
SECOND AMENDMENT TO REVENUE DEPOSIT AGREEMENT

Between

CITY OF CARMEL, INDIANA,

And

CITY OF CARMEL REDEVELOPMENT COMMISSION

Dated as of May 29, 2014

SECOND AMENDMENT TO REVENUE DEPOSIT AGREEMENT

This SECOND AMENDMENT TO REVENUE DEPOSIT AGREEMENT, dated as of May 29, 2014 (the "Second Amendment"), is being entered into between the CITY OF CARMEL, INDIANA (the "City"), a political subdivision duly created and validly existing under the laws of the State of Indiana (the "State"), and the CITY OF CARMEL REDEVELOPMENT COMMISSION (the "Commission"), as governing body of the City of Carmel Redevelopment District (the "District"), a special taxing district duly created and validly existing under the laws of the State (each, a "Party" and, collectively, the "Parties").

WITNESSETH

WHEREAS, the City and the Commission previously entered into a Revenue Deposit Agreement dated as of November 20, 2012 (the "Original Agreement"), as supplemented and amended by a First Amendment to Revenue Deposit Agreement, dated as of December 5, 2013 (the "First Amendment," and together with the Original Agreement, the "Existing Agreement"), relating to the agreed upon application of various tax increment revenues of the Commission to the payment of Commission obligations; and

WHEREAS, the City of Carmel Redevelopment Authority (the "Authority") previously issued its Lease Rental Revenue Bonds of 2005, dated December 21, 2005, consisting of current interest bonds in the original aggregate principal of Fifty-Two Million Two Hundred Dollars (\$52,200,000) (the "2005 Current Interest Bonds") and capital appreciation bonds in the aggregate issued amount of Twenty-Seven Million Seven Hundred Ninety-Eight Thousand Two Hundred Twenty-Seven Dollars and Fifteen Cents (\$27,798,227.15) (the "2005 Capital Appreciation Bonds", and together with the 2005 Current Interest Bonds, the "2005 Bonds"), pursuant to a Trust Indenture, dated as of December 1, 2005, between the Lessor and The Bank of New York Mellon Trust Company, N.A., as successor trustee, for the purpose of procuring funds to finance the design and construction of a new performing arts center complex in the city, to pay capitalized interest on the 2005 Bonds, to fund a partial debt service reserve fund, and to pay costs incurred on the account of the issuance and sale of the 2005 Bonds; and

WHEREAS, in order to provide revenues sufficient to pay debt service on the 2005 Bonds, the Authority, as lessor, and the Commission, as lessee, previously entered into a Lease Agreement, dated as of July 12, 2005, as amended by an Addendum to Lease dated December 6, 2005, as further amended by a First Amendment to Lease Agreement, dated as of January 19, 2010 (collectively, the "Original Lease"); and

WHEREAS, the Commission's lease rental payments due under the Original Lease are payable from TIF Revenue (as defined in the Original Agreement), and are secured by a back-up pledge of the revenues derived by the Commission from the levy of a special benefits tax pursuant to Indiana Code 36-7-14-27; and

WHEREAS, due to favorable market conditions, the Authority desires to refund all or a portion of the outstanding 2005 Current Interest Bonds (the "Refunded Bonds") in order to effect a savings in the interest costs on the Refunded Bonds; and

WHEREAS, the Authority has adopted, or is expected to adopt, a resolution authorizing the issuance of one or more series of refunding bonds designated as the "City of Carmel Redevelopment Authority Lease Rental Revenue Refunding Bonds, Series 2014 (Performing Arts Center Project)," in the aggregate principal of Fifty-Five Million Six Hundred Eighty-Five Thousand Dollars (\$55,685,000) (the "2014 Bonds"), for the purpose of providing funds to (a) effect an advance refunding of all or a portion of the Refunded Bonds, (b) if necessary, fund a debt service reserve fund or pay the premium for a debt service reserve fund surety policy, and (c) pay the costs incurred on the account of the issuance and sale of the 2014 Bonds, including any premiums for a municipal bond insurance policy or other form of credit enhancement for the 2014 Bonds; and

WHEREAS, the Authority and the Commission have adopted, or are expected to adopt, resolutions approving an amendment to the Original Lease (the "Lease Amendment"), for the purpose of reducing the annual lease rental payments due under the Original Lease to correspond with the reduced debt service owed under the 2014 Bonds and the outstanding 2005 Bonds, plus certain annual administrative costs and expenses related to the 2014 Bonds, thereby realizing a portion of the savings achieved by refunding the Refunded Bonds; and

WHEREAS, the City and the Commission now desire to amend the Existing Agreement in order to modify the lease rental payment schedule set forth as Exhibit D to the Original Agreement and for the purpose of making other technical amendments to the Existing Agreement, thereby establishing a procedure for setting aside the TIF Revenue as and when received to ensure the timely payment of the 2014 Bonds and the outstanding 2005 Bonds;

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the Parties now desire to enter into this Second Amendment and hereby agree as follows:

ARTICLE I

DEFINITIONS

In addition to the definitions contained in the Original Agreement, as supplemented and amended by the First Amendment, the following words and phrases shall have the following meanings, unless the context or use clearly indicates another or different meaning or intent.

“Existing Agreement” shall mean, collectively, the Original Agreement and the First Amendment.

“First Amendment” shall mean the First Amendment to Revenue Deposit Agreement, dated as of December 5, 2013, by and between the Commission and the City.

“Original Agreement” shall mean the Revenue Deposit Agreement dated as of November 20, 2012, by and between the Commission and the City.

“Supplemental Reserve Fund” shall mean the Supplemental Reserve Fund previously created and established pursuant to Section 2.4 of the Original Agreement.

“2005 Refunded Bonds” shall mean the City of Carmel, Indiana, Redevelopment Authority Lease Rental Revenue Bonds of 2005 (Current Interest Bonds), maturing on and after February 1, 2026, currently outstanding in the aggregate principal amount of \$52,200,000, which are to be advance refunded with a portion of the proceeds of the 2014 Bonds.

“2005 Refunded Bonds Savings” shall mean, during each year for which the 2014 Bonds are outstanding, an amount equal to (i) the annual principal and interest payments on the 2005 Refunded Bonds, minus (ii) the annual principal and interest payments on the 2014 Bonds. The schedule of the 2005 Refunded Bonds Savings shall be set forth in Exhibit E to the Original Agreement.

“2014 Bonds” shall mean the City of Carmel Redevelopment Authority Lease Rental Revenue Refunding Bonds, Series 2014 (Performing Arts Center Project), dated May 29, 2014, issued in the original aggregate principal amount of \$55,685,000.

(End of Article I)

ARTICLE II

AMENDMENTS TO EXISTING AGREEMENT

Section 2.1. Amendment to Exhibit D of Original Agreement. In connection with the issuance of the 2014 Bonds and the reduction of the lease rental payments related thereto, "Exhibit D" to the Original Agreement is hereby deleted in its entirety and replaced with the schedule attached hereto labelled as "Exhibit D (Revised)" and made a part hereof.

Section 2.2. Addition of Exhibit E to Original Agreement; Deposit of 2005 Refunded Bond Savings to Supplemental Reserve Fund. In connection with the issuance of the 2014 Bonds and the advance refunding of the 2005 Refunded Bonds, the Original Agreement is hereby amended by adding thereto the schedule attached hereto labelled as "Exhibit E – Schedule of 2005 Refunded Bond Savings" and made a part hereof. Section 2.1 of the Existing Agreement is hereby amended to add the following subsection (e):

"(e) After making the required transfers under subsections (a), (b), (c) and (d) of this Section 2.1, the Clerk-Treasurer shall transfer to the Supplemental Reserve Fund an amount of TIF Revenue equal to the lesser of (i) all of such TIF Revenue, or (ii) an amount of such TIF Revenue equal to the 2005 Refunded Bond Savings attributable to the next Payment Date in accordance with Exhibit E."

Section 2.3. References to 2005 Bonds. Unless the context otherwise requires or as otherwise provided herein, any references in the Existing Agreement to the 2005 Bonds shall be deemed to include both the 2014 Bonds and any outstanding 2005 Bonds, and any accounts created and maintained by the Clerk-Treasurer related to the 2005 Bonds shall hereafter be maintained, and the funds therein shall now be held, for the purpose of ensuring timely payment of both the 2014 Bonds and any outstanding 2005 Bonds.

(End of Article II)

ARTICLE III

MISCELLANEOUS


Section 3.1. Counterparts. This Second Amendment may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

Section 3.2. Continuing Effect. This Second Amendment shall form a part of the Original Agreement as previously supplemented and amended by the First Amendment. Except as otherwise set forth in this Second Amendment, all terms, conditions and provisions of the Original Agreement, as previously supplemented and amended by the First Amendment, are hereby ratified and affirmed.

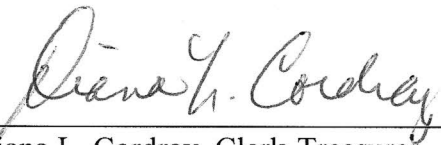
Section 3.3. Effective Date. This Second Amendment shall take effect immediately upon the execution of a binding bond purchase agreement for the purchase and sale of the 2014 Bonds.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to Revenue Deposit Agreement to be executed in their names and on their behalf as of the date first written above.

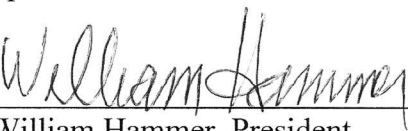
CITY OF CARMEL, INDIANA

By: 
James Brainard, Mayor

Attest:

By: 
Diana L. Cordray, Clerk-Treasurer

CITY OF CARMEL, INDIANA,
REDEVELOPMENT COMMISSION, as
governing body of the City of Carmel
Development District

By: 
William Hammer, President

Attest:

By: 
Brad Meyer, Secretary

EXHIBIT D (REVISED)

SCHEDULE OF 2005 AND 2014 BOND PAYMENT OBLIGATIONS

Bond Payment Date	Lease Payment Date	Debt Service				Combined Lease Rental	
		Outstanding		Budget Year Total			
		2014 Bonds	2005 Capital Appreciation Bonds		Total	Annual	Semiannual
8/1/2014	7/1/2014	\$376,814.69		\$376,814.69			\$2,328,000
2/1/2015	1/1/2015	1,093,978.13	\$3,180,000.00	4,273,978.13	\$4,650,792.82	\$4,656,000	2,328,000
8/1/2015	7/1/2015	1,093,978.13		1,093,978.13			2,826,500
2/1/2016	1/1/2016	1,093,978.13	3,460,000.00	4,553,978.13	5,647,956.26	5,653,000	2,826,500
8/1/2016	7/1/2016	1,093,978.13		1,093,978.13			2,961,500
2/1/2017	1/1/2017	1,093,978.13	3,730,000.00	4,823,978.13	5,917,956.26	5,923,000	2,961,500
8/1/2017	7/1/2017	1,093,978.13		1,093,978.13			3,241,500
2/1/2018	1/1/2018	1,398,978.13	3,985,000.00	5,383,978.13	6,477,956.26	6,483,000	3,241,500
8/1/2018	7/1/2018	1,089,403.13		1,089,403.13			3,369,500
2/1/2019	1/1/2019	1,404,403.13	4,240,000.00	5,644,403.13	6,733,806.26	6,739,000	3,369,500
8/1/2019	7/1/2019	1,084,678.13		1,084,678.13			3,985,000
2/1/2020	1/1/2020	1,409,678.13	5,470,000.00	6,879,678.13	7,964,356.26	7,970,000	3,985,000
8/1/2020	7/1/2020	1,079,803.13		1,079,803.13			4,107,500
2/1/2021	1/1/2021	1,414,803.13	5,715,000.00	7,129,803.13	8,209,606.26	8,215,000	4,107,500
8/1/2021	7/1/2021	1,073,103.13		1,073,103.13			4,231,000
2/1/2022	1/1/2022	1,418,103.13	5,965,000.00	7,383,103.13	8,456,206.26	8,462,000	4,231,000
8/1/2022	7/1/2022	1,069,221.88		1,069,221.88			4,379,500
2/1/2023	1/1/2023	1,424,221.88	6,260,000.00	7,684,221.88	8,753,443.76	8,759,000	4,379,500
8/1/2023	7/1/2023	1,062,121.88		1,062,121.88			5,135,000
2/1/2024	1/1/2024	1,432,121.88	7,770,000.00	9,202,121.88	10,264,243.76	10,270,000	5,135,000
8/1/2024	7/1/2024	1,057,496.88		1,057,496.88			5,652,500
2/1/2025	1/1/2025	1,432,496.88	8,810,000.00	10,242,496.88	11,299,993.76	11,305,000	5,652,500
8/1/2025	7/1/2025	1,051,871.88		1,051,871.88			5,684,500
2/1/2026	1/1/2026	7,511,871.88	2,800,000.00	10,311,871.88	11,363,743.76	11,369,000	5,684,500
8/1/2026	7/1/2026	954,971.88		954,971.88			5,730,000
2/1/2027	1/1/2027	10,499,971.88		10,499,971.88	11,454,943.76	11,460,000	5,730,000
8/1/2027	7/1/2027	796,643.75		796,643.75			5,777,000
2/1/2028	1/1/2028	10,751,643.75		10,751,643.75	11,548,287.50	11,554,000	5,777,000
8/1/2028	7/1/2028	608,625.00		608,625.00			5,824,000
2/1/2029	1/1/2029	11,033,625.00		11,033,625.00	11,642,250.00	11,648,000	5,824,000
8/1/2029	7/1/2029	348,000.00		348,000.00			2,275,500
2/1/2030	1/1/2030	4,198,000.00		4,198,000.00	4,546,000.00	4,551,000	2,275,500
8/1/2030	7/1/2030	269,375.00		269,375.00			2,292,000
2/1/2031	1/1/2031	4,309,375.00		4,309,375.00	4,578,750.00	4,584,000	2,292,000
8/1/2031	7/1/2031	168,375.00		168,375.00			2,301,000
2/1/2032	1/1/2032	4,428,375.00		4,428,375.00	4,596,750.00	4,602,000	2,301,000
8/1/2032	7/1/2032	88,500.00		88,500.00			2,303,500
2/1/2033	1/1/2033	4,513,500.00		4,513,500.00	4,602,000.00	4,607,000	2,303,500
Totals		\$87,324,042.94	\$61,385,000.00	\$148,709,042.94	\$148,709,042.94	\$148,810,000	\$148,810,000

EXHIBIT E

SCHEDULE OF 2005 REFUNDED BONDS SAVINGS

Payment Dates	Debt Service		Savings	
	2005 Refunded Bonds	2014 Bonds	Semiannual (1)	Annual
08/01/14	\$1,295,000.00	\$376,814.69	\$918,185.31	
02/01/15	1,295,000.00	1,093,978.13	201,021.87	\$1,119,207.18
08/01/15	1,295,000.00	1,093,978.13	201,021.87	
02/01/16	1,295,000.00	1,093,978.13	201,021.87	402,043.74
08/01/16	1,295,000.00	1,093,978.13	201,021.87	
02/01/17	1,295,000.00	1,093,978.13	201,021.87	402,043.74
08/01/17	1,295,000.00	1,093,978.13	201,021.87	
02/01/18	1,295,000.00	1,398,978.13	(103,978.13)	97,043.74
08/01/18	1,295,000.00	1,089,403.13	205,596.87	
02/01/19	1,295,000.00	1,404,403.13	(109,403.13)	96,193.74
08/01/19	1,295,000.00	1,084,678.13	210,321.87	
02/01/20	1,295,000.00	1,409,678.13	(114,678.13)	95,643.74
08/01/20	1,295,000.00	1,079,803.13	215,196.87	
02/01/21	1,295,000.00	1,414,803.13	(119,803.13)	95,393.74
08/01/21	1,295,000.00	1,073,103.13	221,896.87	
02/01/22	1,295,000.00	1,418,103.13	(123,103.13)	98,793.74
08/01/22	1,295,000.00	1,069,221.88	225,778.12	
02/01/23	1,295,000.00	1,424,221.88	(129,221.88)	96,556.24
08/01/23	1,295,000.00	1,062,121.88	232,878.12	
02/01/24	1,295,000.00	1,432,121.88	(137,121.88)	95,756.24
08/01/24	1,295,000.00	1,057,496.88	237,503.12	
02/01/25	1,295,000.00	1,432,496.88	(137,496.88)	100,006.24
08/01/25	1,295,000.00	1,051,871.88	243,128.12	
02/01/26	7,365,000.00	7,511,871.88	(146,871.88)	96,256.24
08/01/26	1,143,250.00	954,971.88	188,278.12	
02/01/27	10,408,250.00	10,499,971.88	(91,721.88)	96,556.24
08/01/27	911,625.00	796,643.75	114,981.25	
02/01/28	10,736,625.00	10,751,643.75	(15,018.75)	99,962.50
08/01/28	666,000.00	608,625.00	57,375.00	
02/01/29	11,076,000.00	11,033,625.00	42,375.00	99,750.00
08/01/29	405,750.00	348,000.00	57,750.00	
02/01/30	4,235,750.00	4,198,000.00	37,750.00	95,500.00
08/01/30	312,287.50	269,375.00	42,912.50	
02/01/31	4,362,287.50	4,309,375.00	52,912.50	95,825.00
08/01/31	213,600.00	168,375.00	45,225.00	
02/01/32	4,483,600.00	4,428,375.00	55,225.00	100,450.00
08/01/32	109,687.50	88,500.00	21,187.50	
02/01/33	4,589,687.50	4,513,500.00	76,187.50	97,375.00
Totals	<u>\$90,804,400.00</u>	<u>\$87,324,042.94</u>	<u>\$3,480,357.06</u>	<u>\$3,480,357.06</u>

(1) In the event that any semiannual savings are expressed as a negative number on a Payment Date, no TIF Revenues need to be transferred by the Clerk-Treasurer to the Supplemental Reserve Fund on such Payment Date.