates of overlapping taxing units could increase the effective property tax rate sufficiently to limit the property taxes paid by taxpayers within the Allocation Area, reducing the amount of Tax Increment Revenues to be received below the level of Tax Increment Revenues projected within “APPENDIX A—Tax Increment Financing (TIF) Report.” Potential reductions in Tax Increment Revenues collected within the Allocation Area could be material.

Bond Related Risks

Limited Liability of the District; No Additional Security. The 2011 District Bonds are payable solely from the sources identified in the 2011 District Bond Resolution, which includes the Tax Increment Revenues. The District has no source of moneys from which to pay the 2011 District Bonds other than Tax Increment Revenues and current or potential moneys and investments (together with interest and other earnings), which are held under the 2011 District Bond Resolution. THE SERIES 2011 C BONDS ARE LIMITED OBLIGATIONS OF THE BOND BANK PAYABLE SOLELY OUT OF THE REVENUES AND FUNDS OF THE BOND BANK PLEDGED THEREFOR UNDER THE INDENTURE (AS DEFINED AND MORE FULLY DESCRIBED HEREIN). THE SERIES 2011 C BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR LOAN OF THE CREDIT OF THE STATE OF INDIANA OR ANY POLITICAL SUBDIVISION THEREOF, THE CITY OR ANY QUALIFIED ENTITY (AS DEFINED HEREIN), INCLUDING THE REDEVELOPMENT DISTRICT, UNDER THE

Bond Bank Reserve Fund. The Bond Bank Reserve Fund will be used to pay principal or interest on the Series 2011 C Bonds, to the extent there is any shortfall with respect to the availability of Tax Increment Revenues. The Act provides that, in order to maintain Bond Bank Reserve Fund at the Bond Bank Reserve Requirement, the City-County Council may make annual appropriations to replenish the Bond Bank Reserve Fund. Under the Act, the Council is not obligated to make such appropriations to replenish the Bond Bank Reserve Fund, although it adopted an ordinance in 1985 indicating its general intention to consider such appropriations if necessary.

BOND INSURANCE

Bond Insurance Policy


The Series 2011 C Bond Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

The Series 2011 C Bond Insurer is a New York domiciled financial guaranty insurance company and a wholly owned subsidiary of Assured Guaranty Municipal Holdings Inc. ("Holdings"). Holdings is an indirect subsidiary of Assured Guaranty Ltd. ("AGL"). AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. No shareholder of AGL, Holdings or the Series 2011 C Bond Insurer is liable for the obligations of the Series 2011 C Bond Insurer.

The Series 2011 C Bond Insurer’s financial strength is rated “AA+” (stable outlook) by Standard and Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”) and “Aa3” (negative outlook) by Moody’s Investors Service, Inc. (“Moody’s”). An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of the Series 2011 C Bond Insurer in its sole discretion. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of any security guaranteed by the Series 2011 C Bond Insurer. The Series 2011 C Bond Insurer does not guarantee the market price of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On January 24, 2011, S&P published a Request for Comment: Bond Insurance Criteria (the “Bond Insurance RFC”) in which it requested comments on its proposed changes to its bond insurance ratings criteria. In the Bond Insurance RFC, S&P notes that it could lower its financial strength ratings on existing investment-grade bond insurers (including the Series 2011 C Bond Insurer) by one or more rating categories if the proposed bond insurance ratings criteria are adopted, unless those bond insurers (including the Series 2011 C Bond Insurer) raise
additional capital or reduce risk. Reference is made to the Bond Insurance RFC, a copy of which is available at www.standardandpoors.com, for the complete text of S&P’s comments.

On October 25, 2010, S&P published a Research Update in which it downgraded the Series 2011 C Bond Insurer’s counterparty credit and financial strength rating from “AAA” (negative outlook) to “AA+” (stable outlook). Reference is made to the Research Update, a copy of which is available at www.standardandpoors.com, for the complete text of S&P’s comments.

On December 18, 2009, Moody’s issued a press release stating that it had affirmed the “Aa3” insurance financial strength rating of the Series 2011 C Bond Insurer, with a negative outlook. Reference is made to the press release, a copy of which is available at www.moodys.com, for the complete text of Moody’s comments.

There can be no assurance as to any further ratings action that Moody’s or S&P may take with respect to the Series 2011 C Bond Insurer.

For more information regarding the Series 2011 C Bond Insurer’s financial strength ratings and the risks relating thereto, see AGL’s Annual Report on Form 10-K for the fiscal year ended December 31, 2010, which was filed by AGL with the Securities and Exchange Commission (the “SEC”) on March 1, 2011.

**Capitalization of the Series 2011 C Bond Insurer**

At December 31, 2010, the Series 2011 C Bond Insurer’s consolidated policyholders’ surplus and contingency reserves were approximately $2,578,146,678 and its total net unearned premium reserve was approximately $2,298,456,380, in each case, in accordance with statutory accounting principles.

**Incorporation of Certain Documents by Reference**

Portions of the following documents filed by AGL with the SEC that relate to the Series 2011 C Bond Insurer are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) The Annual Report on Form 10-K for the fiscal year ended December 31, 2010 (which was filed by AGL with the SEC on March 1, 2011).

All information relating to the Series 2011 C Bond Insurer included in, or as exhibits to, documents filed by AGL pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, after the filing of the last document referred to above and before the termination of the offering of the Series 2011 C Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC’s website at http://www.sec.gov, at AGL’s website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp: 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 826-0100).

Any information regarding the Series 2011 C Bond Insurer included herein under the caption “BOND INSURANCE – Assured Guaranty Municipal Corp.” or included in a document incorporated by reference herein (collectively, the “Series 2011 C Bond Insurer Information”) shall be modified or superseded to the extent that any subsequently included the Series 2011 C Bond Insurer Information (either directly or through incorporation by reference) modifies or supersedes such previously included the Series 2011 C Bond Insurer Information. Any Series 2011 C Bond Insurer Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

The Series 2011 C Bond Insurer makes no representation regarding the Series 2011 C Bonds or the advisability of investing in the Series 2011 C Bonds. In addition, the Series 2011 C Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom,
other than with respect to the accuracy of the information regarding the Series 2011 C Bond Insurer supplied by the Series 2011 C Bond Insurer and presented under the heading “BOND INSURANCE” and “APPENDIX E—Specimen Municipal Bond Insurance Policy.”

RESERVE FUND CREDIT FACILITY

The Indenture requires the establishment of the Bond Bank Reserve Fund. Under the Indenture, the Bond Bank Reserve Fund is required to contain an amount equal to the Bond Bank Reserve Requirement, which at the time of issuance of the Series 2011 C Bonds means an amount equal to $4,255,750. The Indenture authorizes the Bond Bank to obtain a Reserve Fund Credit Facility, in place of depositing funds into the Bond Bank Reserve Fund, equal to the Bond Bank Reserve Requirement. Accordingly, a commitment has been made by the Series 2011 C Bond Insurer for the issuance of a Reserve Fund Credit Facility for the purpose of funding the Bond Bank Reserve Fund (the “Series 2011 C Reserve Fund Credit Facility”) (see “APPENDIX C – “Summary of Certain Provisions of Certain Legal Documents—The Bond Bank Indenture – Operation of Funds and Accounts” herein). The Series 2011 C Bonds will only be delivered upon the issuance of the Series 2011 C Reserve Fund Credit Facility. The premium on the Series 2011 C Reserve Fund Credit Facility is to be fully paid at or prior to the issuance and delivery of the Series 2011 C Bonds. The Series 2011 C Reserve Fund Credit Facility provides that upon the later of (i) one day after receipt by the Series 2011 C Bond Insurer of a demand for payment executed by the Trustee certifying that provision for the payment of principal of or interest on the Series 2011 C Bonds when due has not been made or (ii) the principal or interest payment date specified in the notice of nonpayment submitted to the Series 2011 C Bond Insurer, the Series 2011 C Bond Insurer will promptly deposit funds with the Trustee sufficient to enable the Trustee to make such payments due on the Series 2011 C Bonds, but in no event exceeding the Series 2011 C Reserve Fund Credit Facility coverage for such Series 2011 C Bonds, as defined in the Series 2011 C Reserve Fund Credit Facility for such Series 2011 C Bonds.

Pursuant to the terms of the Series 2011 C Reserve Fund Credit Facility, the Series 2011 C Reserve Fund Credit Facility coverage is automatically reduced to the extent of each payment made by the Series 2011 C Bond Insurer under the terms of the Series 2011 C Reserve Fund Credit Facility and the Bond Bank is required to reimburse the Series 2011 C Bond Insurer for any draws under the Series 2011 C Reserve Fund Credit Facility with interest at the rate set forth in the Indenture. Upon such reimbursement, the Series 2011 C Reserve Fund Credit Facility is reinstated to the extent of each principal reimbursement up to but not exceeding the Series 2011 C Reserve Fund Credit Facility coverage. The reimbursement obligation for the Bond Bank, with respect to any draws upon the Series 2011 C Reserve Fund Credit Facility, is subordinate to the Bond Bank’s obligations with respect to the Series 2011 C Bonds.

In the event the amount on deposit, or credited to the Bond Bank Reserve Fund, exceeds the amount of the Series 2011 C Reserve Fund Credit Facility for the Bond Bank Reserve Fund, any draw on the Series 2011 C Reserve Fund Credit Facility will be made only after all the funds in the Bond Bank Reserve Fund have been expended. In the event that the amount on deposit in or credited to a Bond Bank Reserve Fund, in addition to the amount available under the Series 2011 C Reserve Fund Credit Facility for the Bond Bank Reserve Fund, includes amounts available under a letter of credit, insurance policy, surety bond or other such funding instrument (the “Additional Funding Instrument”), draws on the Series 2011 C Reserve Fund Credit Facility and the Additional Funding Instrument will be made on a pro rata basis to fund the insufficiency.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

Powers and Purposes

The Bond Bank is a body corporate and politic separate from the City. The address of the Bond Bank is Suite 2342, City-County Building, 200 East Washington Street, Indianapolis, Indiana 46204. The Bond Bank was created by the Act for the purpose of buying and selling securities of certain Qualified Entities, including the City, the City-County County, all special taxing districts of the City, all entities whose tax levies are subject to review and modification by the Council and certain authorities or entities that lease land or facilities to other qualified entities. The Bond Bank was created pursuant to the Act to help the qualified entities lower their respective borrowing costs
by having the Bond Bank purchase their debt obligations at interest rates favorable to the qualified entities. To accomplish its purpose, the Bond Bank may issue bonds or notes. The Bond Bank also has general powers which include the power to enter into, make and perform contracts of every lawful kind to accomplish its purpose. The Bond Bank has no taxing power.

**Board of Directors of the Bond Bank**

The Bond Bank is governed by a five (5) member board of directors appointed by the Mayor of the City. The directors appoint an executive director who serves as a secretary-treasurer of the board. The directors each serve for terms of three (3) years and may be reappointed. No director may be an officer of the City, the County or any other qualified entity. The current members of the board of directors, their positions and their principal occupations are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Term Expires</th>
<th>Occupation</th>
</tr>
</thead>
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<tr>
<td>Briane M. House</td>
<td>Chairperson</td>
<td>April 30, 2012</td>
<td>Attorney</td>
</tr>
<tr>
<td>E. Sahara Willliams</td>
<td>Vice Chairperson</td>
<td>April 30, 2012</td>
<td>Business Owner</td>
</tr>
<tr>
<td>Fred Miller</td>
<td>Member</td>
<td>April 30, 2012</td>
<td>Attorney</td>
</tr>
<tr>
<td>Milton Thompson</td>
<td>Member</td>
<td>April 30, 2012</td>
<td>Attorney</td>
</tr>
<tr>
<td>James S. Carr</td>
<td>Member</td>
<td>April 30, 2012</td>
<td>Commercial Banker</td>
</tr>
</tbody>
</table>

**Bond Bank Management**

*Deron S. Kintner* was appointed the Executive Director and General Counsel of the Bond Bank on March 15, 2010. Mr. Kintner previously served as Deputy Executive Director and General Counsel to the Bond Bank for approximately 2 years. Mr. Kintner holds a B.S. degree and J.D. from Indiana University – Bloomington. Prior to joining the Bond Bank, Mr. Kintner worked as an attorney at the Indianapolis law firm of Bingham McHale LLP from 2001-2008, where his practice focused primarily in the area of public finance.

*Kyle Willis* has served as Project Manager of the Bond Bank since November 2005. Mr. Willis worked as a financial analyst for the Indianapolis Airport Authority from 2004 to October 2005 before joining the Bond Bank. He holds a B.S. from Marian College.

*Isaiah Kuch* joined the Bond Bank as a Project Manager in 2010. He received his Bachelor’s degree in Economics from La Salle University in Philadelphia, Pennsylvania in 2007, shortly after he entered the United States through The Lost Boys of Sudan Program. While at La Salle, he also minored in Business Administration. After his undergraduate studies, Mr. Kuch won a full scholarship to Indiana University, School of Public and Environmental Affairs (SPEA) where he received his Master’s degree in Public Finance Administration, Economic Development, and Policy Analysis. During his tenure at SPEA, as the Eads Fellow and the City of Indianapolis Urban Fellow, he worked at the Mayor’s Office of Enterprise Development.

**Other Programs; Outstanding Indebtedness**

Under the Act, the Bond Bank is authorized to issue other series of notes or bonds to finances different programs to accomplish its purposes. Under separate trust indentures and other instruments authorized under the Act, the Bond Bank previously issued and had outstanding as of February 1, 2011 an aggregate long-term principal amount of approximately $4,390,772,297 in separate program obligations (which amount does not include the Series 2011 C Bonds). Certain of the foregoing obligations of the Bond Bank may mature or otherwise be defeased as of or prior to the issuance of the Series 2011 C Bonds. In addition, the Bond Bank may issue other obligations prior to the issuance of the Series 2011 C Bonds. All such obligations are and will be secured separately and independently and do not and will not constitute Bonds under the indenture or for purposes of this Official Statement.
THE REDEVELOPMENT DISTRICT

General Description

The Redevelopment District, a special taxing district of the City, is under the control of the Metropolitan Development Commission of Marion County, Indiana, acting as the Redevelopment Commission of the City of Indianapolis. The Commission consists of nine members, three of whom are appointed by the Council, four of whom are appointed by the Mayor of the City and two of whom are appointed by the Board of Commissioners of Marion county to serve staggered terms of one, two or three years each. The present members of the Commission are as follows:

<table>
<thead>
<tr>
<th>Member</th>
<th>Appointed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timothy M. Ping</td>
<td>City-County Council</td>
</tr>
<tr>
<td>Dorothy J. Jones</td>
<td>Mayor</td>
</tr>
<tr>
<td>Ed Mahern</td>
<td>County Commissioners</td>
</tr>
<tr>
<td>Charles Eberhardt</td>
<td>County Commissioners</td>
</tr>
<tr>
<td>Randy Snyder</td>
<td>City-County Council</td>
</tr>
<tr>
<td>Tom Morales</td>
<td>Mayor</td>
</tr>
<tr>
<td>Diana Hamilton</td>
<td>Mayor</td>
</tr>
<tr>
<td>Tasha Phelps</td>
<td>City-County Council</td>
</tr>
<tr>
<td>Lisa Kobe</td>
<td>Mayor</td>
</tr>
</tbody>
</table>

Obligations, including the 2011 District Bonds, issued by the City acting through the Commission, must be approved by the City-County Council prior to issuance. The City-County Council approved issuance of the 2011 District Bonds by resolution on January 24, 2011. The City, acting through the Commission, may issue obligations payable from a special benefits tax, from incremental ad valorem property tax revenues, from project revenues, from any other available revenue sources, or from a combination of these sources. As described herein, Tax Increment Revenues are the only source of revenues pledged for the payment of the 2011 District Bonds.

THE CITY OF INDIANAPOLIS AND MARION COUNTY

Governance

The City is a municipal corporation located in Marion County, Indiana. It is the largest city in the State and the fourteenth largest city by population in the United States. In 1970, the governments of the City and the County were consolidated to form the State’s only consolidated city, which provides services generally throughout the County in which the City is located. By the consolidating act, the boundaries of the City were extended to the County line, although the municipalities of Beech Grove, Lawrence, Speedway and Southport were excluded.

The executive of the City is the Mayor who is elected by all the voters of the County. The Mayor, who may serve an unlimited number of four year terms, has extensive appointive powers and also serves as chief executive officer of the County. The executive authority is administered through six departments: Administration, Metropolitan Development, Parks and Recreation, Public Safety, Public Works and Waterworks.

The legislative body of the City and the County is the Council. The Council approves the annual budget and any tax levies for the City and other special taxing districts of the City and the County. The Council also is empowered to adopt or to review and modify the budgets and tax levies of certain other municipal corporations located within the County. The Council is required to approve the issuance of bonds and additional bonds of the Redevelopment District. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011 C BONDS—Bond Bank Reserve Fund and Replenishment Thereof.”

The City’s Comprehensive Annual Financial Reports for the fiscal years ending prior to December 31, 2009 are filed with and available from the Municipal Securities Rule Making Board’s Electronic Municipal Market
Economics and Demographics

Indianapolis is Indiana’s largest city and is also the State’s capital. Since 1980, Indianapolis has experienced consistent population growth, increasing from approximately 712,000 persons in 1980 to 808,000 in 2009, or 13% during the period. Located at roughly the geographic center of the State, Indianapolis is the crossroads for more major interstate highways than any other city in the United States. Indianapolis’ airport is ranked 8th in North America and 21th in the world for cargo shipments. (Source: The Indianapolis Airport Authority)

Indianapolis historically has had a higher level of per capita income than the State. From 2005 to 2008, Indianapolis’ per capita income grew 8.04%, versus 10.44% for Indiana and 13.39% for the United States, based on data from the Bureau of Economic Analysis, 2010. Per capita income in Indianapolis reached $39,318 in 2008, while the State’s average was $34,543 and the United States’ average was $40,166, which are also based on data from the Bureau of Economic Analysis, 2010.

LITIGATION

There is not now pending or, to the Bond Bank’s or Redevelopment District’s respective knowledge, threatened any litigation restraining or enjoining the issuance, sale, execution or delivery of the Series 2011 C Bonds; or in any way contesting or affecting the validity of the Series 2011 C Bonds or the 2011 District Bonds or any proceedings of the Bond Bank or the Redevelopment District taken with respect to the issuance or sale thereof, or application of any moneys or security provided for payment of the Series 2011 C Bonds or the 2011 District Bonds. Neither the creation, organization or existence of the Bond Bank or the Redevelopment District nor the title of any of the present directors or other officers of the Bond Bank or Redevelopment District to their respective offices is being contested.

TAX MATTERS

In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana (“Bond Counsel”), under existing laws, interest on the Series 2011 C Bonds is excludeable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Series 2011 C Bonds (the “Code”). The opinion of Bond Counsel is based on certain certifications, covenants and representations of the Bond Bank, the Redevelopment District, the Company and the Developer and is conditioned on continuing compliance therewith. In the opinion of Bond Counsel, under existing laws, interest on the Series 2011 C Bonds is exempt from income taxation in the State for all purposes, except the State financial institutions tax. See APPENDIX B for the form of opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the Series 2011 C Bonds as a condition to the excludability of interest on the Series 2011 C Bonds from gross income for federal income tax purposes. Noncompliance with such requirements may cause interest on the Series 2011 C Bonds to be included in gross income for federal income tax purposes retroactively to the date of issue, regardless of the date on which noncompliance occurs. Should the Series 2011 C Bonds bear interest that is not excludable from gross income for federal income tax purposes, the market value of the Series 2011 C Bonds would be materially and adversely affected. Each of the Bond Bank, Redevelopment District, the Company and the Developer will covenant not to take any action, within its respective power and control, nor fail to take any action with respect to the Series 2011 C Bonds or the 2011 District Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Series 2011 C Bonds pursuant to Section 103 of the Code. It is not an event of default under the Indenture if interest on the Series 2011 C Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the date of issuance of the Series 2011 C Bonds.
The interest on the Series 2011 C Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Series 2011 C Bonds is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

The Series 2011 C Bonds are not “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Indiana Code 6-5.5 imposes a franchise tax on certain taxpayers (as defined in Indiana Code 6-5.5) which, in general, includes all corporations which are transacting the business of a financial institution in Indiana. The franchise tax is measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code.

Although Bond Counsel will render an opinion that interest on the Series 2011 C Bonds is excludable from gross income for federal income tax purposes and exempt from State income tax, the accrual or receipt of interest on the Series 2011 C Bonds may otherwise affect a bondholder’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder’s particular tax status and a bondholder’s other items of income or deduction. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Series 2011 C Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Series 2011 C Bonds.

The foregoing does not purport to be a comprehensive description of all of the tax consequences of owning the Series 2011 C Bonds. Prospective purchasers of the Series 2011 C Bonds should consult their own tax advisors with respect to the foregoing and other tax consequences of owning the Series 2011 C Bonds.

AMORTIZABLE BOND PREMIUM

The initial public offering price of the Series 2011 C Bonds maturing on August 1, 2011, through and including August 1, 2024, excluding the Series 2011 C Bonds maturing on August 1, 2018 (collectively, the “Premium Bonds”), is greater than the principal amount payable at maturity. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the “Bond Premium”). An owner who acquires a Premium Bond in the initial public offering will be required to adjust the owner’s basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds (including sale, redemption or payment at maturity). The amount of amortizable Bond Premium will be computed on the basis of the taxpayer’s yield to maturity, with compounding at the end of each accrual period. Rules for determining (1) the amount of amortizable Bond Premium and (2) the amount amortizable in a particular year are set forth in Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of the Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities, are found in Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their own tax advisors concerning the treatment of Bond Premium.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The remedies available to the Trustee or the bondholders of the Series 2011 C Bonds upon a default under the Indenture, and to the Trustee or the Bond Bank under the 2011 District Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and
statutory law and judicial decisions, including specifically Title 11 of the United States Code (the United States Bankruptcy Code), the remedies provided in the Indenture and the 2011 District Bond Resolution, may not be readily available or may be limited.

The various legal opinions to be delivered concurrently with the delivery of the Series 2011 C Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State of Indiana and the United States of America and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Those exceptions encompass any exercise of the federal, State or local police powers (including the police powers of the City and the Redevelopment District) in a manner consistent with the public health and welfare. Enforceability of the Indenture and the 2011 District Bond Resolution in a situation where such enforcement may adversely affect public health and welfare may be subject to those police powers.

The various legal opinions to be delivered concurrently with the delivery of the Series 2011 C Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

FORWARD LOOKING STATEMENTS

This Official Statement and particularly the information contained under the captions “TAX INCREMENT REVENUES” and “APPENDIX A—Tax Increment Financing (TIF) Report” contain statements relating to future results that are “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect” and similar expressions identify forward looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements. Among the factors that may cause projected revenues and expenditures to be materially different from those anticipated are an inability to incur debt at assumed rates, construction delays, increases in construction costs, general economic downturns, factors affecting the property taxes in general and Tax Increment Revenues in particular, federal legislation and/or regulations, and regulatory and other restrictions, including but not limited to those that may affect the ability to undertake the timing or the costs of certain projects. Any forecast is subject to such uncertainties. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization, issuance, sale and delivery of the Series 2011 C Bonds are subject to the approval of Barnes & Thornburg LLP, Indianapolis, Indiana, Bond Counsel, whose approving legal opinion will be delivered with the Series 2011 C Bonds, substantially in the form found in APPENDIX B. Certain legal matters will be passed on by the Corporation Counsel of the City of Indianapolis, Indiana, as counsel for the City and the Redevelopment District, by the General Counsel to the Bond Bank, as counsel for the Bond Bank, and by Krieg DeVault LLP, Indianapolis, Indiana, as counsel for the Underwriters.

RATINGS

Standard & Poor’s Rating Services (“S&P”) and Moody’s Investors Service (“Moody’s”), have assigned the Series 2011 C Bonds ratings of “AA+” (Stable Outlook) and “Aa3” (Negative Outlook), respectively, based upon the issuance of the Series 2011 C Bond Insurance Policy at the time of delivery of the Series 2011 C Bonds. Such ratings are conditional upon the issuance of the Series 2011 C Bond Insurance Policy. S&P and Moody’s have assigned long-term ratings, without consideration of the Series 2011 C Bond Insurance Policy or other credit enhancement, of “AA” and “Aa2,” respectively, to the Series 2011 C Bonds. An explanation of the significance of the ratings should be obtained from S&P and Moody’s, respectively. Such ratings reflect only the views of such rating agencies, and there is no assurance that any rating will continue for any given period of time or that any rating
will not be revised downward or withdrawn entirely by the applicable rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of a rating may have an adverse on the market price of the Series 2011 C Bonds.

The Underwriters have undertaken no responsibility either to bring to the attention of the owners of the Series 2011 C Bonds any proposed revision or withdrawal of the rating of the Series 2011 C Bonds or to oppose any such proposed revision or withdrawal. Other than the reporting obligation of the Bond Bank pursuant to the Continuing Disclosure Undertaking Agreement (as defined herein), the Bond Bank, the District and the City have not undertaken any responsibility to bring to the attention of the owners of the Series 2011 C Bonds any proposed change in or withdrawal of such ratings once received or to oppose any such proposed revision.

UNDERWRITING

The Underwriters have agreed, subject to certain customary conditions precedent to closing, to purchase the Series 2011 C Bonds at an aggregate purchase price of $41,325,888.93, which represents the par amounts set forth on the inside cover page hereof, plus a net original issue premium of $2,606,435.65, less an underwriters’ discount of $280,546.72, pursuant to a Bond Purchase Agreement entered into by and between the Bond Bank and the Underwriters. Such Bond Purchase Agreement provides that the Underwriters will purchase all of the Series 2011 C Bonds if any are purchased. The initial offering price may be changed from time to time by the Underwriters.

The Underwriters have agreed to make a bond fide public offering of all of the Series 2011 C Bonds at prices not in excess of the initial public offering prices set forth or reflected inside the cover page of this Official Statement. The Underwriters may sell the Series 2011 C Bonds to certain dealers (including dealers depositing Series 2011 C Bonds into investments trusts) and others at prices lower than the offering prices set forth inside the cover page hereof.

SERIES 2011 C BONDS AS LEGAL INVESTMENTS

Pursuant to the Act, all Indiana financial institutions, investment companies, insurance companies, insurance associations, executors, administrators, guardians, trustees and other fiduciaries may legally invest sinking funds, money, or other funds belonging to them or within their control in bonds or notes issued by the Bond Bank.

AGREEMENT WITH STATE

The Act provides that the State will not limit or restrict the rights vested in the Bond Bank to fulfill the terms of any agreement made with the owners of the Series 2011 C Bonds or in any way impair the rights or remedies of the owners of the Series 2011 C Bonds for so long as the Series 2011 C Bonds are outstanding.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of certain mathematical computations (i) showing that payments on the 2011 District Bonds, together with other available revenues, have been structured to be sufficient to pay principal of and interest on the Series 2011 C Bonds when due; (ii) showing the adequacy of the maturing principal of and interest on the Escrow Securities held in Escrow Fund to satisfy certain requirements relating to the Refunded Bonds for the payment of principal and interest on the Refunded Bonds when due; (iii) supporting the conclusion of Barnes & Thornburg LLP, Indianapolis, Indiana, Bond Counsel, that the Series 2011 C Bonds are not arbitrage bonds under Section 148 of the Code will be verified by Crowe Horwath LLP, independent certified public accountants. Such verifications shall be based upon certain information and assumptions supplied by the Bond Bank and the Underwriters.
CROWE HORWATH LLP AS FINANCIAL ADVISOR

Crowe Horwath LLP, Indianapolis, Indiana, (“Crowe Horwath”) served as financial advisor to the Bond Bank with respect to the sale of the Series 2011 C Bonds. As the Bond Bank’s financial advisor, Crowe Horwath has assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring, rating and issuance of the Series 2011 C Bonds. In its role of financial advisor to the Bond Bank, Crowe Horwath has not undertaken either to make an independent verification of or to assume responsibility for the accuracy or completeness of the information contained in this Official Statement, except “TAX INCREMENT REVENUES – The Report” and “APPENDIX A—Tax Increment Financing (TIF) Report.”

AVAILABILITY OF DOCUMENTS AND FINANCIAL INFORMATION

On July 21, 2010, the City filed with the Municipal Securities Rulemaking Board (the “MSRB”), the Comprehensive Annual Financial Report of the City for the year ended December 31, 2009 (the "CAFR"). There is hereby included in this Official Statement by this reference the information contained in the CAFR, which information should be read in its entirety in conjunction with this Official Statement.

Copies of the CAFR may be obtained from the MSRB pursuant to its usual procedures and at its prescribed rates. No financial reports related to the Redevelopment District are prepared on an interim basis and there can be no assurance that there have not been material changes in the financial position of the Redevelopment District since the date of the most recent available CAFR. Upon request and receipt of payment for reasonable copying, mailing and handling charges, the Bond Bank will make available copies of the most recent CAFR, any authorizing or governing instruments defining the rights of owners of the Series 2011 C Bonds or the owners of the 2011 District Bonds and available financial and statistical information regarding the Bond Bank and the Redevelopment District. Requests for documents and payments therefor should be directed and payable to Deron S. Kintner, Esq. Executive Director, Executive Director, The Indianapolis Local Public Improvement Bond Bank, Suite 2342, 200 East Washington Street, Indianapolis, Indiana 46204.

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in SEC Rule 15c2-12, as amended (the "SEC Rule"), the Bond Bank will deliver a Continuing Disclosure Undertaking Agreement (the "Undertaking"), to be dated the date of delivery of the Series 2011 C Bonds. The Bond Bank is the issuer and the Redevelopment District is the only obligated person under the SEC Rule. Pursuant to the terms of the Undertaking, the Bond Bank will agree to provide the following information while any of the Series 2011 C Bonds are outstanding to the MSRB, in an electronic format prescribed by the MSRB:

• Audited Financial Statements. When and if available, the audited comprehensive annual financial report of the City for each twelve-month period ending December 31st, beginning with the twelve-month period ending December 31, 2010, together with the opinion of such accountants and all notes thereto, within 60 days of receipt from the certified public accountants;

• Financial Information in this Official Statement. Within 210 days of each December 31st, beginning with the calendar year ending December 31, 2010, unaudited annual financial information for the City for such calendar year (the “Annual Information”) including (i) unaudited financial information of the City if audited financial statements are not available; (ii) the information contained in the tables entitled “Historical Assessed Valuation” and “Ten Largest Real Property Taxpayers For 2009 Payable 2010” contained within the Section “TAX INCREMENT REVENUES” in this Official Statement;

• Event Notices. In a timely manner not in excess of 10 Business Days after the occurrence of the event, notice of certain events listed in the Rule with respect to the Series 2011 C Bonds or the 2011 District Bonds; and
Failure to Disclose. In a timely manner, notice of the Bond Bank failing to provide the audited financial statements or Annual Information as described earlier.

Any financial statements of the City will be prepared in accordance with any accounting principles mandated by the laws of the State, as in effect from time to time, or any other consistent accounting principles that enable market participants to evaluate results and perform year to year comparisons, but need not be audited.

If any Annual Information no longer can be generated because the operations to which it relates have been materially changed or discontinued, a statement to that effect will satisfy the requirements of the Undertaking.

The Bond Bank may, from time to time, amend the Undertaking without the consent of or notice to the owners of the Series 2011 C Bonds if either (a)(i) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the obligated persons, or type of business conducted; (ii) the Undertaking, as so amended, would have complied with the requirements of the SEC Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and (iii) such amendment does not materially impair the interests of the holders of the Series 2011 C Bonds, as determined either by (A) nationally recognized bond counsel, (B) the trustee, or (C) an approving vote of the holders of the Series 2011 C Bonds pursuant to the terms of the Indenture at the time of such amendment; or (b) such amendment (including an amendment which rescinds the Undertaking) is otherwise permitted by the SEC Rule, as then in effect.

The Bond Bank may, at its sole discretion, use an agent in connection with the dissemination of any annual financial information required to be provided by the Bond Bank pursuant to the terms of the Undertaking.

The purpose of the Undertaking is to enable the Underwriters to purchase the Series 2011 C Bonds by providing for an undertaking by the issuer in satisfaction of the SEC Rule. The Undertaking is solely for the benefit of the owners of the Series 2011 C Bonds and creates no new contractual or other rights for, nor can it be relied upon by, the SEC, Underwriters, brokers, dealers, municipal securities dealers, potential customers, other obligated persons or any other third party. The sole and exclusive remedy against the Bond Bank for any failure to carry out any provision of the Undertaking will be for specific performance of the Bond Bank's disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The Bond Bank's failure to honor its covenants under the Undertaking will not constitute a breach or default of the Series 2011 C Bonds, the Indenture, the 2011 District Bonds, the Bond Bank Resolution, the 2011 District Bond Resolution or any other agreement to which the Bond Bank is a party.

The annual information filings made pursuant to the Continuing Disclosure Undertaking Agreement relating to The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2001 C, for the years 2001 through 2005 did not contain all the information required to be filed; however, updated and complete annual information was filed in 2006. Further, other departments of the City have filed annual operating data later than the time required under certain other undertakings.

The City is a party to a number of continuing disclosure undertakings that require submission of the CAFR and other annual financial information, generally within 210 days after the close of each fiscal year. In 2007 and 2008, the City notified each of the nationally recognized municipal securities information repositories and the MSRB that the 2006 and 2007 audits had not been completed and thus the CAFR and other annual financial information could not be filed within 210 days after December 31, 2006 and December 31, 2007, respectively. However, the CAFR for such years and other financial information were filed on October 8, 2007 and November 6, 2008, respectively.

MISCELLANEOUS

The references, excerpts, and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Series 2011 C Bonds, the security for the payment of the Series 2011
C Bonds and the rights of the owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the offices of the Underwriter; following delivery of the Series 2011 C Bonds, copies of such documents may be examined at the offices of the Bond Bank.

The information contained in this Official Statement has been compiled from official and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statements made in this Official Statement involving matters of opinions or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is submitted in connection with the issuance and sale of the Series 2011 C Bonds and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract or agreement between the Bond Bank, the City, the County, the Redevelopment District, the Trustee, the Registrar and Paying Agent or the Underwriter and the purchasers or owners of any Series 2011 C Bonds. The delivery of this Official Statement has been duly authorized by the Board of Directors of the Bond Bank.

The delivery of this Official Statement has been duly authorized by the Board of Directors of the Bond Bank.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

By: /s/ Briane M. House

Chairman

Dated: March 1, 2011
APPENDIX A

TAX INCREMENT FINANCING (TIF) REPORT
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT
BOND BANK
City of Indianapolis

The Indianapolis Local Public Improvement Bond Bank
Bonds, Series 2011 C

TAX INCREMENT FINANCING (TIF) REPORT

February 15, 2011

Revised to Reflect Results of the Bond Sale
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THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis

The Indianapolis Local Public Improvement Bond Bank
Bonds, Series 2011 C

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Revised to Reflect Results of the Bond Sale
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis

PURPOSE OF THE REPORT

The Purpose of this Tax Increment Financing (TIF) Report ("Report") is to estimate cash
flows from TIF Revenues which may be available for collection from real property improvements
that have been constructed, owned and operated in the Harding Street Redevelopment Project
Area ("Area").

The City of Indianapolis Redevelopment District ("Redevelopment District") Tax
Increment Revenue Multipurpose Bonds, Series 2011 A ("Qualified Obligations") will be paid
primarily from TIF Revenues.

The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2011 C ("2011 C
Bonds") are being issued for the purpose of providing funds to (i) purchase the Qualified
Obligations to be issued by the City of Indianapolis ("City") in Marion County, Indiana ("County"),
for and on behalf of the Redevelopment District; (ii) pay the premium on a debt service reserve
surety policy; (iii) refund the 1991 A Bonds and the 2001 C Bonds (described herein); (iv) pay all
of the amount due to Eli Lilly and Company ("Company") as described under the heading
"GENERAL DESCRIPTION OF THE QUALIFIED OBLIGATIONS"; (v) pay the costs of issuance
of the 2011 C Bonds and; (vi) pay for certain program expenses of the Indianapolis Local Public
Improvement Bond Bank ("Bond Bank") including paying the premium for a municipal bond
insurance policy.

In the course of preparing this Report, we have not conducted an audit, review or
compilation of any financial of supplemental data used in the accompanying Exhibits. We have
made certain projections of revenues which may vary from actual results because events and
circumstances frequently do not occur as expected and such variances may be material. We
have no responsibility to update this Report for events or circumstances occurring after the date
of this Report.

This Report is based on estimates, assumptions and other data developed by us from
knowledge of and participation in other tax increment financings and studies; and data supplied
by, as well as consultations with, the Bond Bank and other interested parties.

If you have questions regarding this Report, please call Angie Steeno at (317) 269-2367
or Jennifer Hudson at (317) 269-2374.
GENERAL DESCRIPTION OF THE AREA

The Area is located on the southwest side of downtown Indianapolis and is comprised primarily of industrial and commercial properties. The Area was established by the Metropolitan Development Commission of Marion County, Indiana ("MDC") in 1983 after the Area was deemed to be blighted and a redevelopment plan for the Area was approved. The Area was originally bounded on the north by Raymond Street and the Harding Street right-of-way between Kentucky Avenue and Interstate 70, to the northeast by Connell lines; to the east by White River Parkway East Drive, Conrail tracks and the White River, to the south by the White River and White River Parkway East Drive, and to the west by Big Eagle Creek. In 1990, the MDC expanded the Area, and the expanded area is bounded to the north by Interstate 70, to the east by White River Parkway East Drive, to the south by the Conrail line from White River Parkway East Drive to Kentucky Avenue and Kentucky Avenue from the Conrail lines to Harding Street, and to the west by the first alley west of Harding Street from Interstate 70 to Raymond Street. The redevelopment plan included a $44.3 million project consisting of land acquisitions; rehabilitation of certain structures; demolition of hazardous buildings; right-of-way acquisition and road construction; storm drainage and sanitary sewer improvements; relocation of an existing fire station; neighborhood street repaving, curb replacement, and sidewalk repair; and improvements to the levee along the White River. The base assessed valuation date for the initial Area is March 1, 1983, and the base assessed valuation date for the expanded Area is March 1, 1990. Because the declaratory resolutions establishing both the original and expanded Areas were adopted prior to July 1, 1995, per IC 36-7-15.1-26(b) an expiration date for the Area is not required, and no such date has been included in the declaratory resolutions for the purpose of allocating and distributing TIF Revenues.

The Redevelopment District issued its Tax Increment Revenue Bonds of 1991 (Harding Street Project) ("1991 District Bonds") to fund infrastructure improvements for general public use, including water and sewer improvements, that are located in or serving the area. The 1991 District Bonds consist of both current interest bonds and capital appreciation bonds (CABs). The Bond Bank simultaneously issued its corresponding Indianapolis Local Public Improvement Bond Bank Bonds, Series 1991 A ("1991 A Bonds"); however, the Bond Bank refunded the current interest bonds portion of the 1991 A Bonds with the issuance of the Indianapolis Local Public Improvement Bond Bank Bonds, Series 2001 C ("2001 C Bonds") (both being refunded herein). The Redevelopment District did not refund a portion of its 1991 District Bonds; however, the 1991 District Bonds will be defeased when the 1991 A Bonds outstanding CABs and the 2001 C Bonds are refunded.

GENERAL DESCRIPTION OF THE QUALIFIED OBLIGATIONS

The Qualified Obligations are being issued for the purpose of (i) procuring funds to be applied to the cost of refunding all of the outstanding 1991 District Bonds; (ii) paying the premium on a debt service reserve fund surety policy; (iii) funding all of the amounts payable to Eli Lilly and Company (the "Company") by the Redevelopment District pursuant to the Taxpayer Agreement, dated April 24, 1991 (the "Taxpayer Agreement"), between the Redevelopment District and the Company; and (iv) paying costs and expenses incurred in connection with or on account of the issuance of the Qualified Obligations and the 2011 C Bonds, including paying the premium for a municipal bond insurance policy. In connection with the issuance of the 1991 District Bonds, the MDC and the Company entered into the Taxpayer Agreement. The Taxpayer Agreement provided that if the
TIF Revenues of the Area were insufficient to pay the principal and interest on the 1991 District Bonds, the Company would deposit revenues with the trustee to make up any shortfall. As shown on Exhibit C, the Company has provided approximately $11.5 million to the payment of the 1991 Bonds. Although the MDC has previously paid the Company approximately $1.3 million (in connection with the issuance of the 2001 C Bonds), the MDC owes the Company approximately $14.8 million, which represents principal due under the Taxpayer Agreement, together with accrued interest thereon. The proposed Series 2011 C Bonds will repay approximately $14.8 million of the amount due.

TIF REVENUES

The Bond Bank has engaged Crowe to estimate TIF Revenues of the Area resulting from property taxes paid by owners of real property within the Area. TIF Revenues consist of all property taxes on real property in excess of those attributable to the Base Assessed Value. The Base Assessed Value for purposes of the Area means the net assessed valuation of all the real property in the Area as determined for the assessment date immediately preceding the effective date of the resolution adopted pursuant to IC 36-7-15.1 establishing an allocation area unless otherwise established by the Commission and adjusted for reassessment and trending. Beginning in Pay 2010, the Base Assessed Value for the Area is zero ($0).

TIF Revenues may only be used by the MDC for certain limited purposes, including payment of the principal of and interest on bonds to which such revenues are pledged, and establishing, augmenting and restoring any reserve accounts for bonds payable therefrom. Pursuant to State law, property taxes are due and payable to the County Treasurer each May 10 and November 10. After property taxes are paid to the County Treasurer as described above, on or before each June 30 and December 31, such taxes are allocated by the County Auditor who, based on the previous year’s certification, pays the portion of property tax receipts which represent TIF Revenues into the Area’s Allocation Fund.

Before July 15 of the preceding calendar year in which taxes are due and payable, the MDC must determine and notify the County Auditor of the amount, if any, by which incremental assessed value of the Area is expected to exceed the amount of incremental assessed value necessary to generate sufficient TIF Revenues to meet the obligations (including required reserves and debt service coverage ratios) which may be legally paid with such TIF Revenues. Excess assessed value may be allocated annually to all overlapping taxing units, wholly or partially located in the Area, so long as doing so will not jeopardize the interests of owners of bonds payable in whole or in part from TIF Revenues.

In addition to the legislative changes described below, the General Assembly also has provided a means to generate additional TIF Revenue if there is insufficient assessed value due to laws enacted by the Indiana General Assembly or actions taken by the Department of Local Government Finance in the Area to generate TIF Revenues required to meet the obligations which may be legally paid with such TIF Revenues. If there are insufficient TIF Revenues, the MDC may, after a public hearing, (a) impose a special assessment on all property owners in the Area; (b) impose a tax on all taxable property in the Redevelopment District; or (c) reduce the base assessed value of property in the Area.
LEGISLATIVE CHANGES IMPACTING TIF REVENUES

Beginning in 2006, many legislative changes to Indiana’s property tax system which may impact the Area’s TIF Revenues were implemented. Those legislative changes include the following:

- Annual assessed value adjustments known as trending, which began in pay 2007 (generally, would lower property tax rates);
- Implementation of a supplemental homestead deduction beginning in pay 2009 equal to 35% of assessed value net of the standard deduction up to $600,000, and 25% of the assessed value net of the standard deduction over $600,000 (generally, would increase property tax rates);
- Elimination of state property tax replacement credits (PTRCs) beginning in pay 2009 (generally, would increase property tax rates);
- Elimination of state homestead credits beginning in pay 2011, with significant reductions in the amount of the credits beginning in pay 2009 (generally, would increase property tax rates in housing TIFs);
- State assumption of the State Forestry, State Fair Board, County Medical Assistance to Wards, County Family and Children, County Children’s Psychiatric Residential Treatment Services, County Children with Special Healthcare Needs, County Hospital Care for the Indigent, School General, School Special Education/Preschool, and the majority of the local Police and Fire Pension funds beginning in pay 2009 (generally, would lower property tax rates);
- Implementation of property tax caps that limit the amount of taxpayer bills known as circuit breaker credits, which began to be phased in for taxes payable in 2008; and
- Implementation of a permanent credit for individuals based on age, income and property assessed valuation, known as the elderly circuit breaker credit, that caps the percentage by which tax bills can grow annually.

Each of these changes may affect the TIF Revenues collected from the Area. The changes, individually or in combination, affect assessed values, tax rates and total collections.

Assessed values and tax rates are affected by trending and the new supplemental homestead deduction. Assessed value trending began for taxes payable in 2007. Trending is an annual adjustment in the assessed values of all real property based on changes in market value. The base assessed values of tax increment allocation areas are adjusted each year to neutralize the effects of trending; therefore, changes in assessed value due to trending do not directly result in TIF Revenue increases or decreases. A decrease in net assessed value (NAV) in the Area due to the increase in deductions would lead to lower collections; however, some of the decrease may be offset by an increase in tax rates caused by the decrease in NAV in the taxing district in which the Area is located. The initial reduction in NAV due to the supplemental homestead deduction was realized in pay 2009. In the course of preparing this Report, Crowe did not assume any assessed value changes due to trending.

In addition to assessed value changes affecting tax rates, the elimination of State PTRC and Homestead Credits and the State’s assumption of the previously mentioned funds will impact tax rates. Property tax collections will be affected by the provision that imposes caps on property tax payments depending on the classification of property. These caps, commonly referred to as circuit breakers, limit the amount of property taxes paid by the property owner to a
percentage of the gross assessed valuation (that is, before the application of any assessed value deduction or property tax exemptions) of the property. For taxes payable in 2010 and thereafter, the circuit breaker credit equals one percent (1%) for homestead-eligible property, two percent (2%) for qualified residential real property (rental homes, apartments, non-homestead-eligible dwellings, long-term-care facilities) and agricultural land, and three percent (3%) for all other real property and personal property. See "CIRCUIT BREAKER TAX CREDITS" herein for further discussion of how the circuit breaker credits may affect TIF Revenues.

CIRCUIT BREAKER TAX CREDITS

The circuit breaker tax credits are not a limit on tax rates. The calculation and impact of the circuit breaker is measured at the individual taxpayer level using the individual taxpayer's gross assessed value (GAV) and net tax bill amount. Therefore, an analysis using total values in an area is only a general illustration of the issue and cannot be reasonably relied upon to estimate the impact of circuit breaker credits, if any.

Notwithstanding any future tax credits which may be paid (of which none are currently anticipated), for non-residential real property with a GAV equal to NAV (i.e., the property is not eligible for any deductions from GAV), if the tax rate exceeds $3.00 per $100 of NAV, the property (beginning in pay 2010) will be subject to the circuit breaker. For qualified residential real property and agricultural land in which the GAV equals the NAV, if the tax rate exceeds $2.00 per $100 of NAV (beginning in pay 2010), the property will be subject to the circuit breaker. Because homestead properties receive a standard homestead deduction plus the supplemental homestead deduction, the GAV and NAV for the homestead properties will never be equal. Therefore, it is more difficult to estimate at what tax rate the homestead properties will reach the 1% circuit breaker threshold. In general, as the GAV of a homestead property increases, the greater the likelihood the taxpayer will receive a circuit breaker credit.

The tax rate to be applied to non-homestead properties in the Area for taxes payable in 2010 and thereafter is $2.9796 per $100 of NAV. The pay 2010 tax rate is certified and was obtained from the Department of Local Government Finance Budget Order for the County. Due to the adoption of a Local Option Income Tax (LOIT) to replace maximum permissible levy growth, the majority of the levies in the County are frozen at the pay 2007 levels; therefore, no assumptions have been made related to levy growth after pay 2010. The pay 2010 tax rate is greater than the circuit breaker threshold for qualified residential property and agricultural land (assuming no other individual taxpayer deductions or credits). Per the County Pay 2010 Abstract, the revenue loss in the Area due to the granting of circuit breaker credits for taxes payable in 2010 is $5,091. As shown on Exhibit B of this Report, TIF Revenues have been reduced by this amount beginning in pay 2010 and going forward. Note that only properties eligible for a 2% circuit breaker credit have the potential to impact TIF Revenues from the Area as TIF Revenues may not be captured from homestead properties in the Area, and the pay 2010 tax rate does not exceed the 3% circuit breaker threshold.

In addition to the circuit breaker credits, a credit has been implemented for taxpayers who meet certain age, income and assessed valuation requirements. Qualified taxpayers are
required to file for the permanent credit, which would not allow the taxpayer’s property tax bill to increase more than two percent (2%) annually. Because homestead tax increment is not part of the TIF Revenues, the qualified homestead credit has not been included in our calculations.

House Enrolled Act 1001 of 2008 (P.L. 146-2008) provided the ability to reduce the base assessed value of the Area if TIF Revenues are insufficient to meet the debt service obligations of the Area. The impact of the circuit breaker credits on TIF Revenues may result in a reduction of these additional revenues; however, as presented above, the estimated potential revenue loss does not appear to be significant enough to change the base assessed value of the Area.

**RISKS RELATED TO TIF REVENUES**

Bondholders should consider the following risks relating to TIF Revenues in purchasing the 2011 C Bonds.

1. The TIF Revenues estimated in the Report are based on certain assumptions. Even if the projected levels of TIF Revenues are obtained, with respect to factors influencing TIF Revenues (such as tax rates and incremental assessed value), there will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

2. Reduction of assessed valuation within the Area because of future general reassessment of real property or any reduction in tax rates applicable to the Area resulting from such general reassessment could adversely affect the amount of TIF Revenue.

3. In the event there is continued deterioration of general economic conditions in the United States, the State of Indiana or the City resulting in high unemployment and reduced personal and corporate income, there could be a reduction in the percentage of property taxes collected annually which would adversely affect the amount of TIF Revenue received in the Area.

4. Due to assessed value trending which began in pay 2007 and a subsequent retrending order issued by the Department of Local Government Finance, the County has experienced delays in assessment, billing and collection of property taxes. The County completed final settlement of pay 2009 taxes on March 31, 2010. As of the date of this Report, the County has mailed pay 2010 tax bills on time.

5. Under existing procedures, the taxpayers could delay full payment of taxes to future periods by non-payment in current periods causing an interruption in tax revenue cash flow. Taxpayers could appeal assessments and levies, thereby reducing or delaying payment of tax revenues projected in the Report.

6. A ceasing of operations by a taxpayer or taxpayers or elimination of a substantial amount of real property which is subject to assessment in the Area, without equivalent substitution thereof, would reduce the TIF Revenues available for debt service.
7. Actual pay 2010 tax rates were used to estimate future TIF Revenues. Due to the adoption of a LOIT to replace levy growth, the majority of the levies in the County are frozen at the pay 2007 levels. However, no assumption has been made for changes in debt service fund levies, and these changes could be significant due to the issuance of new debt. There are no economic, statutory or other assurances that such tax rates will be the actual tax rates for taxes payable in 2011 or beyond.

8. Current or future assessed value of any property in the Area could be reduced by fire, flood or other natural disasters which could adversely impact TIF Revenues.

9. Other economic factors, not defined above, could adversely impact TIF Revenue from the Area.

10. Substantial increases in the County or City property assessments outside the Area or substantial increases in State or Federal subsicles or aid (which reduce levies) could reduce the future tax rates within the Area.

11. This Report is based on the assessed valuations and abatements as summarized in Exhibit B. Changes to these assessed valuations may impact the results of this Report.

12. The 2008 session of the Indiana General Assembly modified an existing property tax control at the individual property taxpayer level. Beginning with taxes payable in 2010, the circuit breaker credit equals one percent (1%) for homestead-eligible property, two percent (2%) for qualified residential real property and agricultural land, and three percent (3%) for all other real property and personal property. The effect on the total TIF Revenues collected and distributed in the Area have been estimated in the Circuit Breaker Tax Credit section of this Report and applied to the revenue calculations in Exhibit B. Because of the level of detail used to apply the circuit breaker credits and the variables affecting the credits (assessed valuations, tax rates, deductions and tax rate credits), actual circuit breaker credits may vary from the credits estimated in this Report, and the difference may be material.

13. In 2007, the City-County Council of the Consolidated City-County of Indianapolis-Marion County enacted a local option income tax that resulted in freezing of certain operational tax levies subject to the State’s Maximum Permissible Levy controls. The effect would be to reduce property tax rates if assessed values increase, thereby reducing TIF Revenues, all other factors held constant.

14. The estimated base and incremental assessed values contained in this Report are subject to change multiple times from the time property is first assessed until the final installment of taxes is paid for a given year resulting from upon appeals, additional assessments, errors or additional charges.
SUMMARY OF SIGNIFICANT ASSUMPTIONS

The following assumptions have been made while preparing this Report. Actual results may vary from these assumptions and these variances may materially affect the results of this Report.

1. The estimated TIF Revenue used for the analysis is calculated using certified pay 2010 tax rates.
2. Assumed all real property is contained within its own parcel for tax increment.
3. No assumption has been made for the impact of trending on tax rates.
4. Assessed valuations for pay 2012 have been assumed to be held constant through pay 2024.
5. Crowe assumed that anticipated appeals will be realized in pay 2011 and assumed to be permanent.
6. Crowe assumed that the currently outstanding bonds will be refunded.
7. The estimated revenue stream is held constant (excluding growth due to abatement roll-off) throughout the analysis. For pay 2011 and pay 2012, the total value of real estate was adjusted for the potential loss of assessed valuation due to appeals and refunds due to appeals.
8. No effect for environmental, regulatory or other unforeseen circumstances which may have an impact on the assessment of property in the Area has been reflected in this Report.
9. No effect for any unanticipated additions of new development outside the Area (thus, potentially reducing tax rates) has been reflected in this Report.
10. No assumption has been made related to increases in property tax levies due to the issuance of new debt by units of government in the taxing district where the Area is located. All levies were held at pay 2010 levels.
11. It has been assumed that the officials of the County and the City charged with such responsibilities will comply with all procedures required on a timely basis so as to ensure that the Areas taxes are properly assessed, levied, collected and distributed.
# THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis

*Calculation of Certified Tax Rates
(Taxing District 100)*

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<th></th>
<th>Pay 2010 Net Assessed Valuation (1)</th>
<th>Certified Pay 2010 Property Tax Levy (1)</th>
<th>Certified Pay 2010 Tax Rate (1)</th>
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<td>Total Indianapolis Public Transportation Corp.</td>
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(1) Source: Department of Local Government Finance 2010 Budget Order.
### THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

City of Indianapolis

Calculation of Certified Tax Rates
(Taxing District 100) (Continued)

<table>
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<tr>
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<th>Certified Pay 2010 Property Tax Levy (1)</th>
<th>Certified Pay 2010 Tax Rate (1)</th>
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<td><strong>Health and Hospital Corporation</strong></td>
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| **Indianapolis Fire Special Service** |                                     |                                         |                                 |
| Fire Special Service District General | 20,113,167,524                      | 51,208,125                              | 0.2546                          |
| Cumulative Capital Development | 20,113,167,524                       | 1,991,204                               | 0.0099                          |
| Total Indianapolis Fire Special Service | 53,199,329                           |                                         | 0.2645                          |

| **Indianapolis Sanitation (Solid)** |                                     |                                         |                                 |
| Sanitation Solid General       | 33,466,608,906                       | 25,200,357                              | 0.0753                          |

| **Police Special Service District** |                                     |                                         |                                 |
| Police Special Service District General | 9,930,383,425                      | 31,767,297                              | 0.3199                          |

| **Indianapolis Consolidated City** |                                     |                                         |                                 |
| Redevelopment General          | 33,420,589,703                       | 434,468                                 | 0.0013                          |
| Redevelopment Debt Service     | 33,420,589,703                       | 802,094                                 | 0.0024                          |
| Debt Service                   | 33,420,589,703                       | 8,789,615                               | 0.0263                          |
| Cumulative Capital Development | 33,420,589,703                       | 11,797,468                              | 0.0353                          |
| Consolidated County Park General | 35,817,405,985                      | 17,192,355                              | 0.0480                          |
| Consolidated County Park Debt Service | 35,817,405,985               | 2,901,210                               | 0.0081                          |
| Consolidated County General    | 35,817,405,985                       | 21,418,809                              | 0.0598                          |
| MECA Debt Service              | 35,817,405,985                       | 3,796,645                               | 0.0106                          |
| Metro Thoroughfare Debt Service | 35,817,405,985                      | 5,659,150                               | 0.0158                          |
| Total Indianapolis Consolidated City | 72,791,814                         |                                         | 0.2076                          |

Total Tax Rate (Per $100 of Net Assessed Valuation) $ 2.9796

(1) Source: Department of Local Government Finance 2010 Budget Order.
<table>
<thead>
<tr>
<th></th>
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<th></th>
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<td>$104,375,070 (28,384,572) (1)</td>
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<td>$3,451,989 (1)</td>
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<td>185,662,034 (1)</td>
<td>185,662,034 (55,950,125) (1)</td>
<td>129,711,909 (1)</td>
<td>2,826 (4)</td>
<td>3,083,555 (1)</td>
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<tr>
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<td>172,186,507 (22,680,647) (1)</td>
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<td>169,599,793</td>
<td>169,659,753</td>
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<td>5,055,183 $ (5)</td>
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<td>(5,091) (5)</td>
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<td>82,988,023</td>
<td>82,988,023</td>
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<td>2,472,741 (5)</td>
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<td>$5,100,220 (1)</td>
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<td>5,039,809 (5)</td>
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<td>163,197,467</td>
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<td>5,190,388 (5)</td>
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<tr>
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<td>178,520,628</td>
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<td>5,319,201 (5)</td>
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<td>5,319,201 (5)</td>
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<tr>
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<td>5,414,527 (5)</td>
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<td>5,476,178 (5)</td>
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<tr>
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<td>163,043,575 (8)</td>
<td>185,712,020</td>
<td>2,976</td>
<td>5,533,475 (5)</td>
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<td></td>
<td></td>
<td></td>
<td>5,533,475 (5)</td>
</tr>
<tr>
<td>2021</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>2,976</td>
<td>5,533,475 (5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,533,475 (5)</td>
</tr>
<tr>
<td>2022</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>2,976</td>
<td>5,533,475 (5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,533,475 (5)</td>
</tr>
<tr>
<td>2023</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>2,976</td>
<td>5,533,475 (5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,533,475 (5)</td>
</tr>
<tr>
<td>2024</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>165,712,020</td>
<td>2,976</td>
<td>5,533,475 (5)</td>
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<td></td>
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<td></td>
<td>5,533,475 (5)</td>
</tr>
</tbody>
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(1) Source: The Indianapolis Local Public Improvement Bond Bank TIF Neutralization Worksheets.
(2) Assumes no new abatements will be granted after Pay 2012.
(3) Per $100 of Net Assessed Valuation (NAV).
(4) Actual. Source: Marion County Pay 2007 through Pay 2010 Budget Orders, respectively.
(5) Source: Marion County Pay 2010 Abstract.
(6) The Estimated TIF NAV is net of certain appeals for prior years anticipated to be granted in Pay 2011. The estimated 2011 NAV loss is assumed to be held constant.
(7) The Estimated TIF NAV is net of certain appeals anticipated to be granted in Pay 2012 and assumed to be held constant.
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis
Reimbursement Owed to Eli Lilly and Company

Funds Received from Eli Lilly (7/16/97 - 7/24/09) (1) $11,526,706
Estimated Accrued Interest Due to Eli Lilly as of March 10, 2011 (2) 4,679,618
Less: Funds Reimbursed to Eli Lilly (7/2/01) (1,384,439)
Total Estimated Reimbursement Owed to Eli Lilly (2) $14,821,885

(1) The Metropolitan Development Commission of Marion County, acting as the Redevelopment Commission of the City of Indianapolis, entered into a Taxpayer Agreement ("Agreement") with Eli Lilly and Company ("Company") on April 24, 1991. The Agreement provided that if the TIF Revenues of the Harding Street Allocation Area were insufficient to pay the principal and interest on the Revenue Bonds of 1991 A ("1991 A Bonds"), the Company would deposit revenues with the trustee of the 1991 A Bonds to make up any shortfall.

(2) Provided by the Bond Bank on January 14, 2011.
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis


<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$3,290,300</td>
<td>$2,045,000</td>
<td>$1,246,556</td>
<td>$(1,256)</td>
<td>$1,556 (4)</td>
</tr>
<tr>
<td>2008</td>
<td>3,385,300</td>
<td>2,140,000</td>
<td>1,243,116</td>
<td>2,184</td>
<td>3,740</td>
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<td>2,245,000</td>
<td>1,244,676</td>
<td>624</td>
<td>4,364</td>
</tr>
<tr>
<td>2010</td>
<td>3,595,300</td>
<td>2,350,000</td>
<td>1,245,509</td>
<td>(209)</td>
<td>4,155</td>
</tr>
<tr>
<td>2011</td>
<td>3,700,300</td>
<td>2,455,000</td>
<td>1,246,099</td>
<td>(799)</td>
<td>3,356</td>
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<tr>
<td>2012</td>
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<td>2,565,000</td>
<td>1,246,321</td>
<td>(1,021)</td>
<td>2,335</td>
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<tr>
<td>2013</td>
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<td>2,680,000</td>
<td>1,246,421</td>
<td>(1,121)</td>
<td>1,214</td>
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<tr>
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<td>4,046,154</td>
<td>(854)</td>
<td>360</td>
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<tr>
<td>2015</td>
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<td>4,163,793</td>
<td>3,507</td>
<td>3,867</td>
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</tr>
<tr>
<td>2016</td>
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<td>4,289,244</td>
<td>2,656</td>
<td>6,523</td>
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<tr>
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<td>4,288,147</td>
<td>(247)</td>
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<td>6,491</td>
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<tr>
<td>2019</td>
<td>4,287,700</td>
<td>4,288,534</td>
<td>(834)</td>
<td>5,657</td>
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<tr>
<td>Total</td>
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<td>$16,480,000</td>
<td>$34,086,255</td>
<td>$2,845</td>
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</table>

(1) See Schedule D-1.
(2) See Schedule D-2.
(3) See Schedule D-3.
(4) Includes excess revenues as of Payable Year 2006.

Note: All Bonds are being refunded herein.
<table>
<thead>
<tr>
<th>Date</th>
<th>Principal</th>
<th>Rate</th>
<th>Interest</th>
<th>CABS Maturity Amount</th>
<th>Total</th>
<th>Bond Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/1/07</td>
<td>$622,650</td>
<td></td>
<td></td>
<td>$2,045,000</td>
<td>$2,667,650</td>
<td>$3,290,300</td>
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<tr>
<td>2/1/08</td>
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<td></td>
<td>2,140,000</td>
<td>2,762,650</td>
<td>622,650</td>
<td>3,385,300</td>
</tr>
<tr>
<td>8/1/09</td>
<td>622,650</td>
<td></td>
<td>2,245,000</td>
<td>2,867,650</td>
<td>622,650</td>
<td>3,490,300</td>
</tr>
<tr>
<td>2/1/10</td>
<td>622,650</td>
<td></td>
<td>2,350,000</td>
<td>2,972,650</td>
<td>622,650</td>
<td>3,595,300</td>
</tr>
<tr>
<td>8/1/11</td>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td>622,650</td>
<td></td>
</tr>
<tr>
<td>2/1/12</td>
<td>622,650</td>
<td></td>
<td>2,455,000</td>
<td>3,077,650</td>
<td>622,650</td>
<td>3,700,300</td>
</tr>
<tr>
<td>8/1/12</td>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td>622,650</td>
<td></td>
</tr>
<tr>
<td>2/1/13</td>
<td>622,650</td>
<td></td>
<td>2,565,000</td>
<td>3,187,650</td>
<td>622,650</td>
<td>3,810,300</td>
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<tr>
<td>8/1/13</td>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td>622,650</td>
<td></td>
</tr>
<tr>
<td>2/1/14</td>
<td>622,650</td>
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<td>2,680,000</td>
<td>3,302,650</td>
<td>622,650</td>
<td>3,925,300</td>
</tr>
<tr>
<td>8/1/14</td>
<td>(2)</td>
<td></td>
<td></td>
<td></td>
<td>622,650</td>
<td></td>
</tr>
<tr>
<td>2/1/15</td>
<td>(2)</td>
<td>$2,800,000</td>
<td>6.00%</td>
<td>622,650</td>
<td>3,422,650</td>
<td>4,045,300</td>
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<tr>
<td>8/1/15</td>
<td>(2)</td>
<td>538,650</td>
<td></td>
<td></td>
<td>538,650</td>
<td></td>
</tr>
<tr>
<td>2/1/16</td>
<td>(2)</td>
<td>3,090,000</td>
<td>6.00%</td>
<td>538,650</td>
<td>3,628,650</td>
<td>4,167,300</td>
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<tr>
<td>8/1/16</td>
<td>(2)</td>
<td>445,950</td>
<td></td>
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<td>445,950</td>
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<tr>
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<td>6.00%</td>
<td>445,950</td>
<td>3,845,950</td>
<td>4,291,900</td>
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<tr>
<td>8/1/17</td>
<td>(2)</td>
<td>343,950</td>
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<td>343,950</td>
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<tr>
<td>2/1/18</td>
<td>(2)</td>
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<td>343,950</td>
<td>3,943,950</td>
<td>4,287,900</td>
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<tr>
<td>8/1/18</td>
<td>(2)</td>
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<td>235,950</td>
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<tr>
<td>2/1/19</td>
<td>(2)</td>
<td>3,820,000</td>
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<td>235,950</td>
<td>4,055,950</td>
<td>4,291,900</td>
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<tr>
<td>8/1/19</td>
<td>(2)</td>
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<td>121,350</td>
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<tr>
<td>2/1/20</td>
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<td>6.00%</td>
<td>121,350</td>
<td>4,166,350</td>
<td>4,287,700</td>
</tr>
</tbody>
</table>

$20,755,000  $13,334,100  $16,480,000  $50,559,100

(1) See Schedule D-2 for the Bond Bank's amortization schedule.
(2) To be refunded by the 2011 A Bonds.

Note: The above amounts represents the amortization schedule which supports the 1991 A Bonds (issued as CABS) and the 2001 C Bonds. The Redevelopment District did not refund the Current Interest Bonds' portion in 2001; however, the Redevelopment District's 1991 Bonds will be defeased when the Bond Bank's 1991 A Bonds and 2001 C Bonds are refunded.
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis

The Indianapolis Local Public Improvement Bond Bank Bonds, Series 1991 A Bonds (1)

<table>
<thead>
<tr>
<th>Date</th>
<th>Issued Amount</th>
<th>Yield to Maturity</th>
<th>Accreted Interest Amount</th>
<th>CABS Maturity Amount</th>
<th>Bond Year Total</th>
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<tbody>
<tr>
<td>2/1/08</td>
<td>$ 624,502.10</td>
<td>7.20 %</td>
<td>$ 1,420,497.90</td>
<td>$ 2,045,000</td>
<td>$ 2,045,000</td>
</tr>
<tr>
<td>2/1/09</td>
<td>608,894.20</td>
<td>7.20</td>
<td>1,531,105.80</td>
<td>2,140,000</td>
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<tr>
<td>2/1/10</td>
<td>589,783.95</td>
<td>7.25</td>
<td>1,655,216.05</td>
<td>2,245,000</td>
<td>2,245,000</td>
</tr>
<tr>
<td>2/1/11</td>
<td>574,927.50</td>
<td>7.25</td>
<td>1,775,072.50</td>
<td>2,350,000</td>
<td>2,350,000</td>
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<tr>
<td>2/1/12</td>
<td>559,322.65</td>
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<td>1,895,677.35</td>
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<tr>
<td>2/1/13</td>
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<td>7.25</td>
<td>2,020,783.95</td>
<td>2,565,000 (2)</td>
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<td>2/1/14</td>
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<td>7.25</td>
<td>2,150,485.60</td>
<td>2,680,000 (2)</td>
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</table>

$ 4,031,180.85 $ 12,448,839.15 $ 16,480,000

(1) See Schedule D-1 for the underlying Qualified Entity amortization schedule.
(2) To be refunded by the 2011 C Bonds.

Note: The above amounts represent the outstanding Capital Appreciation Bonds. The Bond Bank refunded the Current Interest Bonds' portion in 2001. See Schedule D-3.
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis

The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2001 C Bonds

<table>
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<tr>
<th>Date</th>
<th>Principal</th>
<th>Rate</th>
<th>%</th>
<th>Interest</th>
<th>Total</th>
<th>Bond Year Total</th>
</tr>
</thead>
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<td>583,708</td>
<td>$ 623,708</td>
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<tr>
<td>2/1/08</td>
<td>40,000</td>
<td>4.300</td>
<td>$</td>
<td>582,848</td>
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<td>4.300</td>
<td>$</td>
<td>581,988</td>
<td>621,988</td>
<td>1,243,116</td>
</tr>
<tr>
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<td>40,000</td>
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<td>$</td>
<td>581,128</td>
<td>621,128</td>
<td>1,243,116</td>
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<tr>
<td>8/1/09</td>
<td>40,000</td>
<td>4.300</td>
<td>$</td>
<td>580,268</td>
<td>620,268</td>
<td>1,240,536</td>
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<tr>
<td>2/1/10</td>
<td>45,000</td>
<td>4.900</td>
<td>$</td>
<td>579,408</td>
<td>624,408</td>
<td>1,244,676</td>
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<tr>
<td>8/1/10</td>
<td>45,000</td>
<td>4.900</td>
<td>$</td>
<td>578,306</td>
<td>623,306</td>
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<tr>
<td>2/1/11</td>
<td>45,000</td>
<td>4.900</td>
<td>$</td>
<td>577,203</td>
<td>622,203</td>
<td>1,245,509</td>
</tr>
<tr>
<td>8/1/11</td>
<td>45,000(1)</td>
<td>4.900</td>
<td>$</td>
<td>576,101</td>
<td>621,101</td>
<td></td>
</tr>
<tr>
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<td>4.900</td>
<td>$</td>
<td>574,998</td>
<td>624,998</td>
<td>1,246,099</td>
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<tr>
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<td>$</td>
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<td>623,773</td>
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<td>2/1/13</td>
<td>50,000  (1)</td>
<td>4.900</td>
<td>$</td>
<td>572,548</td>
<td>622,548</td>
<td>1,246,321</td>
</tr>
<tr>
<td>8/1/13</td>
<td>50,000  (1)</td>
<td>4.900</td>
<td>$</td>
<td>571,323</td>
<td>621,323</td>
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<td>2/1/14</td>
<td>55,000  (1)</td>
<td>4.900</td>
<td>$</td>
<td>570,098</td>
<td>625,098</td>
<td>1,246,421</td>
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<tr>
<td>8/1/14</td>
<td>55,000  (1)</td>
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<td>$</td>
<td>568,751</td>
<td>623,751</td>
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<tr>
<td>2/1/15</td>
<td>2,855,000 (1)</td>
<td>5.250</td>
<td>$</td>
<td>567,403</td>
<td>3,422,403</td>
<td>4,046,154</td>
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<tr>
<td>8/1/15</td>
<td>45,000  (1)</td>
<td>5.000</td>
<td>$</td>
<td>482,459</td>
<td>537,459</td>
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<tr>
<td>2/1/16</td>
<td>3,135,000 (1)</td>
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<td>$</td>
<td>491,334</td>
<td>3,626,334</td>
<td>4,163,793</td>
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<tr>
<td>8/1/16</td>
<td>40,000  (1)</td>
<td>5.000</td>
<td>$</td>
<td>405,122</td>
<td>445,122</td>
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<tr>
<td>2/1/17</td>
<td>3,440,000 (1)</td>
<td>5.500</td>
<td>$</td>
<td>404,122</td>
<td>3,844,122</td>
<td>4,289,244</td>
</tr>
<tr>
<td>8/1/17</td>
<td>35,000  (1)</td>
<td>5.125</td>
<td>$</td>
<td>309,522</td>
<td>344,522</td>
<td></td>
</tr>
<tr>
<td>2/1/18</td>
<td>3,655,000 (1)</td>
<td>5.500</td>
<td>$</td>
<td>308,625</td>
<td>3,943,625</td>
<td>4,288,147</td>
</tr>
<tr>
<td>8/1/18</td>
<td>25,000  (1)</td>
<td>5.125</td>
<td>$</td>
<td>208,663</td>
<td>233,663</td>
<td></td>
</tr>
<tr>
<td>2/1/19</td>
<td>3,850,000 (1)</td>
<td>5.250</td>
<td>$</td>
<td>208,022</td>
<td>4,058,022</td>
<td>4,291,685</td>
</tr>
<tr>
<td>8/1/19</td>
<td>15,000 (1)</td>
<td>5.125</td>
<td>$</td>
<td>106,959</td>
<td>121,959</td>
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</tr>
<tr>
<td>2/1/20</td>
<td>4,060,000 (1)</td>
<td>5.250</td>
<td>$</td>
<td>106,575</td>
<td>4,166,575</td>
<td>4,288,534</td>
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</tbody>
</table>

Total $21,825,000 $ 12,261,255 $ 34,086,255

(1) To be refunded by the 2011 C Bonds.
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
City of Indianapolis

The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2011 C
(City of Indianapolis Redevelopment District Tax Increment
Revenue Multipurpose Bonds, Series 2011 A)

Estimated Sources and Uses of Funds

<table>
<thead>
<tr>
<th>Sources of Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Par Amount of Bonds</td>
<td>$39,000,000</td>
</tr>
<tr>
<td>Net Premium</td>
<td>2,606,436</td>
</tr>
<tr>
<td>Cash Contribution</td>
<td>10,673</td>
</tr>
<tr>
<td>Transfer from Existing 2001 Debt Service Reserve</td>
<td>3,317,612</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$44,934,721</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uses of Funds</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit to Escrow - 1991 Bonds</td>
<td>$7,585,227</td>
</tr>
<tr>
<td>Deposit to Escrow - 2001 Bonds</td>
<td>21,711,786</td>
</tr>
<tr>
<td>Payment to Company</td>
<td>14,821,885</td>
</tr>
<tr>
<td>Cost of Issuance</td>
<td>300,000</td>
</tr>
<tr>
<td>Underwriter’s Discount (0.719351%)</td>
<td>280,547</td>
</tr>
<tr>
<td>Bond Insurance (1)</td>
<td>105,229</td>
</tr>
<tr>
<td>Debt Service Reserve Surety Policy (2)</td>
<td>117,000</td>
</tr>
<tr>
<td>Cash Funded Debt Service Reserve Surety Policy (3)</td>
<td>10,673</td>
</tr>
<tr>
<td>Contingency</td>
<td>2,374</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$44,934,721</strong></td>
</tr>
</tbody>
</table>

(1) Twenty (20) basis points of the total debt service.
(2) Three percent (3%) of ten percent (10%) of par.
(3) Represents required cash to fund the debt service reserve requirement at maximum annual debt service.

*Revised to Reflect Results of the Bond Sale*
## THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

City of Indianapolis

The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2011 C
(City of Indianapolis Redevelopment District Tax Increment Revenue Multipurpose Bonds, Series 2011 A)

### Amortization Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Principal</th>
<th>Rate</th>
<th>Interest</th>
<th>Total</th>
<th>Bond Year Total</th>
</tr>
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<tbody>
<tr>
<td>8/1/11</td>
<td>$290,000</td>
<td>2.0</td>
<td>$ 648,189</td>
<td>$938,189</td>
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</tr>
<tr>
<td>2/1/12</td>
<td>125,000</td>
<td>1.0</td>
<td>824,575</td>
<td>949,575</td>
<td>$1,887,764</td>
</tr>
<tr>
<td>8/1/13</td>
<td>1,110,000</td>
<td>3.0</td>
<td>823,950</td>
<td>1,933,950</td>
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</tr>
<tr>
<td>2/1/14</td>
<td>1,130,000</td>
<td>3.0</td>
<td>807,300</td>
<td>1,937,300</td>
<td>3,871,250</td>
</tr>
<tr>
<td>8/1/15</td>
<td>1,205,000</td>
<td>3.0</td>
<td>790,350</td>
<td>1,995,350</td>
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</tr>
<tr>
<td>2/1/16</td>
<td>1,220,000</td>
<td>4.0</td>
<td>772,275</td>
<td>2,042,275</td>
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<tr>
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<td>1,295,000</td>
<td>4.0</td>
<td>747,875</td>
<td>2,041,975</td>
<td>3,987,625</td>
</tr>
<tr>
<td>2/1/18</td>
<td>1,320,000</td>
<td>4.0</td>
<td>721,975</td>
<td>2,041,975</td>
<td></td>
</tr>
<tr>
<td>8/1/19</td>
<td>1,385,000</td>
<td>4.0</td>
<td>695,575</td>
<td>2,080,575</td>
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</tr>
<tr>
<td>2/1/20</td>
<td>1,410,000</td>
<td>4.0</td>
<td>667,875</td>
<td>2,077,875</td>
<td>4,084,850</td>
</tr>
<tr>
<td>8/1/21</td>
<td>1,465,000</td>
<td>4.0</td>
<td>639,675</td>
<td>2,104,675</td>
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<tr>
<td>2/1/22</td>
<td>1,495,000</td>
<td>4.0</td>
<td>610,375</td>
<td>2,105,375</td>
<td>4,158,450</td>
</tr>
<tr>
<td>8/1/23</td>
<td>1,535,000</td>
<td>4.0</td>
<td>580,475</td>
<td>2,115,475</td>
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</tr>
<tr>
<td>2/1/24</td>
<td>1,565,000</td>
<td>5.0</td>
<td>549,775</td>
<td>2,114,775</td>
<td>4,230,250</td>
</tr>
<tr>
<td>8/1/25</td>
<td>1,615,000</td>
<td>3.0</td>
<td>510,650</td>
<td>2,125,650</td>
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<tr>
<td>2/1/26</td>
<td>1,640,000</td>
<td>4.0</td>
<td>486,425</td>
<td>2,126,425</td>
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</tr>
<tr>
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<td>1,670,000</td>
<td>4.0</td>
<td>453,625</td>
<td>2,123,625</td>
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</tr>
<tr>
<td>2/1/28</td>
<td>1,705,000</td>
<td>5.0</td>
<td>420,225</td>
<td>2,125,225</td>
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</tr>
<tr>
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<td>4.0</td>
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<td>2,127,600</td>
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<td>2/1/30</td>
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<td>342,600</td>
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</tr>
<tr>
<td>8/1/31</td>
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<td>4.0</td>
<td>297,975</td>
<td>2,127,975</td>
<td></td>
</tr>
<tr>
<td>2/1/01</td>
<td>1,865,000</td>
<td>5.0</td>
<td>261,375</td>
<td>2,126,375</td>
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</tr>
<tr>
<td>8/1/02</td>
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<td>2,124,750</td>
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<tr>
<td>2/1/03</td>
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<td>5.0</td>
<td>167,000</td>
<td>2,127,000</td>
<td>4,251,750</td>
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<tr>
<td>8/1/04</td>
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<td>5.0</td>
<td>118,000</td>
<td>2,128,000</td>
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<tr>
<td>2/1/05</td>
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<td>5.0</td>
<td>67,750</td>
<td>2,127,750</td>
<td>4,255,750</td>
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<tr>
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<td>5.0</td>
<td>16,250</td>
<td>666,250</td>
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</tbody>
</table>

Total $39,000,000 $13,614,464 $52,614,464

Revised to Reflect Results of the Bond Sale
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK  
City of Indianapolis  

Estimated Combined Coverage Schedule

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$3,451,989</td>
<td>$924,585</td>
<td>$3,290,300</td>
<td>$1,086,274</td>
<td>133.01%</td>
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</tr>
<tr>
<td>2008</td>
<td>3,983,556</td>
<td>730,921</td>
<td>3,385,300</td>
<td>1,329,177</td>
<td>139.26%</td>
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</tr>
<tr>
<td>2009</td>
<td>5,058,355</td>
<td>790,000</td>
<td>3,490,300</td>
<td>2,358,055</td>
<td>167.56%</td>
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</tr>
<tr>
<td>2010</td>
<td>5,050,092</td>
<td>3,595,300</td>
<td></td>
<td>1,454,792</td>
<td>140.46%</td>
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<tr>
<td>2011</td>
<td>2,467,650</td>
<td>$1,887,764</td>
<td>579,886</td>
<td>130.72%</td>
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<td></td>
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<tr>
<td>2012</td>
<td>5,034,718</td>
<td>3,871,250</td>
<td>1,163,468</td>
<td>130.05%</td>
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<tr>
<td>2013</td>
<td>5,185,297</td>
<td>3,967,625</td>
<td>1,197,672</td>
<td>130.03%</td>
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<tr>
<td>2014</td>
<td>5,314,110</td>
<td>4,084,850</td>
<td>1,229,260</td>
<td>130.09%</td>
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<td></td>
</tr>
<tr>
<td>2015</td>
<td>5,409,436</td>
<td>4,158,450</td>
<td>1,250,986</td>
<td>130.08%</td>
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<td></td>
</tr>
<tr>
<td>2016</td>
<td>5,471,087</td>
<td>4,210,050</td>
<td>1,261,037</td>
<td>129.95%</td>
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<td></td>
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<tr>
<td>2017</td>
<td>5,506,639</td>
<td>4,230,250</td>
<td>1,276,389</td>
<td>130.17%</td>
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</tr>
<tr>
<td>2018</td>
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<td>4,252,075</td>
<td>1,276,309</td>
<td>130.02%</td>
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<td></td>
</tr>
<tr>
<td>2019</td>
<td>5,528,384</td>
<td>4,248,850</td>
<td>1,279,534</td>
<td>130.11%</td>
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<td></td>
</tr>
<tr>
<td>2020</td>
<td>5,528,384</td>
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<td>1,273,184</td>
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<td>2021</td>
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<td>129.95%</td>
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</tr>
<tr>
<td>2022</td>
<td>5,528,384</td>
<td>4,251,750</td>
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<tr>
<td>2023</td>
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<td>4,255,750</td>
<td>1,272,634</td>
<td>129.90%</td>
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<tr>
<td>2024</td>
<td>5,528,384</td>
<td>666,250</td>
<td>4,862,134</td>
<td>829.78%</td>
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<td></td>
</tr>
</tbody>
</table>

Total: $90,631,617 $2,445,506 $13,761,200 $52,614,464 $26,701,459

(1) See Exhibit B.
(2) See Schedule D-1.
(3) See Schedule E-1.
The Indianapolis Local Public Improvement
Bond Bank
Indianapolis, Indiana

Re: The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2011 C

Ladies and Gentlemen:

We have acted as bond counsel to The Indianapolis Local Public Improvement Bond Bank (the “Issuer”) in connection with the issuance by the Issuer of its Bonds, Series 2011 C, dated as of March 11, 2011, in the aggregate principal amount of $39,000,000 (the “Bonds”), pursuant to Indiana Code Section 5-1.4, as amended, the resolution adopted by the Board of Directors of the Issuer on January 24, 2011, and the Trust Indenture, dated as of March 1, 2011 (the “Indenture”), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee. In such capacity, we have examined such law and such certified proceedings, certifications and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on representations of the Issuer contained in the Indenture, the certified proceedings and other certifications of public officials furnished to us, and certifications, representations and other information furnished to us by or on behalf of the Issuer, the City of Indianapolis Redevelopment District (the “District”), Eli Lilly and Company (the “Company”), NOS Innovation Partners, LLC (the “Developer”), and others, including without limitation certifications contained in the tax and arbitrage certificate of the Issuer and the District, each dated the date hereof, and in the agreement among the District, the Company, the Developer and Regions Bank, as escrow trustee, dated as of March 1, 2011, without undertaking to verify the same by independent investigation. We have relied upon the legal opinion of Deron S. Kintner, Esquire, General Counsel to the Issuer, dated the date hereof, as to the matters stated therein. We have relied upon the report of Crowe Horwath LLP, Indianapolis, Indiana, independent certified public accountants, dated the date hereof, as to the matters stated therein.

We have assumed, without making any factual, legal or other inquiry or investigation, and without expressing any opinion or stating any conclusion with respect thereto, that, under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on this date (the “Code”), interest on both The Indianapolis Local Public Improvement Bond Bank Bonds, Series 1991 A, dated as of April 24, 1991, and The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2001 C, dated as of June 28, 2001, is excludable from gross income for federal income tax purposes.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Issuer is a body corporate and politic, validly existing under the laws of the State of Indiana (the “State”), with the corporate power to enter into the Indenture and perform its obligations thereunder and to issue the Bonds.
2. The Bonds have been duly authorized, executed and delivered by the Issuer, and are valid and binding special and limited obligations of the Issuer, enforceable in accordance with their terms. The Bonds are payable solely from the Trust Estate (as defined in the Indenture).

3. The Indenture has been duly authorized, executed and delivered by the Issuer, and is a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms.

4. Under Section 103 of the Code, the interest on the Bonds is excludable from gross income for federal income tax purposes. The opinion set forth in this paragraph is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted or represented that it will comply with such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

5. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

6. Interest on the Bonds is exempt from income taxation in the State for all purposes, except the State financial institutions tax.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement dated March 1, 2011, or any other offering material relating to the Bonds, and we express no opinion relating thereto.

We express no opinion regarding any tax consequences arising with respect to the Bonds, other than as expressly set forth herein.

With respect to the enforceability of any document or instrument, this opinion is subject to the qualifications that: (i) the enforceability of such document or instrument may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance and similar laws relating to or affecting the enforcement of creditors’ rights; (ii) the enforceability of equitable rights and remedies provided for in such document or instrument is subject to judicial discretion, and the enforceability of such document or instrument may be limited by general principles of equity; (iii) the enforceability of such document or instrument may be limited by public policy; and (iv) certain remedial, waiver and other provisions of such document or instrument may be unenforceable, provided, however, that in our opinion the unenforceability of those provisions would not, subject to the other qualifications set forth herein, affect the validity of such document or instrument or prevent the practical realization of the benefits thereof.

This opinion is given only as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,
SUMMARY OF CERTAIN LEGAL DOCUMENTS

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a summary of certain additional provisions of the Indenture relating to the Series 2011 C Bonds not otherwise discussed in this Official Statement. This summary does not purport to be complete and is subject in all respects to the provisions of, and is qualified in its entirety by reference to, the Indenture. Capitalized terms in this summary not defined in this Official Statement will have the meanings set forth in the Indenture.

Definitions

The following are definitions of certain terms used herein and elsewhere in this Official Statement.

“Account” means any of the accounts established or authorized under the Indenture.

“Acquisition Account” means the Account by that name authorized under the Indenture.

“Additional Bonds” means bonds issued pursuant the Indenture and any Supplemental Indenture and includes Refunding Bonds.

“Act” means the provisions of Indiana Code 5-1.4, as from time to time supplemented and amended.

“Adjusted Debt Service Requirements” for the Bonds means, for any period, as of any date of calculation, the aggregate Debt Service Requirements on Outstanding Bonds for such period taking into account the following adjustments:

(a) The aggregate Debt Service Requirements on the Bonds will be deemed to include all periodic Bond Related Costs; and

(d) The aggregate Debt Service Requirements for any period on any Bonds will not include the amount of Debt Service Requirements on the Bonds to be paid from amounts in the Debt Service Reserve Fund at the time of such computation for the period in question, but only if any such amount is available and is to be applied to make interest payments on such Bonds when due.

“Assured Guaranty” means Assured Guaranty Municipal Corp. (formerly known as Financial Security Assurance Inc.), a New York stock insurance company, or any successor thereto or assignee thereof.

“Authorized Denomination” means: $5,000 or any integral multiple thereof.

“Authorized Officer” means the Chairman, Vice Chairman or Executive Director of the Bond Bank or such other person or persons who are duly authorized to act on behalf of the Bond Bank.

“Beneficial Owner” or “beneficial owner” means the owner of a beneficial interest in a Bond.

“Bond Bank” means the Indianapolis Local Public Improvement Bond Bank, an entity created pursuant to the Act by, but separate from, the City in its corporate capacity, or any successor to its functions.

“Bond Counsel” means, with respect to the Bonds, a firm of attorneys of nationally recognized expertise with respect to tax-exempt obligations of political subdivisions selected by the Bond Bank and not objected to by the Trustee.
“Bondholder,” “bondholder,” “Bond Owner,” “Bondowner,” “Owner,” “owner,” “holder,” or “owner of Bonds” or any similar term means, with respect to any Bond, the person or entity in whose name such Bond is registered on the Registration Books.

“Bond Issuance Expense Account” means the Account by that name authorized pursuant to the Indenture.

“Bond Purchase Agreement” means the Bond Purchase Agreement, dated March 1, 2011, between the Bond Bank and the Underwriter, including all amendments thereof and supplements thereto.

“Bond Registrar” means the Trustee.

“Bond Related Costs” means (a) initial and acceptance fees of any Fiduciary together with any fees of attorneys, feasibility consultants, engineers, financial advisors, rebate consultants, accountants and other advisors retained by the Bond Bank or the Redevelopment District in connection with the Bonds, and (b) any other fees, charges and expenses that may be lawfully incurred by the Bond Bank or the Redevelopment District relating to the Bonds.

“Bond Service Charges” means, for any applicable time period or date, the scheduled principal of and premium, if any, and interest and the fees, expenses and costs of the Trustee, on any of the Bonds accruing for that period or due and payable on that date. In determining Bond Service Charges accruing for any period or due and payable on any date, mandatory sinking fund requirements accruing for that period or due on that date will be included together with any amount required to be paid for the replenishment of any reserve.

“Bond Year” means the twelve-month period beginning February 2 and ending February 1.

“Bonds” means any bonds authorized pursuant to the Indenture, including the Series 2011 C Bonds. If the Bonds are held in book-entry system, any reference to the Bonds will, if appropriate in the context in which the term is used, be a reference to the beneficial ownership interests in the Bonds.

“Book entry” or “book entry system” means, with respect to the Series 2011 C Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in Series 2011 C Bonds and principal and interest due thereon may be transferred only through a book entry and (ii) physical bond certificates in fully registered form are registered only in the name of the Depository Company or its nominee as holder, with the physical bond certificates “immobilized” in the custody of the Depository Company. The book entry system maintained by and the responsibility of the Depository Company and not maintained by or the responsibility of the Bond Bank or the Trustee is the record that identifies, and records the transfer of the interests of, the owners of beneficial (book entry) interests in the Series 2011 C Bonds.

“Business Day” or “business day” means any day which is not (a) a Saturday, a Sunday or, in the City of New York, New York, or Indianapolis, Indiana (or, if different, in the city in which the principal corporate trust office of the Trustee is located), a day on which banking institutions are authorized or required by law or executive order to close, or (b) a day on which the New York Stock Exchange is closed.

“Cash Flow Certificate” means a certificate prepared by an accountant or firm of accountants in accordance with the Indenture concerning anticipated Revenues and payments.

“City” means the Consolidated City of Indianapolis, Indiana.

“City Controller” means the Controller of the City.

“Closing Date” means the date the Bonds are delivered to the Underwriter in exchange for payment therefore pursuant to the Bond Purchase Agreement.
“Code” means, with respect to the Bonds, the Internal Revenue Code of 1986, as amended, or any successor sections of a subsequent income tax statute or code, including the regulations, rulings and proclamations promulgated and proposed thereunder or under the predecessor code.

“Commission” means the Metropolitan Development Commission of Marion County, Indiana, acting as the Redevelopment Commission of the City of Indianapolis, Indiana.

“Costs of Issuance” means (a) payment of all reasonable costs incurred by the Bond Bank in connection with the issuance of the Bonds including, but not limited to, legal and accounting fees and expenses, printing expenses, financial consultants’ fees, financing charges (including underwriting fees and discounts), printing and engraving costs, the fees and expenses of the Rating Agencies, preparation of the financing statements, preparation of any disclosure document and any other documents necessary for the issuance of the Bonds; and (b) payment of the fees and expenses of the Trustee and any Bond Registrar and the reasonable expenses of their counsel properly incurred under or in connection with the Indenture and the transactions contemplated thereby.

“Debt Service” means principal, redemption premiums, if any, and interest on the Bonds.

“Debt Service Requirements” means, during the applicable period and as of any date of calculation with respect to Outstanding Bonds, the aggregate of the Bond Service Charges on the Bonds.

“Debt Service Reserve Fund” means the fund by that name created under the Indenture.

“Debt Service Reserve Requirement” means an amount equal to the maximum annual Debt Service on the Bonds. At the time of issuance of the Series 2011 C Bonds, the Debt Service Reserve Requirement means an amount equal to $4,255,750.

“Depository Company” or “DTC” means The Depository Trust Company, New York, New York, and its successors and assigns, including any surviving, resulting or transferee corporation, or any successor corporation that may be appointed in a manner consistent with the Indenture and shall include any direct or indirect participants of The Depository Trust Company.

“District” or “Redevelopment District” means the City of Indianapolis, Indiana, Redevelopment District, acting on behalf of the City, a Qualified Entity under the Act.

“Escrow Agent” means The Bank of New York Mellon Trust Company, N.A., as escrow agent under the Escrow Agreement.

“Escrow Deposit Agreement” means the Escrow Deposit Agreement, dated as of March 1, 2011, by and among the Bond Bank, the Escrow Agent and the Prior Trustee.

“Event of Default” means any occurrence or event specified in the Indenture. See “Defaults and Remedies-Events of Default”.

“Federal Securities” means (i) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury), or (ii) obligations the timely payment of principal and interest on which are unconditionally guaranteed by the United States of America.

“Fees and Charges” means fees and charges established by the Bond Bank from time to time pursuant to the Act which are payable by the Redevelopment District.

“Fiduciary” means, with respect to the Bonds, any bank or other organization acting in a fiduciary capacity with respect to any Bonds, whether as trustee, paying agent, bond registrar, tender agent, or escrow agent, or in a similar function.
“Fiscal Year” means the twelve-month period from January 1 through the following December 31.

“Fitch” means, with respect to the Bonds, Fitch Ratings, or any successor thereof which qualifies as a “Rating Agency” under the Indenture.

“Fund” means any of the funds created under the Indenture.

“General Account” means, with respect to the Bonds, the Account by that name created under the Indenture.

“General Fund” means the Fund by that name created under the Indenture.

“Indenture” means the Trust Indenture, dated as of March 1, 2011, between the Bond Bank and the Trustee, and all supplements and amendments entered into pursuant to the Indenture.

“Interest Payment Date” means, with respect to the Bonds, each February 1 and August 1, commencing on August 1, 2011.

“Investment Earnings” means, with respect to the Bonds, earnings and profits (after consideration of any accrued interest paid and/or amortization of premiums or discount on the investment) on moneys in the Funds and Accounts established under the Indenture, except the Rebate Fund.

“Moody’s” means, with respect to the Bonds, Moody’s Investors Service, Inc. or any successor thereof which qualifies as a “Rating Agency” under the Indenture.


“1991A Bonds” means The Indianapolis Local Public Improvement Bond Bank Bonds, Series 1991 A.

“Outstanding” or “Bonds outstanding” at the time in question, means, with respect to any series of Bonds, all Bonds that have been executed and delivered by the Bond Bank and authenticated by Trustee the under the Indenture, except:

(a) Bonds cancelled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to be paid under the Indenture; and

(c) Bonds in lieu of or in exchange for which other Bonds have been executed and delivered by the Bond Bank and authenticated by the Trustee under the Indenture.

“Paying Agent” means, with respect to the Bonds, initially The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America or any successor thereto.

“Prior Indenture” means the Trust Indenture, dated as of April 1, 1991, as supplemented and amended by the First Supplemental Trust Indenture, dated as of June 1, 2001, each by and between the Bond Bank and the Prior Trustee.

“Prior Trustee” means The Bank of New York Mellon Trust Company, N.A. (ultimate successor to INB National Bank, Indianapolis, Indiana), as trustee under the Prior Indenture.

“Program” means the program for the purchase of Qualified Obligations by the Bond Bank pursuant to the Act and the Indenture.
“Program Expenses” means all of the Bond Bank’s expenses in carrying out and administering the Program pursuant to the Indenture and includes, without limiting the generality of the foregoing, salaries, supplies, utilities, mailing, labor, materials, office rent, maintenance furnishings, equipment, machinery and apparatus, telephone, insurance premiums, credit enhancement fees, liquidity, facility fees, legal, accounting, management, consulting and banking services and expenses, fees and expenses of the Trustee, the Bond Registrar and the Paying Agent, costs of verifications required under the Indenture, Costs of Issuance not paid from the proceeds of Bonds, travel, payments for pension, retirement, health and hospitalization, life and disability insurance benefits, any other costs permitted under the Act, and rebates, if any, which in the Opinion of Bond Counsel are required to be made under the Code in order to preserve or protect the exclusion from gross income for federal tax purposes of interest on the Series 2009 B Bonds, all to the extent properly allocable to the Program.

“Purchase Agreement” means the Qualified Entity Purchase Agreement dated as of March 1, 2011, between the Bond Bank and the Redevelopment District authorizing the Bond Bank’s purchase of the 2011 District Bonds.

“Qualified Entity” means an entity defined in Indiana Code 5-1.4-1-10, as amended from time to time, and specifically, the Redevelopment District.

“Qualified Investments” means investments in:

(a) Federal Securities;

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

1. U.S. Export-Import Bank (Eximbank)
   Direct obligations or fully guaranteed certificates of beneficial ownership

2. Farmers Home Administration (FmHA)
   Certificates of beneficial ownership

3. Federal Financing Bank

4. Federal Housing Administration Debentures (FHA)

5. General Services Administration
   Participation certificates

6. Government National Mortgage Association (GNMA or “Ginnie Mae”)
   GNMA - guaranteed mortgage-backed bonds
   GNMA - guaranteed pass-through obligations

7. U.S. Maritime Administration
   Guaranteed Title XI financing

8. U.S. Department of Housing and Urban Development (HUD)
   Project Notes
   Local Authority Bonds
   New Communities Debentures - U.S. government guaranteed debentures
   U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds
(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

1. Federal Home Loan Bank System  
   Senior debt obligations

2. Federal Home Loan Mortgage Corporation (FHLMC or “Freddie Mac”)  
   Participation Certificates  
   Senior debt obligations

3. Federal National Mortgage Association (FNMA or “Fannie Mae”)  
   Mortgage-backed securities and senior debt obligations

4. Student Loan Marketing Association (SLMA or “Sallie Mae”)  
   Senior debt obligations

5. Resolution Funding Corp. (REFCORP) obligations

6. Farm Credit System  
   Consolidated systemwide bonds and notes

(d) Money market funds registered under the Investment Company Act of 1940, as amended, whose shares are registered under the Securities Act of 1933, as amended, and having a rating by S&P of “AAAm-G”, “AAA-m” or “AA-m” and if rated by Moody's rated “Aaa”, “Aa1” or “Aa2”, including without limitation any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to the Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to the Indenture may at all times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee.

(e) Demand deposits, including interest bearing money market accounts, time deposits, trust funds, trust accounts, overnight bank deposits, interest-bearing deposits, and certificates of deposit or bankers acceptances of depository institutions, including the Trustee or any of its affiliates, (i) rated at least “AA” by S&P and “Aa” by Moody’s or (ii) insured by the Federal Deposit Insurance Corporation.

(f) Investment Agreements, including Guaranteed Investment Contracts, Forward Purchase Agreements and Reserve Fund Put Agreements.

(g) Commercial paper rated, at the time of purchase, “Prime-1” by Moody's and “A-1” or better by S&P.

(h) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies.

(i) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime-1” or “A3” or better by Moody's and “A-1” or “A” or better by S&P.

(j) Repurchase agreements for 30 days or less, which meet the following criteria:

(1) Repurchase agreements must be between the municipal entity and a dealer bank or securities firm:
(a) Primary dealers on the Federal Reserve reporting dealer list which are rated “A” or better by S&P and Moody’s, or

(b) Banks rated “A” or above by S&P and Moody’s.

(2) The written repurchase agreement must include the following:

(a) Securities which are acceptable for transfer are:

(A) Direct U.S. government obligations, or

(B) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA & FHLMC)

(b) The term of the repurchase agreement may be up to 30 days.

(c) The collateral must be delivered to the municipal entity, trustee (if trustee is not supplying the collateral) or third party acting as agent for the trustee (if the trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

(d) Valuation of collateral:

The securities must be valued weekly, marked-to-market at current market price plus accrued interest.

The value of collateral must be equal to 104% of the amount of cash transferred by the municipal entity to the dealer bank or security firm under the repurchase agreement plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by municipality, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

(3) Legal opinion which must be delivered to the municipal entity:

(a) Repurchase agreement meets guidelines under state law for legal investment of public funds.

“Qualified Obligation” means a Security (as that term is defined in the Act), including the 2011 District Bonds, which has been acquired by the Bond Bank pursuant to the Indenture.

“Qualified Obligation Payment” means the amounts paid or required to be paid, from time to time, for principal and interest by a Qualified Entity to the Bond Bank on the Qualified Entity’s Qualified Obligations and any Fees and Charges required to be paid as required by a Qualified Entity to the Bond Bank under the provisions of any agreement for the purchase and sale of securities.

“Rating Agency” or “Rating Agencies” means, with respect to the Bonds, Fitch, S&P or Moody’s according to which such rating agencies then rate a Bond. However, if none of such agencies then rates a Bond, “Rating Agency” or “Rating Agencies” means any national rating agency (if any) that provides such rating.

“Rating Category” means one of the generic rating categories of the applicable Rating Agency, without regard to any refinements or gradations of such generic rating category by numerical or other modifier.
“Rebate Fund” means the fund of that name established under the Indenture.

“Record Date” means, with respect to the Bonds, the Trustee's close of business on the fifteenth day of the calendar month next preceding an Interest Payment Date.

“Redemption Account” means the account by that name created under the Indenture.


“Refunded 2001C Bonds” means all of the outstanding 2001C Bonds.

“Refunding Bonds” means Bonds issued pursuant the Indenture and any Supplemental Indenture thereto.

“Refunding Qualified Obligation” means any Qualified Obligation, which are issued to refund any Qualified Obligation.

“Registration Books” means the registration records of the Bond Bank, maintained by the Trustee, as registrar.

“Reserve Fund Credit Agreement” means any reimbursement agreement or similar instrument between the Bond Bank or the Redevelopment District (and, if so drafted, the Trustee) and a Reserve Fund Credit Facility Provider with respect to a Reserve Fund Credit Facility.

“Reserve Fund Credit Facility” means a letter of credit, surety bond, liquidity facility, insurance policy or comparable instrument furnished by a Reserve Fund Credit Facility Provider with respect to all or a specific portion of one or more series of Bonds or Qualified Obligations to satisfy in whole or in part the Bond Bank’s or the Redevelopment District's obligation to maintain a reserve requirement with respect thereto or to secure (a) the payment of Debt Service (which may include the premium due on payment of a Bond or Qualified Obligation) on Bonds or Qualified Obligations of a specified series, or a specific portion thereof, (b) the payment of the purchase price (which may include accrued interest to the date of purchase) of Bonds or Qualified Obligations of a specified series, or a specific portion thereof, on the applicable purchase dates or tender dates, or (c) both the payment of Debt Service on a specified series of Bonds or Qualified Obligations, or a specific portion thereof, and the payment of the purchase price of Bonds or Qualified Obligations of a specified series, or a specific portion thereof, but only if the debt obligations of such Reserve Fund Credit Facility Provider are rated, at the time of issuance of such instrument, in one of the two highest Rating Categories by S&P and Moody’s, and by Fitch, but only if Fitch is then rating the bonds which are secured (either directly or indirectly) by such Reserve Fund Credit Facility.

“Reserve Fund Credit Facility Provider” means the bank, insurance company, financial institution or other entity providing a Reserve Fund Credit Facility pursuant to a Reserve Fund Credit Agreement.

“Revenues” means the income, revenues and profits of the Funds and Accounts established under the Indenture including, without limitation, all Qualified Obligation Payments and Investment Earnings, but excluding amounts required to be deposited and maintained in the Rebate Fund.

“S&P” means, with respect to the Bonds, Standard & Poor’s Rating Service, a division of The McGraw-Hill Companies, Inc., or any successor thereto which qualifies as a “Rating Agency” under the Indenture.

“Series of Bonds” or “Bonds of a Series” or “Series” or words of similar meaning means any Series of Bonds authorized by the Indenture or by a Supplemental Indenture.

“2011 District Bonds” means the City of Indianapolis Redevelopment District Tax Increment Revenue Multipurpose Bonds, Series 2011 A.
“2011 District Bond Resolution” means the Final Bond Resolution (Resolution No. 2010-B-023) adopted by the Redevelopment District on October 6, 2010, authorizing the issuance of the 2011 District Bonds.

“Series 2011 C Bonds” means The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2011 C, authorized pursuant to the Indenture.

“Series 2011 C Bond Insurance Policy” means the insurance policy issued by the Series 2011 C Bond Insurer guaranteeing the scheduled payment of the principal of and interest on the Series 2011 C Bonds when due.

“Series 2011 C Bond Insurer” means Assured Guaranty.

“Series 2011 C Reserve Fund Credit Facility” means the Reserve Fund Credit Facility issued by the Series 2011 C Bond Insurer and deposited into the Debt Service Reserve Fund.

“State” means the State of Indiana.

“Supplemental Indenture” means an indenture supplemental to or amendatory of the Indenture, executed by the Bond Bank and the Trustee in accordance with the Indenture.

“Trust Estate” means the property conveyed to and held by the Trustee pursuant to the granting clauses of the Indenture, which includes (i) any Qualified Obligations acquired and held by the Trustee pursuant to the Indenture and the earnings thereon and all proceeds thereof, including all Qualified Obligation Payments, (ii) the Funds and Accounts created or established under the Indenture (excluding the Rebate Fund), and all moneys and investments therein and (iii) the Revenues.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., a national banking association with a corporate trust office in Indianapolis, Indiana, or any successor trustee or co-trustee under the Indenture.

“2001C Bonds” means The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2001 C.

“Underwriter” means City Securities Corporation, as representative of the underwriters of the Series 2011 C Bonds.

Revenues, Funds and Accounts

Creation of Funds and Accounts

The Bond Bank creates and establishes the following Funds and Accounts to be held by the Trustee under the Indenture:

1. General Fund-comprised of the following:
   (a) General Account;
   (b) Redemption Account;
   (c) Acquisition Account; and
   (d) Bond Issuance Expense Account; and
2. Debt Service Reserve Fund; and
3. Rebate Fund.
Deposit of Net Proceeds of Bonds, Revenues and Other Receipts.

The Trustee will deposit the net proceeds from the sale of the Series 2011 C Bonds as follows:

(a) into the General Account and immediately transferred to the Escrow Trustee for deposit into the 1991A Escrow Account established under the Escrow Deposit Agreement, an amount equal to $7,585,227.00 to be used to acquire the 1991A Investment Securities (as defined in the Escrow Agreement) which will mature, as to principal and interest, in amounts sufficient to pay principal and interest of the Refunded 1991A Bonds as the same becomes due in accordance with the terms thereof;

(b) into the General Account and immediately transferred to the Escrow Trustee for deposit into the 2001C Escrow Account established under the Escrow Deposit Agreement, an amount equal to $21,711,786.00 to be used to acquire the 2001C Investment Securities (as defined in the Escrow Agreement) which will mature, as to principal and interest, in amounts sufficient to redeem on April 11, 2011 all of the Refunded 2001C Bonds maturing on or after August 1, 2011;

(c) into the Bond Issuance Expense Account an amount equal to $300,000.00 to be used to pay the Costs of Issuance incurred in connection with the Series 2011 C Bonds (other than the Underwriter’s discount retained by the Underwriter in the amount of $280,546.72, the premium for the Series 2011 C Bond Insurance Policy paid by the Underwriter directly to the Series 2011 C Bond Insurer, for and on behalf of the Bond Bank, in the amount of $105,228.93, and the premium for the Series 2011 C Reserve Fund Credit Facility (to be deposited into the Debt Service Reserve Fund) paid by the Underwriter directly to the Series 2011 C Bond Insurer, for and on behalf of the Bond Bank, in the amount of $127,672.50); and

(d) into the Acquisition Account the remainder of the net proceeds of the Series 2011 C Bonds.

The Trustee will deposit the net proceeds of any subsequent Series of Bonds as provided in the Supplemental Indenture for that Series of Bonds.

Operation of Funds and Accounts

General Fund

General Account. Upon receipt of any Revenues or other receipts (except the proceeds of the Bonds and moneys received upon sale or redemption prior to maturity of Qualified Obligations), the Trustee will deposit such amounts into the General Account or such other Fund or Account as provided under the Indenture. Any moneys received pursuant to Indiana Code 5-1.4-5-4 for replenishment of the Debt Service Reserve Fund will be deposited in the Debt Service Reserve Fund and applied in accordance with the Act and the Indenture.

The Trustee will deposit in the General Account all moneys required to be deposited therein pursuant to the Indenture. The Trustee will invest such funds in accordance with the Indenture and will make the following payments from the General Account on the specified dates and, if there are insufficient funds to make all the payments required, with the following order of priority:

(a) On or before 10:00 a.m. in the city in which the Trustee is located, on the second business day next preceding each Interest Payment Date, to the Trustee such amount as will be necessary to pay the principal and interest coming due on the Bonds on such Interest Payment Date;

(b) As soon as funds become available, to the Debt Service Reserve Fund, sufficient amounts to assure that the Debt Service Reserve Requirement is met from time to time;

(c) At such times as will be necessary, the reasonable Program Expenses, if any;
At the direction of the Bond Bank, any amount necessary to comply with the arbitrage rebate requirement of Section 148(f) of the Code, to the extent such amounts are not obtained as Fees and Charges; and

After making such deposits and disbursements and after the Trustee determines the amounts reasonably expected to be received in the form of Qualified Obligation Payments in the succeeding twelve months, to any other fund or account maintained by the Bond Bank, regardless of whether such fund or account is subject to the lien of the Indenture, all moneys in the General Fund which, together with such expected receipts for the succeeding twelve months, are in excess of the amounts needed to pay principal and interest on the Bonds within the immediately succeeding twelve-month period. No moneys will be so transferred unless the Bond Bank provides the Trustee with a Cash Flow Certificate to the effect that, after such transfer, the Revenues expected to be received, together with moneys expected to be held in the Funds and Accounts, will at least equal Debt Service on all Outstanding Bonds.

To the extent debt service on any of the Bonds is paid from Investment Earnings, the Qualified Entity will be credited with making such payments and any obligations under the Qualified Obligations so paid will be deemed satisfied.

Redemption Account. The Trustee will deposit in the Redemption Account all moneys received from the sale or redemption prior to maturity of Qualified Obligations and all other moneys required to be deposited therein pursuant to the provisions of the Indenture, will invest such funds pursuant to the Indenture and will disburse the funds in the Redemption Account as follows:

(a) On the fifteenth day of each month, to the General Account, an amount equal to the principal which would have been payable during the following month if such Qualified Obligation had not been sold or redeemed;

(b) On the second business day next preceding each Interest Payment Date, if moneys in the General Account are not sufficient to make the payments of principal and interest required to be made on such date, the Trustee will transfer to the General Account moneys in the Redemption Account not already committed to the redemption of Bonds for which notice of redemption has been given;

(c) After providing for the payments required under paragraphs (a) and (b) above, moneys in the Redemption Account may be used (i) to redeem Bonds of such maturity or maturities as directed by the Bond Bank if such Bonds are then subject to redemption, (ii) to purchase Qualified Obligations permitted by the Indenture, (iii) to the extent there are any excess moneys in the Redemption Account, to transfer to the General Account, (iv) to purchase Bonds of such maturity or maturities as directed by an Authorized Officer at the most advantageous price obtainable with reasonable diligence, whether or not such Bonds will then be subject to redemption, or (v) to invest such moneys until the maturity or maturities of Bonds as directed by an Authorized Officer in accordance with the Indenture. Such price may not, however, exceed the redemption price which would be payable on the next ensuing date on which the Bonds so purchased are redeemable according to their terms, unless the Bond Bank provides the Trustee with a Cash Flow Certificate to the effect that the purchase at a price in excess of the redemption price will not result in the Revenues, together with moneys expected to be held in the Funds and Accounts, being less than an amount equal to Debt Service on all Outstanding Bonds. The Trustee will pay the interest accrued on the Bonds so purchased to the date of delivery of the Bonds to the Trustee from the General Account and the balance of the purchase price from the Redemption Account, but no such purchase will be made by the Trustee within the period of 60 days next preceding an Interest Payment Date or a date on which such Bonds are subject to redemption under the provisions of the Indenture; and

(d) If the Trustee is unable to purchase Bonds in accordance with and under the preceding paragraph (c), then, subject to any restrictions on redemption set forth in the Indenture, and subject to clause (c)(i) in the immediately preceding paragraph, the Trustee will call for redemption on the next redemption date such amount of Bonds of such maturity or maturities as directed by the Bond Bank as, at the redemption price thereof, will exhaust the Redemption Account as nearly as possible. The Trustee will
pay the interest accrued on the Bonds so redeemed to the date of redemption from the General Account and will pay the redemption price from the Redemption Account.

The Trustee may, upon written direction from the Bond Bank, transfer moneys in the Redemption Account to the General Account if the Bond Bank provides the Trustee with a Cash Flow Certificate to the effect that, after such transfer and after any transfer from the General Account to the Bond Bank, the Revenues, together with moneys expected to be held in the Funds and Accounts, would at least equal Debt Service on all Outstanding Bonds.

**Acquisition Account.** The Trustee will deposit in the Acquisition Account all moneys required to be deposited therein pursuant to the provisions of the Indenture. The Trustee will invest such funds in accordance with the Indenture. On the date of initial delivery of the Series 2011 C Bonds, the Trustee will disburse money to acquire the 2011 District Bonds in accordance with the procedures established by the Bond Bank, as set forth in the Indenture, upon the submission of requisitions of the Bond Bank signed by an Authorized Officer stating that all requirements with respect to such financing set forth in the Indenture have been or will be complied with. In making disbursements from the Acquisition Account, the Trustee may rely upon such certifications and requisitions without further investigation. Any amounts remaining in the Acquisition Account ninety (90) days after the issuance of the Series 2011 C Bonds will be transferred to the General Account, at which time the Acquisition Account may, at the direction of the Bond Bank, be closed.

**Bond Issuance Expense Account.** The Trustee will deposit in the Bond Issuance Expense Account the moneys required to be deposited therein by the Indenture, will invest such funds pursuant to the Indenture and will disburse the funds held in the Bond Issuance Expense Account upon receipt of acceptable invoices or requisitions certified by the Executive Director of the Bond Bank to pay the Costs of Issuance of the Bonds or to reimburse the Bond Bank for amounts previously advanced for such costs and to transfer moneys therefrom to the General Account. In making disbursements from the Bond Issuance Expense Account, the Trustee may rely upon such certificates and invoices without further investigation. Any amounts remaining in the Bond Issuance Expense Account ninety (90) days after the issuance of the Series 2011 C Bonds will be transferred by the Trustee to the General Account, at which time the Bond Issuance Expense Account may, at the direction of the Bond Bank, be closed.

**Debt Service Reserve Fund**

The Trustee will deposit in the Debt Service Reserve Fund all moneys required to be deposited therein pursuant to the Indenture or as set forth in any Supplemental Indenture, will invest such funds pursuant to the Indenture and will disburse the funds held in the Debt Service Reserve Fund solely for the payment of interest on and principal of the Bonds, and only if moneys in the General Account are insufficient to pay principal of and interest on the Bonds after making all the transfers thereto required to be made from the Redemption Account have been made.

If moneys in the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement from time to time, such excess will be transferred at least semiannually in the following order:

1. to the extent required by the Indenture, to the Rebate Fund;
2. any remaining excess attributable to funds received from the Qualified Entity pursuant to the 2011 District Bond Resolution to replace moneys deposited in the Debt Service Reserve Fund pursuant to the Act and the Indenture upon the direction of the Executive Director of the Bond Bank, to the City to repay such appropriation; and
3. any other moneys in excess of the Debt Service Reserve Requirement, to the General Account.

Notwithstanding the foregoing, the Bond Bank may satisfy all or any part of its obligation to maintain an amount in the Debt Service Reserve Fund at least equal to the Debt Service Reserve Requirement by depositing a Reserve Fund Credit Facility in the Debt Service Reserve Fund, provided that such deposit does not adversely affect any Rating Agency ratings on the Bonds. The Reserve Fund Credit Facility will be deemed to be on deposit in the
Debt Service Reserve Fund as set forth in the Indenture. To the extent that a Reserve Fund Credit Facility is on deposit in the Debt Service Reserve Fund, any cash on deposit in the Debt Service Reserve Fund will be disbursed first and prior to drawing upon the Reserve Fund Credit Facility. After any such cash is disbursed, the Trustee will draw on the Reserve Fund Credit Facility, if so existing, and, if more than one Reserve Fund Credit Facility is available, the Trustee will draw on such Reserve Fund Credit Facilities on a pro rata basis based on the relative stated amount of each such Reserve Fund Credit Facility.

If such deposit causes the Debt Service Reserve Fund to be equal to the Debt Service Reserve Requirement, moneys in the Debt Service Reserve Fund in excess of that needed for the Debt Service Reserve Fund to be equal to the Debt Service Reserve Requirement will be moved in accordance with the Indenture, subject to the satisfaction of any Reserve Fund Reimbursement Obligations from such excess as described below. If a disbursement is made pursuant to a Reserve Fund Credit Facility, the Bond Bank will be obligated (but solely from the appropriations, if any, made and available pursuant to IC 5-1.4-5-4 and the Indenture or if otherwise available from the Trust Estate) within twelve (12) months from the date on which such disbursement was made, to cure such deficiency, either (i) to reinstate the maximum limits of such Reserve Fund Credit Facility or (ii) to deposit cash into the Debt Service Reserve Fund, or a combination of such alternatives, so that the Debt Service Reserve Fund from which the disbursement is made will equal the Debt Service Reserve Requirement. The Trustee will include in the total amount held in each Debt Service Reserve Fund an amount equal to the maximum principal amount which could be drawn by the Trustee under any such Reserve Fund Credit Facility on deposit with the Trustee. Amounts required to be deposited in the Debt Service Reserve Funds will include any amount required to satisfy a Reserve Fund Reimbursement Obligation for any Reserve Fund Credit Facility. The Trustee is authorized to move the amounts to satisfy the Reserve Fund Reimbursement Obligations to the provider of the Reserve Fund Credit Facility. (See “RESERVE FUND CREDIT FACILITY” herein).

Notwithstanding the foregoing, for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect, the prior written consent of the Series 2011 C Bond Insurer will be a condition precedent to the deposit of any Reserve Fund Credit Facility, other than the Series 2011 C Reserve Fund Credit Facility, provided in lieu of a cash deposit into the Debt Service Reserve Fund. Notwithstanding anything to the contrary set forth in the Indenture, amounts on deposit in the Debt Service Reserve Fund will be applied solely to the payment of debt service on the Series 2011 C Bonds.

Notwithstanding the foregoing, for so long as the Series 2011 C Reserve Fund Credit Facility remains in full force and effect, the following provisions will apply:

(1) The Bond Bank will repay any draws under the Series 2011 C Reserve Fund Credit Facility and pay all related reasonable expenses incurred by the Series 2011 C Bond Insurer. Interest will accrue and be payable on such draws and expenses from the date of payment by the Series 2011 C Bond Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of: (a) the greater of: (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank (“Chase”) at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by Chase) plus 3%; and (ii) the then applicable highest rate of interest on the Series 2011 C Bonds; and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate will be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event Chase ceases to announce its Prime Rate publicly, Prime Rate will be the publicly announced prime or base lending rate of such national bank as the Series 2011 C Bond Insurer will specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, “Policy Costs”) will commence in the first month following each draw, and each such monthly payment will be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Series 2011 C Bond Insurer will be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Series 2011 C Bond Insurer on account of principal due, the coverage under the Series 2011 C Reserve Fund Credit Facility will be increased by a like amount, subject to the terms of the Series 2011 C Reserve Fund Credit Facility.
All cash and investments in the Debt Service Reserve Fund allocated to the Series 2011 C Bonds will be transferred to the General Account for payment of debt service on the Series 2011 C Bonds before any drawing may be made on the Series 2011 C Reserve Fund Credit Facility or any other Reserve Fund Credit Facility credited to the Debt Service Reserve Fund in lieu of cash. Payment of any Policy Costs will be made prior to replenishment of any such cash amounts. Draws on all Reserve Fund Credit Facilities (including the Series 2011 C Reserve Fund Credit Facility) on which there is available coverage will be made on a pro rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Debt Service Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Fund Credit Facilities will be made on a pro rata basis prior to replenishment of any cash drawn from the Debt Service Reserve Fund.

(2) If the Bond Bank fails to pay any Policy Costs in accordance with the requirements of clause (1) above, the Series 2011 C Bond Insurer will be entitled to exercise any and all legal and equitable remedies available to it, including those provided hereunder, other than: (i) acceleration of the maturity of the Series 2011 C Bonds; or (ii) remedies which would adversely affect owners of the Series 2011 C Bonds.

(3) The Indenture will not be discharged until all Policy Costs owing to the Series 2011 C Bond Insurer have been paid in full. The Bond Bank’s obligation to pay such amounts will expressly survive payment in full of the Series 2011 C Bonds.

(4) In order to secure the Bond Bank’s payment obligations with respect to the Policy Costs, there will be granted and perfected in favor of the Series 2011 C Bond Insurer a security interest (subordinate only to that of the owners of the Series 2011 C Bonds) in the Trust Estate.

(5) The Trustee will ascertain the necessity for a claim upon the Series 2011 C Reserve Fund Credit Facility and to provide notice to the Series 2011 C Bond Insurer in accordance with the terms of the Series 2011 C Reserve Fund Credit Facility at least five business days prior to each date upon which interest or principal is due on the Series 2011 C Bonds.

Rebate Fund

The Rebate Fund will be established to comply with the provisions of Section 148 of the Code concerning the rebate of certain arbitrage earnings to the United States. There will be made all deposits and disbursements as provided by the Indenture and as required by federal tax law solely in accordance with instructions received from the Bond Bank. The Rebate Fund is not subject to the lien of the Indenture.

So long as any of the Series 2011 C Bonds are Outstanding and the Bond Bank is subject to a rebate obligation under the Code, the Bond Bank covenants to establish and maintain the Rebate Fund and to comply with the instructions relating to its ongoing rebate responsibilities delivered on the date of initial delivery of the Series 2011 C Bonds. Such instructions will set forth procedures which may be amended from time to time. Any funds remaining in the Rebate Fund after redemption and payment of the Series 2011 C Bonds and payment and satisfaction of any rebate amount, or provision made therefor satisfactory to the Trustee, will be distributed to the Bond Bank.

Investment of Moneys

Moneys held as a part of any Fund or Account under the Indenture (except the Redemption Account) will be invested and reinvested upon oral directions (immediately confirmed in writing) of the Bond Bank in Qualified Investments, maturing no later than the date on which it is estimated that such moneys will be required to be paid out under the Indenture. Moneys in the Redemption Account will be invested only in Federal Securities. All such investments will at all times be a part of the Fund or Account from which moneys were used to acquire such investments, and all Investment Earnings will be deposited as received in the General Account, except for (i) income and profits on investment of funds in the Rebate Fund, which will remain in the Rebate Fund, and (ii) Investment Earnings on the investment of funds in the Debt Service Reserve Fund, which will remain in the Debt Service Reserve Fund until the balance in such Fund equals the Debt Service Reserve Requirement from time to time and thereafter be disbursed as provided in the Indenture. Moneys in separate Funds and Accounts may be commingled.
for the purpose of investment or deposit. Instructions of the Bond Bank to the Trustee with respect thereto will be made without causing any of the Series 2011 C Bonds to be arbitrage bonds as defined in Section 148 of the Code. Any investment losses will be charged to the Fund or Account (including the Rebate Fund) from which moneys such used to purchase such investment had been deposited. The Trustee will not be liable for any investment losses for so long as the Trustee complies with the provisions of the Indenture. Moneys in any Fund or Account (including the Rebate Fund) will be invested in Qualified Investments with maturity dates (or redemption dates determinable at the option of the owner of the Qualified Investment) coinciding as nearly as practicable with the times at which moneys in such Funds or Accounts (including the Rebate Fund) will be required for transfer or disbursement under the Indenture. The Trustee will sell and reduce to cash sufficient amounts of such investments in a respective Fund or Account (including the Rebate Fund) as may be necessary to make up a deficiency in any amounts required to be paid from such Fund or Account.

Obligations purchased as investments of moneys in any Fund or Account (including the Rebate Fund), except the Debt Service Reserve Fund, with a stated maturity of less than two years will be valued at cost, including accrued interest paid and unamortized debt discount. All other such obligations will be valued at the cost, including accrued interest paid and unamortized debt discount, or market price, whichever is lower, exclusive of earned accrued interest, except for securities covered by repurchase agreements which will be valued at the market value of the collateral securing such agreements. Qualified Investments held in the Debt Service Reserve Fund will be valued at fair market value.

Covenants Concerning Bonds

The Bond Bank has covenanted and agreed that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture, in any and every Bond executed, authenticated and delivered thereunder, in all of its proceedings pertaining thereto. The Bond Bank has covenanted and represented that it is duly authorized under the constitution and laws of the State, including particularly the Act, to issue the Bonds authorized under the Indenture and to execute the Indenture, and to pledge the Revenues and all other property thereby pledged in the manner and to the extent set forth in the Indenture; that all action on its part for the issuance of the Bonds and the execution and delivery of the Indenture has been duly and effectively taken; and that the Bonds in the hands of the owners thereof are and will be valid and enforceable limited obligations of the Bond Bank according to the terms of the Bonds and the Indenture.

In order to provide for the payment of the principal of and premium, if any, and interest on the Bonds and Program Expenses, the Bond Bank will from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, the provisions of the Indenture and sound banking practices and principles, to the extent necessary to provide for the payment of the Bonds (i) do all such acts and things as will be necessary to receive and collect the Revenues (including enforcement of the prompt collection of all arrears on Qualified Obligation Payments), and (ii) diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Bond Bank to protect its rights with respect to or to maintain any insurance on Qualified Obligations and to enforce all terms, covenants and conditions of Qualified Obligations including the collection, custody and prompt application of all escrow payments required by the terms of a Qualified Obligation for the purposes for which they were made.

Whenever necessary in order to provide for the payment of debt service on the Bonds, the Bond Bank will commence appropriate remedies with respect to the Qualified Obligations if in default.

Accounts and Reports

The Bond Bank has covenanted and agreed to keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries will be made of its transactions relating to the Program and the Funds and Accounts established by the Indenture and to the Rebate Fund. Such books, and all other books and papers of the Bond Bank, and such Funds and Accounts and the Rebate Fund will at all reasonable times be subject to the inspection of the Trustee and the owners of an aggregate of not less than 5% in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing. The permissive right of inspection by the Trustee will not be construed as a duty.
Within 210 days after the close of each Fiscal Year, the Bond Bank covenants and agrees to file with the Trustee a copy of an annual report as to the operations of the Bond Bank during such Fiscal Year and audited financial statements prepared in conformity with generally-accepted accounting principles by an accounting firm appointed by the Bond Bank. Such financial statements should set forth in reasonable detail a balance sheet showing the assets and liabilities of the Program, a statement of revenues and expenses of the Program, and a statement of changes in financial position of the Program which may be presented on a consolidated or combined basis with other reports of the Bond Bank (including reports on other programs) but only to the extent that the transactions conducted with respect to the Indenture and the Program are accurately reflected. The Trustee will have no duty to review or analyze such financial statements and will hold such financial statements solely as a repository for the benefit of the Bondholders.

The Bond Bank has covenanted and agreed to provide to the Trustee copies of all reports filed with the Bond Bank by the Redevelopment District pursuant to the Purchase Agreement.

The reports, statements and other documents required to be furnished to the Trustee pursuant to any provision of the Indenture will be provided by the Trustee at the expense of the Bond Bank to any Registered Owner (or designated representative) of 5% or more in aggregate principal amount of Bonds then Outstanding who files or has filed a written request therefor with the Trustee.

Covenants with Respect to Qualified Obligations

With respect to the Qualified Obligations purchased by the Bond Bank, the Bond Bank has covenanted as follows:

(a) The Bond Bank will not permit or agree to any material change in any Qualified Obligation unless the Bond Bank supplies the Trustee with a Cash Flow Certificate, to the effect that, after such change, the Revenues expected to be received in each Fiscal Year, together with moneys expected to be held in the Funds and Accounts, will at least equal the Adjusted Debt Service Requirements on all Outstanding Bonds in each such Fiscal Year.

(b) The Bond Bank will also enforce or authorize the enforcement of all remedies available to owners or holders of Qualified Obligations, unless (i) the Bond Bank provides the Trustee with a Cash Flow Certificate to the effect that, if such remedies are not enforced, the Revenues expected to be received in each Fiscal Year, together with moneys expected to be held in the Funds and Accounts, will at least equal the Adjusted Debt Service Requirements on all Outstanding Bonds in each such Fiscal Year; and (ii) the Trustee, having relied on an opinion of counsel, determines that failure to enforce such remedies will not adversely affect the interests of the Bondholders in any material way.

(c) The Bond Bank will not sell or dispose of any Qualified Obligations unless the Bond Bank provides the Trustee with a Cash Flow Certificate, to the effect that, after such sale, the Revenues expected to be received in each Fiscal Year, together with moneys expected to be held in the Funds and Accounts minus any proceeds of such sale to be transferred from any Fund or Account, will at least equal the Adjusted Debt Service Requirements on all Outstanding Bonds in each such Fiscal Year. Proceeds of such sales will be invested only in Federal Securities or in Qualified Obligations or disbursed as provided in the Indenture.

(d) The Bond Bank will, to the extent such action would not adversely affect the validity of the Qualified Obligations, pursue the applicable remedies set forth in IC 5-1.4-8-4, as amended from time to time.

(e) Notwithstanding the foregoing, for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect, each of the Bond Bank and the Trustee covenant and agree to take such action (including, if applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to perfect or otherwise preserve the priority of the pledge of the Trust Estate under State law.
Annual Budget

The Bond Bank will, at least 60 days prior to the beginning of each Fiscal Year (commencing with the Fiscal Year beginning January 1, 2012), prepare and file in the office of the Trustee a preliminary budget covering its operations for the succeeding Fiscal Year which will be open to inspection by any holder of at least 5% of the Outstanding Bonds. The Trustee will have no duty to review or inspect such budget and will hold such budget solely as a repository for the Bondholders. The Bond Bank will also prepare a summary of such preliminary budget and at least 45 days before the beginning of each Fiscal Year mail a copy thereof to any Bondholder who has filed its name and address with the Bond Bank for such purpose.

Certification Covenants

The Bond Bank covenants that if a deficiency in or depletion of the Debt Service Reserve Fund (including a draw on any Reserve Fund Credit Facility) below the Debt Service Reserve Requirement is projected in the Bond Bank's annual budget, the Chairman will certify such projected deficiency or depletion (including a draw on any Reserve Fund Credit Facility) to the City-County Council of the City and of Marion County on or before December 1 of the year prior to the Fiscal Year in which the deficit is projected to occur, or within 90 days of such projection, whichever is earlier.

The Bond Bank will take all actions required or permitted by Indiana Code 5-1.4-5-4, as amended from time to time, to certify to the City-County Council of the City of Indianapolis and of Marion County any deficiency in or depletion of the Debt Service Reserve Fund (including a draw on any Reserve Fund Credit Facility) within 90 days of such deficiency or depletion (or draw on any Reserve Fund Credit Facility), regardless of whether such deficiency or depletion (or draw on any Reserve Fund Credit Facility) was projected in the annual budget.

The Bond Bank covenants and agrees that, for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect, the Indenture shall not be amended, modified, terminated or released without the prior written consent of the Series 2011 C Bond Insurer.

Covenant to Monitor Investments

The Bond Bank has covenanted and agreed to regularly review the investments held by the Trustee in the Funds and Accounts under the Indenture for the purpose of assuring that the Revenues derived from such investments are sufficient to provide, together with other anticipated Revenues, the Debt Service on all Outstanding Bonds.

Cash Flow Certificates and Verifications

At any time that the provisions of the Indenture require that a Cash Flow Certificate be prepared, such certificate will set forth:

(a) the Revenues expected to be received on all Qualified Obligations purchased with proceeds of the Bonds;

(b) all other Revenues, including the interest to be earned and other income to be derived from the investment of the Funds and Accounts and the rate or yields used in estimating such amounts;

(c) all moneys expected to be in the Funds and Accounts;

(d) the amount, if any, expected to be withdrawn from the Debt Service Reserve Fund, but only if the amount in the Debt Service Reserve Fund immediately after such withdrawal is expected to be at least equal to the Debt Service Reserve Requirement and such withdrawal is permitted by the Indenture; and
(e) the Adjusted Debt Service Requirements on all Bonds expected to be Outstanding during each Fiscal Year.

In making any Cash Flow Certificate, the accountant or firm of accountants may contemplate the payment or redemption of the Bonds for the payment or redemption of which amounts have been set aside in the Redemption Account. The issuance of the Bonds, the making of transfers from one Fund to another and the deposit of amounts in any Fund from any other source may be contemplated in a Cash Flow Certificate only to the extent that such issuance, deposit or transfer has occurred prior to or occurs substantially simultaneously with the delivery of such Cash Flow Certificate. The accountant or firm of accountants will also supply supporting schedules appropriate to show the sources and applications of funds used, identifying particularly amounts to be transferred between Funds, amounts to be applied to the redemption or payment of the Bonds and amounts to be used to provide for Costs of Issuance, the debt service reserve and capitalized interest, if any. In the case of each annual Cash Flow Certificate, the amounts of existing Qualified Obligations, existing Qualified Investments and existing cash will be the amounts as of the last day of the preceding Fiscal Year. In the case of any other Cash Flow Certificate, such amounts will be the amounts as of the last day of the month preceding the month in which the Cash Flow Certificate is delivered but will be adjusted to give effect to scheduled payments of principal and interest on Qualified Obligations, actual payments or proceeds with respect to Qualified Investments and actual expenditures of cash expected by the Bond Bank through the end of the then current month.

Tax Covenants and Reliance on Opinions

The Bond Bank will not take any action or fail to take any action with respect to the Series 2011 C Bonds, that would result in the loss of the exclusion from gross income for federal tax purposes of interest on any of the Series 2011 C Bonds pursuant to Section 103 of the Code, nor will the Bond Bank act in any other manner which would adversely affect such exclusion; and it will not make any investment or do any other act or thing during the period that the Series 2011 C Bonds are Outstanding which would cause any of the Series 2011 C Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code, all as in effect on the date of delivery of the Series 2011 C Bonds.

These covenants are based solely on current law in effect and in existence on the date of delivery of the Series 2011 C Bonds. It will not be an Event of Default under the Indenture if the interest on any of the Series 2011 C Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of the issuance of such Series 2011 C Bonds.

In making any determination regarding the covenants, the Bond Bank may rely on an opinion of Bond Counsel which is addressed to the Bond Bank and the Trustee.

The Bond Bank will rebate any necessary amounts to the United States of America to the extent required by the Code, as provided in the Indenture.

Discharge of Indenture

If the Bond Bank pays or causes to be paid, or there is otherwise paid, or provision is made for the payment of, the principal of, premium, if any, and interest due or to become due on the Bonds at the times and in the manner stipulated therein, and if the Bond Bank is not then in default under any of the other covenants and promises in the Bonds and the Indenture to be kept, performed and observed by it or on its part, and if the Bond Bank pays or causes to be paid to the Trustee all sums of money due or to become due according to the provisions of the Indenture or the Bonds, then, except for the rights of the Trustee under the Indenture, the Indenture and the interests in the Trust Estate and rights granted by the Indenture will cease, determine and be void, and the Trustee will take such actions, at the request of the Bond Bank, as may be necessary to evidence the cancellation and discharge of the lien of the Indenture.
A Bond will be deemed to be paid for all purposes of the Indenture when (a) payment of the principal of and the applicable redemption premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise) has been provided to the Trustee by irrevocably depositing with the Trustee, in trust, and the Trustee has irrevocably set aside exclusively for such payments, any combination of (i) funds sufficient to make such payment, and/or (ii) Federal Securities not subject to redemption or prepayment and maturing as to principal and interest in such amounts and at such times as will, in the opinion of an independent certified public accountant delivered to the Trustee, provide sufficient moneys, without reinvestment of any matured amounts, to make such payment without reinvestment (and there will be no reinvestment); (b) the Trustee has been given irrevocable written instructions to call such Bond for redemption on a date certain, if such Bond is to be called for redemption prior to maturity; (c) if such a Bond is a Series 2011 C Bond, the Trustee has received a written opinion of Bond Counsel to the effect that such deposit (and the payment of the Series 2011 C Bond therefrom) will not adversely affect the exclusion from gross income of interest on the Series 2011 C Bonds for federal income tax purposes; (d) the Trustee receives notice from each Rating Agency, promptly confirmed in writing to the Trustee, of the rating that the Bond will bear after payment is provided therefor in accordance with this paragraph and such rating is neither lower than the rating borne by the Bond immediately prior to any such provision for payment, nor withdrawn; and (e) all necessary and proper fees, compensation and expenses of the Trustee pertaining to such Bond have been paid or the payment thereof provided for to the satisfaction of the Trustee.

Notwithstanding anything in the Indenture to the contrary, for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect, the following provisions shall apply. To accomplish defeasance, the Bond Bank will cause to be delivered: (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Series 2011 C Bond Insurer (“Accountant”) verifying the sufficiency of the escrow established to pay the Series 2011 C Bonds in full on the maturity or redemption date (“Verification”); (ii) an escrow deposit agreement (which shall be acceptable in form and substance to the Series 2011 C Bond Insurer); (iii) an opinion of nationally recognized bond counsel to the effect that the Series 2011 C Bonds are no longer Outstanding under the Indenture; and (iv) a certificate of discharge of the Trustee with respect to the Series 2011 C Bonds. Each Verification and defeasance opinion must be acceptable in form and substance, and addressed, to the Bond Bank, the Trustee and the Series 2011 C Bond Insurer. The Series 2011 C Bond Insurer will be provided with final drafts of the above-referenced documentation not less than five (5) business days prior to the funding of the escrow. Bonds will be deemed Outstanding under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

Defaults and Remedies

Events of Default

Events of Default. Any of the following events constitutes an “Event of Default” under the Indenture:

(a) The Bond Bank defaults in the due and punctual payment of any interest on any Bond;
(b) The Bond Bank defaults in the due and punctual payment of the principal of any Bond;
(c) The Bond Bank fails to make required remittances to the Trustee within the time limits prescribed in the Indenture;
(d) The Bond Bank defaults in the performance or observance of any of its other covenants, agreements or conditions contained in the Indenture or the Bonds and fails to remedy such default within the time provided in, and after receipt of notice thereof pursuant to, the Indenture (see “Notice of Default; Opportunity to Cure”);
(e) Any warranty, representation or other statement by or on behalf of the Bond Bank contained in the Indenture or in any instrument furnished in compliance with or in reference to the Indenture is found to be false or misleading, when made, in any material respect, and there has been a
failure to remedy such default within the time provided in, and after receipt of notice thereof pursuant to, the Indenture (see “Notice of Default; Opportunity to Cure”);

(f) A petition is filed against the Bond Bank, to the extent such petition may be filed under applicable law, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 60 days after such filing;

(g) The Bond Bank files a petition, to the extent such petition may be filed under applicable law, in voluntary bankruptcy or seeking relief under any provisions of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 60 days after such filing;

(h) The Bond Bank is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or liquidator or trustee of the Bond Bank or any of its property is appointed by court order or takes possession and such order remains in effect or such possession continues for more than 60 days;

(i) The Bond Bank fails to restore the Debt Service Reserve Fund to the Debt Service Reserve Requirement within 60 days after the end of the Fiscal Year in which a deficiency occurs; or

(j) The Bond Bank is rendered incapable of fulfilling its obligations under the Indenture for any reason.

Notice of Default; Opportunity to Cure. No default under subparagraphs (d) or (e) above will constitute an Event of Default until actual notice of such default by registered or certified mail has been given to the Bond Bank by the Trustee or by the Owners of not less than 25% in aggregate principal amount of all Bonds then Outstanding and the Bond Bank has had 60 days after receipt of such notice to correct such default or cause such default to be corrected and has not corrected such default or caused such default to be corrected within the applicable period. However, if such default is correctable but cannot be corrected within the applicable period, it will not constitute an Event of Default if corrective action is instituted by the Bond Bank within the applicable period and diligently pursued until such default is corrected.

Remedies; Rights of Bondholders and Series 2011 C Bond Insurer

Upon the occurrence of an Event of Default, the Trustee will notify the Series 2011 C Bond Insurer and the owners of all Bonds then Outstanding of such Event of Default by registered or certified mail, and will have the following rights and remedies and will exercise such rights and remedies:

(a) The Trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on Outstanding Bonds, including enforcement of any rights of the Bond Bank or the Trustee under the Qualified Obligations;

(b) The Trustee may by action or suit in equity require the Bond Bank to account as if it were the trustee of an express trust for the owners of the Bonds and may take such action with respect to the Qualified Obligations as the Trustee deems necessary or appropriate and in the best interest of the Owners of the Bonds, subject to the terms of those Qualified Obligations;

(c) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Owners of the Bonds under the Indenture, the Trustee will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment will confer; provided, however, for so long as the Series 2011 C Bond Insurance Policy is in full force and effect, in the event of any reorganization or liquidation plan with respect to the
Bond Bank, the Series 2011 C Bond Insurer will have the right to vote on behalf of the holders of the Series 2011 C Bonds; and

(d) If the Trustee certifies that there are sufficient moneys on deposit in the Funds and Accounts to pay principal of and accrued interest on all the Outstanding Bonds, the Trustee may declare the principal of and accrued interest on all Bonds to be due and payable immediately in accordance with the Indenture and the Act, by notice to the Bond Bank and the Corporation Counsel of the City; provided, however, for so long as the Series 2011 C Bond Insurance Policy is in full force and effect, the Trustee may, with the consent of the Series 2011 C Bond Insurer, and will, at the direction of the Series 2011 C Bond Insurer or holders of the Series 2011 C Bonds with the written consent of the Series 2011 C Bond Insurer, by written notice to the Bond Bank, the Corporation Counsel of the City and the Series 2011 C Bond Insurer, declare the principal of the Series 2011 C Bonds to be immediately due and payable, whereupon that portion of the principal of the Series 2011 C Bonds thereby coming due and the interest thereon accrued to the date of payment will, without further action, become and be immediately due and payable, anything in the Indenture or the Series 2011 C Bonds to the contrary notwithstanding.

If an Event of Default has occurred, if requested to do so by the owners of 25% or more in aggregate principal amount of all Bonds then Outstanding and if indemnified pursuant to the Indenture, the Trustee will be obligated to exercise such one or more of the rights, remedies and powers conferred by the Indenture as the Trustee, being advised by counsel, deems most expedient in the interests of the Bondholders.

Anything in the Indenture to the contrary notwithstanding, the owners of a majority in aggregate principal amount of Bonds then Outstanding will have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings thereunder; provided that such direction is not otherwise than in accordance with the provisions of law and of the Indenture.

**Waivers of Events of Default**

The Trustee, with the consent of the Series 2011 C Bond Insurer (so long as the Series 2011 C Bond Insurance Policy remains in full force and effect), may at its discretion waive any Event of Default and its consequences, and must do so upon the written request of the owners of (i) more than 66-2/3% in aggregate principal amount of all Bonds then Outstanding in respect of which an Event of Default in the payment of principal or interest exists or (ii) more than 50% in aggregate principal amount of all Bonds then Outstanding in the case of any other Event of Default. However, there may not be waived (A) any Event of Default in the payment of the principal of any Outstanding Bond at the specified date of maturity or (B) any Event of Default in the payment when due of the interest on any Outstanding Bond unless, prior to the waiver, all arrears of interest or principal due, as the case may be, with interest on overdue principal at the rate borne by such Bond, and all expenses of the Trustee in connection with such Event of Default have been paid or provided for. In case of any such waiver, or in case any proceeding taken by the Trustee on account of any such Event of Default has been discontinued or abandoned or determined adversely, then the Bond Bank, the Trustee and the owners of the Bonds will be restored to their former respective positions and rights under the Indenture.

**Rights and Remedies of Bondholders**

No owner of any Bond will have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Indenture, unless (i) an Event of Default has occurred, (ii) the owners of not less than 25% in aggregate principal amount of Bonds then Outstanding have made written request to the Trustee and have offered the Trustee reasonable opportunity either to proceed to exercise the remedies granted in the Indenture or to institute such action, suit or proceeding in its own name, (iii) such owners of the Bonds have offered to indemnify the Trustee, as provided in the Indenture, and (iv) the Trustee has refused, or for 60 days after receipt of such request and offer of indemnification has failed, to exercise the remedies granted in the Indenture or to institute such action, suit or proceeding in its own name. Such request and offer of indemnity are in every case at the option of Trustee.
conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy thereunder. No one or more owners of the Bonds will have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its, his, her or their action or to enforce any right thereunder except in the manner therein provided in the Indenture. All proceedings at law or in equity must be instituted, had and maintained in the manner provided in the Indenture and for the equal and ratable benefit of the owners of all Bonds then Outstanding. However, nothing contained in the Indenture will affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the limited obligation of the Bond Bank to pay the principal of and interest on each of the Bonds issued thereunder to the respective owners thereof at the time and place, from the source and in the manner expressed in the Bonds.

Rights of the Series 2011 C Bond Insurer upon Default

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Bondholders under the Indenture, the Trustee will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the Revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer. Notwithstanding anything to the contrary set forth in the Indenture, for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect, the following provisions will apply:

(a) The Series 2011 C Bond Insurer will be deemed to be the sole holder of the Series 2011 C Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Series 2011 C Bonds are entitled to take pursuant to the Indenture, if any.

(b) The maturity of the Series 2011 C Bonds will not be accelerated without the consent of the Series 2011 C Bond Insurer and in the event the maturity of the Series 2011 C Bonds is accelerated, the Series 2011 C Bond Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Bond Bank) and the Trustee will be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Series 2011 C Bond Insurer’s obligations under the Series 2011 C Bond Insurance Policy with respect to such Series 2011 C Bonds will be fully discharged.

(c) No grace period for a covenant default will exceed thirty (30) days, nor be extended for more than sixty (60) days, without the prior written consent of the Series 2011 C Bond Insurer. No grace period will be permitted for payment defaults.

Application of Moneys

All moneys received by the Trustee pursuant to any right or remedy given or action taken under the Indenture (including moneys received by virtue of action taken under provisions of any Qualified Obligation) will, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by Trustee and any other moneys owed to the Trustee under the Indenture, be deposited in the General Account and applied as follows:

(a) Unless the principal of all the Bonds has become due and payable, all such moneys will be applied:

FIRST—on a pari passu basis to the payment to the persons entitled thereto of all installments of interest then due on the Bonds, including interest on any past due principal of any Bond at the rate borne by such Bond, in the order of the maturity of the installments of such interest and, if the amount available is not sufficient to pay in full any particular installment, then to such payment ratably, according to the amounts due on such installments, to the persons entitled thereto, without any discrimination or privilege;
SECOND--To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which have become due either at maturity or pursuant to a call for redemption (other than Bonds called for redemption for the payment of which other moneys are held pursuant to the Indenture), in the order of their due dates, and, if the amount available is not sufficient to pay in full the principal of Bonds due on any particular date, together with such interest, then to such payment on the Bonds ratably, according to the amount due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD--To be held for the payment to the persons entitled thereto as the same become due of the principal of and interest on the Bonds which may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available is not sufficient to pay in full the principal of and interest on the Bonds due on any particular date, such payment will be made ratably according to the amount of principal and interest due on such date to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds has become due or has been declared due and payable, all such moneys will be to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

Whenever moneys are to be so applied, such moneys will be applied at such times, and from time to time, as the Trustee determines, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee applies such funds, it will fix the date (which will be an Interest Payment Date unless the Trustee deems another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates will cease to accrue. The Trustee will establish a special record date for such payments and will mail, at least 15 days prior to such special record date, such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and will not be required to make payment of principal to the owner of any Bond until such Bond is presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

**Trustee**

The Trustee, prior to the occurrence of an Event of Default of which the Trustee has been notified or is deemed to have notice and after the curing or waiving of all such Events of Default which may have occurred, undertakes to perform only such duties as are specifically set forth in the Indenture. In case an Event of Default has occurred (which has not been cured or waived), the Trustee will exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

The Trustee may execute any of the trusts of the Indenture, exercise any powers thereunder and perform any of its duties thereunder by or through attorneys, agents or receivers, but will not be answerable for the conduct of the same if appointed in accordance with the standard specified above. The Trustee may act upon the opinion or advice of any attorneys approved by the Trustee in the exercise of reasonable care, and will not be responsible for any loss or damage resulting from any action or non-action exercised in good faith in reliance upon such opinion or advice.

The Trustee will not be responsible for the recording or filing of any instrument required by the Indenture to secure the Bonds, or the validity, priority, perfection or sufficiency of the security for the Bonds, or otherwise as to the maintenance of such security.
The Trustee will be protected in acting upon, and may conclusively rely upon, any notice, certificate, opinion, request or other paper or document reasonably believed by it to be genuine and correct, and reasonably believed by it to have been signed or sent by the proper person or persons.

The Trustee will not be answerable for other than its negligence or willful misconduct in the performance of its powers and duties under the Indenture.

The Trustee will not be required to take notice or be deemed to have notice of any default or Event of Default under the Indenture or in any other document or instrument executed in connection with the execution and delivery of the Bonds, except an Event of Default under subparagraph (a), (b), (c) or (d) under “Events of Default,” unless the Trustee is specifically notified in writing of such default or Event of Default by the Bond Bank, the Qualified Entity or the Owners of at least 25% in aggregate principal amount of the Bonds then Outstanding.

Before taking any action following an Event of Default (other than an action to accelerate the Bonds), the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses which it may incur and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct, by reason of any action so taken.

Notwithstanding any other provision of the Indenture, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of the Indenture, the Trustee will consider the effect on the Bondholders as if there were no Series 2011 C Bond Insurance Policy.

Supplemental Indentures

The Bond Bank and the Trustee may with the prior written consent of the Series 2011 C Bond Insurer for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect, but, without the consent of, or notice to, any of the owners of the Bonds, enter into any indenture or indentures supplemental to the Indenture for any one or more of the following purposes:

(a) To cure any ambiguity, formal defect or omission in the Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bond Owners, any additional rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bond Owners or the Trustee;

(c) To subject to the Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement the Indenture, or any supplemental indenture thereto, in order to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if the Bond Bank determines, to add to the Indenture or any indenture supplemental thereto such other terms, conditions and provisions as may be permitted to the Trust Indenture Act of 1939, as amended, or similar federal statute;

(e) To add to the covenants and agreements of the Bond Bank contained in the Indenture other covenants and agreements thereafter to be observed for the protection of the Bond Owners or to surrender or limit any right, power or authority therein reserved to or conferred upon the Bond Bank;

(f) To provide that the Bonds may be secured by additional security not otherwise provided for in the Indenture;

(g) To modify, amend or supplement the Indenture, or any indenture supplemental thereto, in such manner as the Trustee and the Bond Bank deem necessary in order to comply with any statute,
regulation, judicial decision or other law relating to secondary market disclosure requirements with respect to obligations of the type that includes the Bonds;

(h) To provide for the issuance of each Series of Refunding Bonds permitted by the Indenture, other than the Series 2011 C Bonds; and

(i) To make any other change which does not, in the opinion of the Trustee, having relied on an opinion of Bond Counsel, have a material adverse effect upon the interests of the Bondholders.

Exclusive of supplemental indentures for the purposes set forth in the preceding paragraph and subject to the terms of the Indenture described below, the owners of not less than a majority in the aggregate principal amount of the Bonds then Outstanding have the right, from time to time, to consent to and approve the execution by the Bond Bank and the Trustee of any supplemental indenture or indentures deemed necessary and desirable by the Bond Bank for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any supplemental indenture, but only with the express written consent of the Series 2011 C Bond Insurer for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect.

No supplemental indenture may permit, without the consent of the owners of all then Outstanding Bonds and the Series 2011 C Bond Insurer for so long as the Series 2011 C Bond Insurance Policy remains in full force and effect: (i) an extension of the maturity of the principal of, or the time for payment of any redemption premium or interest on any Bond, or a reduction in the principal amount of any Bond, or the rate of interest or redemption premium thereon, or an reduction in the amount of, or extension of the time of any payment required by, any Bond; (ii) a privilege or priority of any Bond over any other Bond (except as provided in the Indenture); (iii) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture; (iv) the deprivation of the Owner of any Bond then Outstanding of the lien created by the Indenture; or (v) an amendment to (i) – (iv) above.

Anything in the Indenture to the contrary notwithstanding, an amendment or supplemental indenture under the Indenture will not become effective unless and until the Qualified Entity has consented in writing to the execution and delivery thereof. However, the consent of the Qualified Entity will not be required during any period that the Qualified Entity is in default under the Qualified Obligations.

Each Supplemental Indenture authorizing the issuance of a Series of Refunding Bonds will comply with the requirements of the Indenture.
SUMMARY OF CERTAIN PROVISIONS OF THE
2011 DISTRICT BOND RESOLUTION

The following is a summary of certain additional provisions of the 2011 District Bond Resolution relating to the 2011 District Bonds not otherwise discussed in this Official Statement. This summary does not purport to be complete and is subject in all respects to the provisions of, and is qualified in its entirety by reference to, the 2011 District Bond Resolution. Capitalized terms in this summary not defined in this Official Statement will have the meanings set forth in the 2011 District Bond Resolution.

Definitions

The following are definitions of certain terms used herein and elsewhere in this Official Statement.

“Allocation Area” means the Harding Street Redevelopment Project Allocation Area.

“Allocation Fund” means the Harding Street Redevelopment Project Allocation Area Fund established for the Allocation Area pursuant to the Redevelopment Act.

“Annual Debt Service” means, as of any date of determination, an amount which is equal to at least the sum of (i) the interest payable on the 2011 District Bonds during the year ending on the next principal payment date, (ii) the principal amount due on the next principal payment date, and (iii) any reasonable trustee or Bond Bank fees or fiscal agency charges due on or before the next February 1 or August 1. Annual Debt Service does not include any premium for redemption of 2011 District Bonds or any interest payments on the 2011 District Bonds which is payable from the Capitalized Interest Account or payable from amounts in the Bond and Interest Account to the extent transferred from the Reimbursement Account.

“Authorized Denominations” means with respect to the Bonds $5,000 and any integral multiple thereof, except for one Bond which may be issued in the denomination of less than $5,000 if necessary and as set forth in the Purchase Agreement.

“Authorized Officer” means the President of the Commission or such other person or persons who are duly authorized to act on behalf of the Commission.

“Available Funds” means Tax Increment previously derived from the Allocation Area and on deposit in the Allocation Fund.

“Bond and Interest Account” means the Bond and Interest Account established in the 2011 District Bond Resolution.

“Bond Bank” means The Indianapolis Local Public Improvement Bond Bank.

“Bond Bank Bonds” means The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2011 C issued to finance the purchase of the 2011 District Bonds.

“Bond Bank Trustee” means the trustee for the Bond Bank Bonds.

“City” means the City of Indianapolis, Indiana.

“Capitalized Interest Account” means the Capitalized Interest Account of the Project Fund established in the 2011 District Bond Resolution.

“Capitalized Interest Final Payment Date” means the date through which interest on the Bonds will be paid from proceeds of the Bonds deposited into the Capitalized Interest Account, if any, as determined by the Controller on the date of issuance of the 2011 District Bonds.
“Code” means the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds, and the applicable judicial decisions and published rulings and any applicable regulations promulgated thereunder or under the Internal Revenue Code of 1954.

“Commission” means the Metropolitan Development Commission of Marion County, Indiana, acting as the Redevelopment Commission of the City.

“Company” means Eli Lilly and Company.

“Controller” means the Controller of the City.

“Controller’s Certificate” means a certificate of the Controller delivered at the time of the sale of 2011 District Bonds establishing various terms of the 2011 District Bonds.

“Costs of the Project” means all costs of the Project permitted under the Act (which will be financed with the net proceeds of the 2011 District Bonds, together with any remaining proceeds of the 1991 Bonds, if any, and the Available Funds), including any expenses associated therewith and expenses in connection with or on account of the issuance of the 2011 District Bonds.

“Escrow Deposit Agreement” means the Escrow Deposit Agreement, dated as of March 1, 2011, by and among the Bond Bank and the Bond Bank Trustee for the purpose of refunding certain bonds of the Bond Bank secured by the Redevelopment District’s 1991 District Bonds.

“Event of Default” means any occurrence or event specified in the 2011 District Bond Resolution.

“General Account” means the General Account established in the 2011 District Bond Resolution.

“1991 District Bonds” means the City of Indianapolis Redevelopment District Tax Increment Revenue Bonds of 1991 (Harding Street Project), dated April 24, 1991, issued in the original aggregate issued amount of $35,451,123, consisting of $29,445,000 in aggregate principal amount of current interest bonds and $6,006,123 in aggregate Issued Amount (as defined in the 1991 Bond Resolution) of capital appreciation bonds.


“Paying Agent” means the Paying Agent so designated in accordance with the 2011 District Bond Resolution, or any successor Paying Agent appointed under such resolution.

“Project” when used in the 2011 District Bond Resolution means: (1) procuring funds to be applied to the cost of refunding all or a portion of the outstanding 1991 Bonds; (2) funding a debt service reserve account or paying the premium on a debt service reserve fund surety policy; (3) funding all or a portion of the amounts payable pursuant to the Taxpayer Agreement; (4) paying capitalized interest on the 2011 District Bonds, if any; and (5) paying costs and expenses incurred in connection with or on account of the issuance of the 2011 District Bonds, including paying the premium for a municipal bond insurance policy.

“Project Fund” means the “City of Indianapolis Redevelopment District Tax Increment Revenue Multipurpose Bonds, Series 2010C, Project Fund” established in the 2011 District Bond Resolution.

“Purchase Agreement” means the Qualified Entity Purchase Agreement, dated as of March 1, 2011, between the Bond Bank and the Redevelopment District authorizing the Bond Bank’s purchase of the 2011 District Bonds.

“Qualified Investments” means any investment permitted by laws governing investments of the Commission as such laws may be amended from time to time; provided that, with regard to any investments not
guaranteed by the United States of America, such investments will be made in obligations or with institutions with long term ratings by any rating agencies rating the Bond Bank Bonds that are at least as high as the ratings on the Bond Bank Bonds; and provided, further, that, with respect to any investment of moneys in the Project Fund, the Controller may, in his discretion, determine that such investments may be made as permitted by laws governing investments of the Commission, as such laws may be amended from time to time.

“Rebate Fund” means the “City of Indianapolis Redevelopment District Tax Increment Revenue Bonds, Series 2010A, Rebate Fund” established under the 2011 District Bond Resolution.

“Redevelopment Statute” means Indiana Code 36-7-15.1, Indiana Code 36-7-25, and all related and supplemental statutes conferring powers or authority on the Commission, as in effect on the date of the issuance of the 2011 District Bonds.

“Redevelopment District” means the Redevelopment District of the City.

“Redevelopment Trustee” means the trustee designated in accordance with the 2011 District Bond Resolution, or any successor trustee appointed under such resolution.

“Redevelopment Trust Estate” means the property, rights, moneys and amounts pledged and assigned to the Redevelopment Trustee pursuant to the 2011 District Bond Resolution.

“Refunding Account” means the Refunding Account of the Project Fund established pursuant to the 2011 District Bond Resolution.

“Registrar” means the Registrar so designated in accordance with the 2011 District Bond Resolution, or any successor Registrar appointed under such resolution.

“Reimbursement Account” means the Reimbursement Account of the Project Fund pursuant to the 2011 District Bond Resolution.

“Revenue Fund” means the “City of Indianapolis Redevelopment District Tax Increment Revenue Multipurpose Bonds, Series 2010C, Revenue Fund” established by the City pursuant to the 2011 District Bond Resolution.

“State” means the State of Indiana.

“Tax Increment” means all real property tax proceeds in the Allocation Area allocated and deposited in the Allocation Fund pursuant to the provisions of Indiana Code 36-7-15.1-26 and Indiana Code 36-7-15.1-35, as such statutes exist on the date of issuance of the 2011 District Bonds.

“Taxpayer Agreement” means the Taxpayer Agreement, dated as of April 24, 1991, by and between the Commission and Company.

“2011 District Bond Resolution” or “District Resolution” or “Resolution” means the Resolution, adopted by the Commission on October 6, 2010, authorizing the issuance of the 2011 District Bonds, as it may be further supplemented and amended from time to time in accordance with its provisions.

“2011 District Bonds” means the Bonds authorized pursuant to the 2011 District Bond Resolution.

**Redevelopment District Pledge**

In order to secure the payment of the principal of and interest on the 2011 District Bonds according to their tenor and effect and to secure the performance and observance by the Commission, as governing body of the Redevelopment District, acting in the name of the City, of all covenants expressed or implied in the 2011 District
Bond Resolution and in the 2011 District Bonds, the Commission pledges the Redevelopment Trust Estate to the
Redevelopment Trustee for the benefit of the owners of the 2011 District Bonds to secure the performance of the
obligations of the Commission set forth in the 2011 District Bond Resolution. The pledge is effective as set forth in
Indiana Code 5-1-14-4 without the recording of the 2011 District Bond Resolution or any other instrument. The
District Trust Estate includes:

(a) All cash and securities now or hereafter held in the Project Fund and the Revenue Fund, including the investment earnings thereon and all proceeds thereof (except to the extent transferred or disbursed from such funds and accounts from time to time in accordance with the 2011 District Bond Resolution);

(b) The Tax Increment required to be deposited for the benefit of the Owners of the 2011 District Bonds under the 2011 District Bond Resolution; and

(c) Any revenues of the Commission or other moneys hereafter pledged to the Redevelopment Trustee as security to the extent of that pledge;

If the Commission pays or causes to be paid, or there is otherwise paid or made provision for payment of, principal of and interest on the 2011 District Bonds due or to become due thereon, at the times and in the manner mentioned in the 2011 District Bonds, and if the Commission pays or causes to be paid or there is otherwise paid or made provision for payment to the Owners of the outstanding 2011 District Bonds of all sums of money due or to become due according to the provisions of the 2011 District Bond Resolution, and if the Commission shall otherwise comply with the 2011 District Bond Resolution, then the 2011 District Bond Resolution and the rights granted by it shall cease, terminate and be void; otherwise, the 2011 District Bond Resolution will be and remain in full force and effect.

Flow of Funds

Establishment of Funds under the Resolution. The 2011 District Bond Resolution creates and establishes the
following funds and accounts to be held by the Redevelopment Trustee under the 2011 District Bond Resolution:

(a) Project Fund- comprised of the following:

(1) Refunding Account;

(2) Capitalized Interest Account; and

(3) Reimbursement Account;

(b) Revenue Fund- comprised of the following:

(1) Bond and Interest Account; and

(2) General Account

(c) Rebate Fund.

Project Fund

Refunding Account. Proceeds of the 2011 District Bonds (together with any remaining proceeds of the
1991 District Bonds, if any, and the Available Funds), deposited into the Refunding Account will be used only to
pay the principal of, redemption premium, if any, and any unpaid accrued interest on the 1991 District Bonds. The
Controller shall disburse funds deposited into the Refunding Account on the date of issuance of the Bonds to the
Bond Bank, as the holder of the 1991 District Bonds, in order to defease the 1991 District Bonds in accordance with
the terms of the 1991 District Bond Resolution. After completion of the Project, any amounts remaining in the Refunding Account will be transferred to the Bond and Interest Account and used to pay debt service on the 2011 District Bonds. Notwithstanding the foregoing, pursuant to the Purchase Agreement, the Controller is authorized to deem any amounts deposited into the Escrow Fund established under the Escrow Deposit Agreement as being received by the Commission and deposited into the Refunding Account to be used for the purposes described herein.

**Capitalized Interest Account.** Proceeds of the 2011 District Bonds deposited into the Capitalized Interest Account, if any, will be used only: (1) to pay interest on the 2011 District Bonds beginning no earlier than August 1, 2011, and on each February 1 and August 1 thereafter, until the earlier of (a) the Capitalized Interest Final Payment Date, or (b) the depletion of the Capitalized Interest Account, and (2) to pay any Bond Bank and Redevelopment Trustee fees and any fiscal agency charges due and payable on or before the Capitalized Interest Final Payment Date. Interest payable on the 2011 District Bonds (and any Bond Bank or Redevelopment Trustee fees and fiscal agency charges due and payable on or before the Capitalized Interest Final Payment Date) shall be transferred from the Capitalized Interest Account to the Bond and Interest Account one (1) business day prior to the interest payment date on the 2011 District Bonds. Interest on the 2011 District Bonds (and any Bond Bank or Redevelopment Trustee fees and fiscal agency charges due and payable on or before the Capitalized Interest Final Payment Date) will be paid first from amounts transferred from the Capital Interest Account before using funds on deposit in the Bond and Interest Account or the General Account. After completion of the Project, any amounts remaining in the Capitalized Interest Account will be transferred to the Bond and Interest Account and used to pay debt service on the 2011 District Bonds.

**Reimbursement Account.** The proceeds from the sale of the 2011 District Bonds remaining after any deposits into the Refunding Account and the Capitalized Interest Account will be deposited into the Reimbursement Account as further described in the 2011 District Bond Resolution. The Reimbursement Account will be deposited with the Redevelopment Trustee and shall be segregated and kept separate and apart from all other funds of the City and may be invested only in Qualified Investments. The proceeds of the 2011 District Bonds, together with any remaining proceeds of the 1991 District Bonds, if any, and any Available Funds, deposited into the Reimbursement Account of the Project Fund shall be expended only for the purpose of reimbursing the Company for all or a portion of the Taxpayer Payments previously paid by the Company, together with accrued interest thereon, not previously reimbursed by the City, all pursuant to and in accordance with the Taxpayer Agreement.

The Redevelopment Trustee is authorized to disburse from the Reimbursement Account the amount required to reimburse the Company for Taxpayer Payments previously paid to the Commission, together with accrued interest thereon, in accordance with the Taxpayer Agreement, and is directed to make such disbursement upon the receipt of a requisition signed by the Controller which shall state the following:

(a) The requisition number;

(b) The name and address of the person, firm or corporation to whom payment is due or to whom a reimbursement of an advance, if any, by the Commission has been made;

(c) The amount to be paid; and

(d) That each obligation mentioned in the requisition has been properly incurred, is currently due and payable, is a proper charge against the Reimbursement Account, and has not been the basis of any previous requisitions or reimbursements to the Company.

In making any such payment from the Reimbursement Account, the Redevelopment Trustee may rely upon any such requisition and any such certificates delivered to it pursuant to the 2011 District Bond Resolution, and the Redevelopment Trustee will be relieved of all liability with respect to making such payments in accordance with such requisitions and such supporting certificate or certificates without inspection or without any other investigation. The Redevelopment Trustee may, at the direction of the Controller, pay the person, firm or corporation to whom payment is due directly or disburse the amount requisitioned to the Controller for disbursement to such payees.
Notwithstanding the foregoing, the Controller, acting on behalf of the Commission and the District, is authorized to enter into one or more separate agreements by and among the Commission, the Trustee, the Company and/or such other entities as may be designated by the Company, to provide such further terms, conditions or requirements as may be necessary, desirable or appropriate governing the disbursement and disposition of any funds held in the Reimbursement Account.

The Controller will notify the Redevelopment Trustee when the Project is completed. If, after payment by the Redevelopment Trustee of all amounts payable from the Project Fund, there remains any balance of moneys in the Project Fund, the Controller will transfer all moneys then in the Project Fund (except moneys reserved to pay any disputed or unpaid claims) to the Bond and Interest Account or, if the deposits required to be made to date to the Bond and Interest Account have been made, to the General Account and will use any amount so transferred (together with interest thereon), as provided under the 2011 District Bond Resolution or as directed by the Commission in accordance with Indiana Code 5-1-13, respectively, and as long as the Bond Bank owns the Bonds, with the prior written approval of the Bond Bank. Any moneys remaining after any disputed or unpaid claims are settled will be transferred in the same manner.

Revenue Fund.

Tax Increment will immediately, upon distribution to the Allocation Fund by the Marion County Auditor, be paid to the Trustee and set aside in the various accounts of the Revenue Fund and in the Rebate Fund and be applied in the priority set forth below. Moneys in the Revenue Fund will be invested only in Qualified Investments. Interest earned shall be credited to the account within the Revenue Fund in which the interest was earned, except that amounts owed to the United States of America under Section 148(f) of the Code shall be deposited into the Rebate Fund and paid from such earnings. Tax Increment and such investment earnings may also be deposited into the Rebate Fund and used to pay rebate to the United States of America under Section 148(f) of the Code for amounts of such rebate attributable to the Project Fund.

Bond and Interest Account. The Trustee will, immediately upon receipt, deposit Tax Increment, beginning on or before July 15, 2011, and on or before each January 15 and July 15 thereafter, into the Bond and Interest Account in an amount which is equal to at least the sum of: (a) the interest payable on the 2011 District Bonds on the next interest payment date, (b) one-half (1/2) of the principal due on the next principal payment date if such principal payments occur annually or, in the alternative, the principal due on the next principal payment date if such principal payments occur semiannually, as so provided in the Purchase Agreement, and (c) any Bond Bank and Redevelopment Trustee fees and fiscal agency charges. No deposit need be made into the Bond and Interest Account to the extent that the amount contained therein is at least equal to the aggregate amount to become due and payable on all outstanding 2011 District Bonds within the next twelve (12) calendar months. Except as otherwise provided in the 2011 District Bond Resolution, all money in the Bond and Interest Account will be used and withdrawn solely for the purpose of paying amounts due on the 2011 District Bonds and any Bond Bank and Redevelopment Trustee fees and fiscal agency charges payable by the Commission with respect to the 2011 District Bonds, as they shall become due and payable (including accrued interest on any 2011 District Bonds purchased or redeemed prior to maturity). Amounts deposited into the Bond and Interest Account will be applied first to payments due on the 2011 District Bonds and any bond issued on a parity therewith, second to Bond Bank and Redevelopment Trustee fees and fiscal agency charges payable by the Commission with respect to the 2011 District Bonds, and third to the payment of any obligations which are junior and subordinate to the 2011 District Bonds.

General Account. After making the deposits required in the 2011 District Bond Resolution and described above, the Tax Increment and any investment earnings remaining in the Revenue Fund will be deposited in the General Account and will be available in the following order of priority:

(a) to pay principal of or interest on the 2011 District Bonds or any obligations issued on a parity therewith and any trustee or Bond Bank fees or fiscal agency charges;

(b) to fund or replenish the Debt Service Reserve Account, if so established under the 2011 District Bond Resolution;
(c) for deposit to the Rebate Fund to pay any rebate obligation owed on the 2011 District Bonds under Section 148(f) of the Code;

(d) to pay any obligations of the City payable from Tax Increment which are subordinate to the 2011 District Bonds;

(e) to pay the Commission or reimburse the City for additional Costs of the Project;

(f) to pay fees and charges or for other purposes required by the Purchase Agreement;

(g) to redeem or purchase 2011 District Bonds upon direction by the Commission; and

(h) for any other purposes permitted by the Redevelopment Statute, except that the Commission may not disburse any funds in the General Account to the taxing units in the Allocation Area as long as any of the 2011 District Bonds are outstanding under the 2011 District Bond Resolution.

Rebate Fund.

If, in order to maintain the exclusion of interest on the 2011 District Bonds from gross income for federal income tax purposes, the City, acting through the Commission, is required to rebate portions of investment earnings to the United States of America, the City, acting through the Commission, will provide investment information to the Bond Bank in accordance with the Purchase Agreement and any memorandum on compliance delivered upon the issuance of the 2011 District Bonds. The Redevelopment Trustee will deposit such amount into the Rebate Fund from the General Account, the Project Fund or investment earnings on the Revenue Fund and the Project Fund. The Trustee will annually pay rebate amounts from the Rebate Fund in the amount and on the dates upon direction of the City, acting through the Commission, and the Bond Bank as required by Section 148(f) of the Code and the regulations promulgated thereunder. Such payments will be made by the Redevelopment Trustee without any further authorization or direction than stated in the 2011 District Bond Resolution and in any memorandum on compliance delivered upon the issuance of the 2011 District Bonds. Anything in the 2011 District Bond Resolution to the contrary notwithstanding, the portion of the 2011 District Bond Resolution regarding rebate compliance may be superseded or amended, with the consent of the Bond Bank as long as the Bond Bank owns any of the 2011 District Bonds, by new written investment instructions delivered by the City and accompanied by an opinion of nationally recognized bond counsel addressed to the Redevelopment Trustee to the effect that the use of the new written investment instructions will not cause the interest on the 2011 District Bonds to lose the exclusion from the gross income of the recipient for federal tax purposes.

Issuance of Additional Bonds

The District reserves the right to authorize and issue additional bonds (the “Parity Bonds”), payable out of the Tax Increment, ranking on a parity with the 2011 District Bonds authorized by the 2011 District Bond Resolution and payable ratably from the Tax Increment for the purpose of raising money for future property acquisition, redevelopment and economic development in or serving the Allocation Area or for the purpose of refunding a portion of the outstanding 2011 District Bonds. In the event any Parity Bonds are issued pursuant to 2011 District Bond Resolution, the term “Bonds” in the 2011 District Bond Resolution will, unless the context otherwise requires, be deemed to refer to the Bonds authorized to be issued by the 2011 District Bond Resolution and such Parity Bonds. The authorization and issuance of Parity Bonds will be subject to any conditions so provided in the Purchase Agreement and the following conditions precedent:

(a) All interest and principal payments with respect to all obligations payable from the Tax Increment will be current to date with no payment in arrears.

(b) The balance in the Debt Service Reserve Account, if so established, will equal the Debt Service Reserve Requirement.
(c) The Commission will have received a certificate prepared by an independent certified public accountant or an independent financial consultant (the “Certifier”) certifying that the Tax Increment estimated to be received in each succeeding year, adjusted as provided below, is estimated to be equal to be at least one hundred twenty-five percent (125%) (or such higher percentage as is determined by certification of the President of the Commission at the time of the sale of the Bonds upon advice of the Commission’s financial advisor) of the principal and interest requirements of all obligations of the Commission payable from the Tax Increment for each respective year during the term of the Bonds and the Parity Bonds with respect to the Bonds and the Parity Bonds. In estimating the Tax Increment to be received in any future year, the Certifier will base his calculation on assessed valuation actually assessed or to be assessed as of the assessment date immediately preceding the issuance of the Parity Bonds; provided, however, the Certifier will adjust such assessed values for the current and future reductions of real property tax abatements granted to property owners in the Allocation Area. No increase in the Tax Increment to be received in any future year will be assumed which results from projected inflation in property values. The Certifier will include as additional Tax Increment in each succeeding year any moneys at the time of the certificate of Tax Increment on deposit in the Debt Service Reserve Account, provided that the Bond Bank Bonds are secured by a “reserve fund” pursuant to Indiana Code 5-1.4-5.

The Commission will approve and confirm the findings and estimates set forth in the above-described certificate in any supplemental resolution authorizing the issuance of the Parity Bonds.

Except as otherwise provided above, so long as any of the Bonds are outstanding, no additional bonds, bond anticipation notes or other obligations pledging any portion of the Tax Increment shall be authorized, executed or issued by the City acting for and on behalf of the District except such as shall be made subordinate and junior in all respects to the 2011 District Bonds, unless all of the 2011 District Bonds are redeemed and retired coincidentally with the delivery of such additional bonds, bond anticipation notes or other obligations, or, as provided in 2011 District Bond Resolution, funds sufficient to effect such redemption are available and set aside for that purpose at the time of issuance of such additional bonds, bond anticipation notes or other obligations.

Tax Covenants

In order to preserve the exclusion from gross income of interest on the 2011 District Bonds under the Code and as an inducement to the Bond Bank and the purchasers of the Bond Bank Bonds, the Commission represents, covenants and agrees that:

(a) No more than ten percent (10%) of the principal of or interest on the Bonds is (under the terms of the 2011 District Bonds, the 2011 District Bond Resolution or any underlying arrangement), directly or indirectly, secured by an interest in property used for any private business use or payments in respect of any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the City, the District or the Commission) in respect of such property or borrowed money used or to be used for a private business use.

(b) No 2011 District Bond proceeds will be loaned to any entity or person other than a Governmental Unit. No more than five percent (5%) of the 2011 District Bond proceeds will be transferred, directly or indirectly, or deemed transferred to any person or entity other than a Governmental Unit in any manner that would in substance constitute a loan of the 2011 District Bond proceeds.

(c) The Commission reasonably expects that the Bonds will not meet either the private business test described in paragraph (a) above or the private loan test described in paragraph (b) above during the entire term of the 2011 District Bonds.

(d) Neither the City, the District nor the Commission will take any action or fail to take any action with respect to the 2011 District Bonds that would result in the loss of the exclusion from gross income for federal tax purposes of interest on the 2011 District Bonds under Section 103 of the Code, nor will it act in any other manner which would adversely affect such exclusion; and it will not make any investment or do any other act or thing during the period that the 2011 District Bonds are outstanding.
which would cause any of the 2011 District Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(e) The Commission will comply with the rebate requirements of Section 148(f) of the Code to the extent required by the Code.

(f) The 2011 District Bonds are not private activity bonds as defined in Section 141 of the Code.

(g) The 2011 District Bonds are not federally guaranteed under Section 149(b) of the Code.

(h) The covenants in the 2011 District Bond Resolution are based solely on current law in effect and in existence on the date of issuance of the 2011 District Bonds. It will not be an event of default under the 2011 District Bond Resolution if interest on any 2011 District Bonds is not excludable from gross income pursuant to any provision of the Code which is not in existence and in effect on the issue date of such 2011 District Bonds.

(i) All officers, members, employees and agents of the City, the District and the Commission are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the City, the District and the Commission as of the date the 2011 District Bonds are issued, and to enter into covenants on behalf of the City, the District and the Commission evidencing the City’s, the District’s and the Commission’s commitments made in the 2011 District Bond Resolution. In particular, all or any members or officers of the Commission or officers of the District or the City are authorized to certify and enter into covenants for the City, the District and the Commission regarding the facts and circumstances and reasonable expectations of the City, the District and the Commission on the date the 2011 District Bonds are issued and the commitments made by the City, the Commission or the District regarding the amount and use of the proceeds of the 2011 District Bonds.

Notwithstanding any other provisions of the 2011 District Bond Resolution, the covenants and authorizations contained in the 2011 District Bond Resolution (the “Tax Sections”) which are designed to preserve the exclusion of interest on the 2011 District Bonds from gross income for federal tax purposes (the “Tax Exemption”) need not be complied with if the Commission receives an opinion of nationally recognized bond counsel satisfactory to the Redevelopment Trustee that any Tax Section is unnecessary to preserve the Tax Exemption.

**Contractual Nature of the 2011 District Bond Resolution**

The provisions of the 2011 District Bond Resolution constitute a contract by and between the Commission, acting in the name of the City, and the Owners of the 2011 District Bonds. After the issuance of the 2011 District Bonds, the 2011 District Bond Resolution or the definition of, the manner of determining, allocating, collecting or distributing the Tax Increment, the pledge of the Redevelopment Trust Estate, and the lien created by the 2011 District Bond Resolution, will not be repealed or amended (except as specifically provided in the 2011 District Bond Resolution) or impaired in any respect which will materially adversely affect the rights of Owners of the 2011 District Bonds, nor will the Commission adopt any law, resolution, order or ordinance which in any way materially adversely affects the rights of such Owners so long as any of the 2011 District Bonds are outstanding.

The Commission covenants not to impair the pledge of the Redevelopment Trust Estate to the payment of the 2011 District Bonds, so long as any 2011 District Bonds are outstanding, or to impair any other pledge or covenant under the 2011 District Bond Resolution during that period.

The Commission further covenants not to change, alter or diminish the Allocation Area in any way that would materially adversely affect the Owners of the 2011 District Bonds so long as any 2011 District Bonds remain outstanding.
If in the judgment of the Commission, any official legislative action by the General Assembly will produce a shortfall in Tax Increment thereby causing an Event of Default, the Commission covenants to take whatever action it deems necessary to avoid such occurrence of an Event of Default.

Defeasance of Bonds

If the 2011 District Bonds, or a portion thereof, shall have become due and payable in accordance with their terms, and the whole amount of the principal and interest so due and payable upon all of the 2011 District Bonds, or a portion thereof, then outstanding shall be paid or (i) sufficient moneys, or (ii) direct noncallable obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that case the 2011 District Bonds or portion thereof shall no longer be deemed outstanding or an indebtedness of the District in the name of the City. If no 2011 District Bonds are outstanding, any funds (including Tax Increment) remaining in the Redevelopment Trust Estate will be used first to pay any rebate amount owed under Section 148(f) of the Code, second to pay any amounts owed on any junior bonds payable from Tax Increment, and third as provided in Indiana Code 36-7-15.1-26 or any successor provisions thereto.

No such deposit shall be deemed a payment of such 2011 District Bonds unless the Redevelopment Trustee shall have received (i) an opinion of nationally recognized bond counsel to the effect that such deposit would not cause any of the 2011 District Bonds to be treated as “arbitrage bonds” within the meaning of the Code or any successor provision, and (ii) a verification from an independent nationally recognized certified public accountant or firm of independent nationally recognized certified public accountants appointed by the Controller and acceptable to the Trustee verifying the sufficiency of the deposit to pay the principal of and interest on the 2011 District Bonds to the due date.

Supplemental District Resolutions Without Bondholder Consent

The Commission may without the consent of, or notice to, any of the Owners of the 2011 District Bonds (provided that so long as the Bond Bank is the Owner of any of the Bonds, the Commission must obtain the Bond Bank’s consent), adopt a supplemental resolution, which supplemental resolution will thereafter form a part of the 2011 District Bond Resolution, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in the 2011 District Bond Resolution;

(b) To grant to or confer upon the Owners of the 2011 District Bonds any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Owners of the 2011 District Bonds;

(c) To modify, amend or supplement the 2011 District Bond Resolution to permit the qualification of the 2011 District Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America or the qualification of the 2011 District Bond Resolution under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect if such modification, amendment or supplement will not have a material adverse effect on the Owners of the 2011 District Bonds;

(d) To provide for the refunding or advance refunding of all or a portion of the 2011 District Bonds;

(e) To provide, in accordance with the provisions of the 2011 District Bond Resolution, for the issuance of obligations issued on a parity with the 2011 District Bonds in accordance with the 2011 District Bond Resolution or of subordinate obligations by the Commission, acting in the name of the City;
(f) To subject to the 2011 District Bond Resolution additional revenues, security, properties or collateral;

(g) To evidence the appointment of a separate or co-trustee or the succession of a new trustee or the succession of a new Registrar or Paying Agent;

(h) To amend the 2011 District Bond Resolution for any other purpose which, in the judgment of the Commission and the Redevelopment Trustee, does not adversely affect the interests of the Owners of the 2011 District Bonds in any material way; and

(i) To amend the 2011 District Bond Resolution to permit the Commission, acting in the name of the City, to comply with any future federal tax law or any covenants contained in any supplemental resolution with respect to compliance with future federal tax law.

Supplemental District Resolutions Requiring Bondholder Consent

The 2011 District Bond Resolution and the rights and obligations of the Commission and the Owners of the 2011 District Bonds may be modified or amended at any time by supplemental resolutions adopted by the Commission with the consent of the Owners of the 2011 District Bonds holding at least fifty-one percent (51%) in aggregate principal amount of the 2011 District Bonds then outstanding (exclusive of 2011 District Bonds, if any, owned by the Commission or the City); provided, however, that nothing contained in the 2011 District Bond Resolution shall permit, or be construed as permitting, without the consent of the Owners of all of the then outstanding Bonds, any of the following: (a) an extension of the maturity or mandatory sinking fund redemption schedule of the principal of and interest on any bonds payable from the Redevelopment Trust Estate, (b) a reduction in the principal amount of any Bond or change in the rate of interest on any Bond, (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution, (e) the creation of any lien securing any Bonds other than a lien ratably securing all of the Bonds at any time outstanding hereunder, (f) a reduction in the Debt Service Reserve Requirement, if the Debt Service Reserve Account has been established, (g) a change in the method of accrual of interest on any Bonds, or (h) a change in the provisions regarding the collection, deposit and allocation of the Tax Increment as set forth in Indiana Code 36-7-15.1-26 and in the 2011 District Bond Resolution or in the lien on the Redevelopment Trust Estate for any Bonds.

If at any time the Commission desires to adopt a supplemental resolution for any of the purposes set forth above, the Commission is required to cause notice of the proposed adoption of such supplemental resolution to be mailed by registered or certified mail to each Owner of the 2011 District Bonds at the address of each such Owner shown on the registration books maintained by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that copies thereof are on file at its office for inspection by all Owners of Bonds. If, within sixty (60) days, or such longer period as shall be prescribed by the City, following the mailing of such notice, the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds outstanding at the time of the execution of any such supplemental resolution shall have consented to and approved the execution of such supplemental resolution, no Owner of any Bond will have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Commission from adopting the same or from taking any action pursuant to the provisions thereof. Upon the adoption of any such supplemental resolution as is permitted and provided by the 2011 District Bond Resolution, the 2011 District Bond Resolution will be, and be deemed to be, modified and amended in accordance therewith.

Any consent, request, direction, approval, objection or other instrument required by the 2011 District Bond Resolution to be signed and executed by the Owners of the Bonds may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners of the Bonds in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of the Bonds, if made in the following manner, shall be sufficient for any of the purposes of the 2011 District Bond Resolution, and shall be conclusive in favor of the City with regard to any action taken by it or them under such request or other instrument, namely:
(a) The fact and date of the execution by any person of any such writing may be proved (i) by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or (ii) by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the registration books maintained by the Registrar.

Events of Default

Any of the following events is considered to be and to constitute an “Event of Default” by the Commission, acting in the name of the City:

1) Default in the due and punctual payment of any interest on any 2011 District Bond; or

2) Default in the due and punctual payment of the principal of any 2011 District Bond at its stated maturity or at the date required for mandatory sinking fund redemption.

Upon the occurrence of an Event of Default, the Redevelopment Trustee will notify the Owners of all 2011 District Bonds then outstanding of such Event of Default by registered or certified mail, and will have the following rights and remedies:

1) The Redevelopment Trustee may pursue any available remedy at law or in equity or by statute to enforce payment of the principal of and interest on the 2011 District Bonds then outstanding.

2) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Redevelopment Trustee and of the Owners under the 2011 District Bond Resolution, the Redevelopment Trustee will be entitled, as a matter of right, and to the extent permitted by law, to the appointment of a receiver or receivers of the Redevelopment Trust Estate and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

3) If the Redevelopment Trustee certifies that there are sufficient moneys on deposit in the funds and accounts under the 2011 District Bond Resolution to pay debt service on all the outstanding 2011 District Bonds, the Redevelopment Trustee may declare the principal of and accrued interest on all 2011 District Bonds to be due and payable immediately in accordance with the 2011 District Bond Resolution.

4) The Redevelopment Trustee may use any money in the Project Fund or the Revenue Fund to pay debt service on the Bonds then due if there is an Event of Default as to the 2011 District Bonds.

No right or remedy by the terms of the 2011 District Bond Resolution conferred upon or reserved to the Redevelopment Trustee or to the Owners is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to the Trustee or to the Owners hereunder now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein, and every such right and power may be exercised from time to time as may be deemed expedient.
No waiver of any Event of Default hereunder, whether by the Redevelopment Trustee or by the Owners of any 2011 District Bonds, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Anything in the 2011 District Bond Resolution to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the outstanding 2011 District Bonds shall have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Redevelopment Trustee, to direct the time, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the 2011 District Bond Resolution, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the 2011 District Bond Resolution.

All moneys received by the Redevelopment Trustee pursuant to any right given or action taken upon an occurrence of an Event of Default under the provisions of the 2011 District Bond Resolution shall, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Redevelopment Trustee, be deposited in the Revenue Fund and all such moneys in the Revenue Fund shall be applied as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due on the 2011 District Bonds, including interest on any past due principal of any 2011 District Bond at the rate borne by such 2011 District Bond, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to such payment ratably, according to the amounts due on such installments, to the persons entitled thereof, without any discriminations or privilege;

Second: To the payment to the persons entitled thereto of the unpaid principal of the 2011 District Bonds which shall have become due (other than 2011 District Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the 2011 District Bond Resolution), in the order of their due dates, with interest on such 2011 District Bonds from the respective dates upon which they become due, and, if the amount available shall not be sufficient to pay in full 2011 District Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege;

Third: To be held for the payment to the persons entitled thereto as the same shall become due of the principal of and interest on the 2011 District Bonds which may thereafter become due at maturity and, if the amount available shall not be sufficient to pay in full the principal of and interest on 2011 District Bonds due on any particular date, such payment shall be made ratably according to the amount of principal and interest due on such date, to the persons entitled thereto without any discrimination or privilege;

Whenever moneys are to be applied pursuant to the foregoing paragraphs, such moneys shall be applied at such times, and from time to time, as the Redevelopment Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the holder of any 2011 District Bond until such 2011 District Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal of and interest on all 2011 District Bonds have been paid under the provisions of the 2011 District Bond Resolution and all expenses and charges of the Redevelopment Trustee have been paid, any balance remaining in the Revenue Fund shall be paid as provided in the 2011 District Bond Resolution.

The Redevelopment Trustee shall not waive (x) any Event of Default in the payment of the principal of any outstanding 2011 District Bond at the date of maturity specified therein or (y) any Event of Default in the payment
when due of the interest on any outstanding 2011 District Bond unless prior to such waiver all arrears of interest or all arrears of payments of principal when due, as the case may be, with interest on overdue principal at the rate borne by such 2011 District Bond, and all expenses of the Redevelopment Trustee in connection with such Event of Default shall have been paid or provided for. In case of any such waiver or rescission, or in case any proceeding taken by the Redevelopment Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the City, the Commission, the District, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any rights consequent thereon.

Resignation or Removal of Redevelopment Trustee

The Redevelopment Trustee may at any time resign from the trusts created pursuant to the 2011 District Bond Resolution by giving thirty (30) days written notice by registered or certified mail to the Controller, the Commission and the owners of the 2011 District Bonds, and such resignation shall take effect upon the appointment of a successor Redevelopment Trustee in accordance with the 2011 District Bond Resolution and acceptance of such appointment by the successor Redevelopment Trustee. Upon resignation of the Redevelopment Trustee, the Commission shall, as soon as practicable, appoint a successor Redevelopment Trustee. If the Commission fails to appoint a successor Redevelopment Trustee within sixty (60) days of receipt of notice of the Redevelopment Trustee’s resignation, the Redevelopment Trustee may petition the appropriate court to appoint a successor Redevelopment Trustee.

The Redevelopment Trustee may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to the Redevelopment Trustee and to the Controller and the Commission and signed by the Owners of a majority in aggregate principal amount of all 2011 District Bonds then outstanding or their attorneys-in-fact duly authorized. Notice of the removal of the Redevelopment Trustee shall be given in the same manner as provided in the paragraph above with respect to the resignation of the Redevelopment Trustee. The Commission shall appoint a successor Redevelopment Trustee immediately upon the removal of the Redevelopment Trustee. So long as no Event of Default, or an event which with the passage of time would become an Event of Default, shall have occurred and be continuing, the Redevelopment Trustee may be removed at any time upon appointment of a successor Redevelopment Trustee by order of the Commission filed with the Redevelopment Trustee.

If the Redevelopment Trustee resigns or is removed, or is dissolved, or is in course of dissolution or liquidation, or otherwise becomes incapable of acting under the 2011 District Bond Resolution, or if it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Owners of a majority in aggregate principal amount of all 2011 District Bonds then outstanding by an instrument or concurrent instruments in writing signed by such owners, or by their attorneys-in-fact duly authorized, a copy of which shall be delivered personally or sent by registered mail to the Controller and the Commission. Nevertheless, in case of such vacancy the Commission by order may appoint a temporary Redevelopment Trustee to fill such vacancy. Within ninety (90) days after such appointment, the Owners may appoint a successor Redevelopment Trustee; and any such temporary Redevelopment Trustee so appointed by the Commission shall become the successor Redevelopment Trustee if no appointment is made by the Owners within such period but in the event an appointment is made by the Owners, shall immediately and without further act be superseded by any Redevelopment Trustee so appointed by such Owners. Notice of the appointment of a temporary or successor Redevelopment Trustee shall be given in the same manner as described in the paragraph above with respect to the resignation of a Redevelopment Trustee. Every such Redevelopment Trustee appointed pursuant to the provisions of the 2011 District Bond Resolution shall be a trust company or bank having a reported capital and surplus of not less than $50,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.
APPENDIX D

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the 2011 C Bonds. The 2011 C Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered 2011 C Bond will be issued for each maturity of the 2011 C Bonds and will be deposited with DTC.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 2011 C BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS (OR THE OWNERS) WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

DTC, the world’s largest depository, is a limited purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange, LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

To facilitate subsequent transfers, all 2011 C Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2011 C Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2011 C Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 2011 C Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Redemption notices shall be sent to DTC. If less than all of the 2011 C Bonds are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of 2011 C Bonds may wish to take certain steps to augment transmissions to them of notices of significant events with respect to the 2011 C Bonds, such as redemptions, tenders, defaults and proposed amendments to the security documents. For example, Beneficial Owners of 2011 C Bonds may wish to ascertain that the nominee holding the 2011 C Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners or in the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of the notices be provided directly to them.
Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2011 C Bonds unless authorized by a Direct Participant in accordance with DTC’s Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Bank as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the 2011 C Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal of and interest payments on the 2011 C Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Bond Bank or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent, any other Fiduciary or the Bond Bank, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Bank or the Paying Agent, or any other Fiduciary, disbursements of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2011 C Bonds at any time by giving reasonable notice to the Bond Bank or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, 2011 C Bond certificates are required to be printed and delivered to DTC.

The Bond Bank may decide to discontinue use of the system of book entry transfers through DTC (or a successor securities depository). In that event, 2011 C Bond certificates will be printed and delivered.

The information contained in this section concerning DTC and DTC’s book entry system has been obtained from sources that the Bond Bank believes to be reliable, but none of the Bond Bank, the Waterworks Department or the Underwriters take any responsibility for the accuracy thereof, including any information on DTC’s website referenced herein.

Notwithstanding any provision of the Indenture, so long as any 2011 C Bond is registered in Cede & Co., as a nominee of DTC, all payments with respect to principal, interests and other notices with respect to the 2011 C Bonds shall be made or given in accordance with DTC’s rules and procedures.

In the event that the book entry system for the 2011 C Bonds is discontinued, the Paying Agent will provide for the registration of the 2011 C Bonds in the name of the Beneficial Owners thereof. The Bond Bank, the Trustee, the Paying Agent and any other Fiduciary would treat the person in whose name any 2011 C Bond is registered as the absolute owner of such 2011 C Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and none of these parties would be bound by any notice or knowledge to the contrary.
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MUNICIPAL BOND INSURANCE POLICY

ISSUER: 
BONDS: $ in aggregate principal amount of

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the
United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telexed notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ____________________________
Authorized Officer

Form 500NY (5/90)