

RESOLUTION NO. 8-1

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (LAND OF LINCOLN GOODWILL INDUSTRIES PROJECT), SERIES 2023, AUTHORIZING EXECUTION OF A LOAN AGREEMENT, AN ASSIGNMENT AND AGREEMENT, AND A BOND PURCHASE AGREEMENT, ALL RELATIVE TO SAID BONDS, AND AUTHORIZING OTHER ACTION TO BE TAKEN WITH RESPECT TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS.

FILED

MAY 23 2023

D. J. Henry
Sangamon County Clerk

WHEREAS, the Industrial Building Revenue Bond Act, 50 ILCS 445/1 *et seq.*, as amended (hereinafter referred to as the “Act”), authorizes and empowers The County of Sangamon, Illinois (the “Issuer”) to issue its revenue bonds to defray in whole or in part the reasonable and necessary costs incidental to the construction, rebuilding, acquisition, improvement or extension of any industrial project including without limitation the cost of studies and surveys; plans, specifications, architectural and engineering services; legal, marketing or other special services; financing, acquisition, demolition, construction, equipment and site development of new and rehabilitated buildings, rehabilitation, reconstruction, repair or remodeling of existing buildings and all other necessary and incidental expenses, and in conjunction therewith, to enter into an agreement with any persons, with respect to any economic development project whereby the Issuer agrees to loan the proceeds of its bonds to such person in order to cause the acquisition, construction and equipping of such project, and such person shall agree to pay to the Issuer or for its account an amount sufficient to pay the principal of, interest, and redemption premium, if any, on the bonds of the Issuer issued with respect to such project, all for the purpose of encouraging the increase of industry and commerce within the Issuer, thereby reducing the evils attendant upon unemployment and under employment, and providing for the increased welfare and prosperity of the residents of the Issuer; and

WHEREAS, it has been proposed that the Issuer issue its Economic Development Revenue Bonds (Land of Lincoln Goodwill Industries Project), Series 2023, in an aggregate principal amount of \$4,500,000 (the “Bonds”); and

WHEREAS, the proceeds of the Bonds will be loaned to Land of Lincoln Goodwill Industries, Inc., an Illinois not-for-profit corporation and a 501(c)(3) organization (the “Borrower”) for the purpose of refinancing certain indebtedness of the Borrower (the “Prior Debt”) and financing a portion of the costs of the construction, equipping and improvement by the Borrower of facilities owned and operated by the Borrower and located at 135 Independence Blvd., Chatham, Illinois (the “Chatham Facility”) and paying certain expenses incurred in connection with the issuance of the Bonds (collectively, the “Project”). The proceeds of the Prior Debt were used for the purpose of financing a portion of the costs of the construction, equipping and improvement by the Borrower of the Chatham Facility,

which is located within the territorial boundaries of the Issuer and will be owned and operated by Borrower in furtherance of its charitable purposes.; and

WHEREAS, drafts of the following documents relating to the Project have been submitted to the County Board and are now, or shall be placed, on file in the office of the County Clerk:

(a) Loan Agreement, dated as of June 1, 2023 (the “Loan Agreement”), proposed to be made and entered into between the Issuer and the Borrower;

(b) Assignment and Agreement, dated as of June 1, 2023 (the “Assignment”), proposed to be made and entered into between the Issuer and Heartland Bank and Trust Company (the “Purchaser” and “Bondholder”);

(c) Arbitrage Regulation Agreement, dated as of June 1, 2023 (the “Arbitrage Regulation Agreement”), proposed to be made and entered into by and between the Borrower and the Issuer;

(d) Bond Purchase Agreement, dated June 22, 2023 (the “Bond Purchase Agreement”), proposed to be made and entered into among the Issuer, the Borrower and the Purchaser; and

WHEREAS, the Project and operation of the Chatham Facility have and will provide for the economic development of the Issuer, and provide for increased employment and increased revenue for the Issuer and promote the health, safety and welfare of the Issuer; and

WHEREAS, the Issuer proposes to sell the Bonds hereinafter authorized upon a negotiated basis to the Bondholder.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY BOARD OF THE COUNTY OF SANGAMON, ILLINOIS, AS FOLLOWS:

Section 1. Definitions. Terms defined in the Loan Agreement and used herein shall have the meanings set forth in the Loan Agreement unless the context or use indicates another or different meaning. In addition to terms defined above, the following words and terms as used in this resolution shall have the following meanings unless the context or use indicates another or different meaning or intent:

“Adjustment Date” means June 22, 2029, June 22, 2034 and June 22, 2039.

“Assignee” means the Bondholder, as Assignee pursuant to the Assignment.

“Bond Register” means the bond register maintained by the Purchaser.

“Bond Resolution” means this resolution.

“Bondholder,” “Registered Owner” or “Owner” means Heartland Bank and Trust Company, an Illinois banking corporation, and its successors to all or any part of the Bonds, as registered in the Bond Register.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks located in Bloomington, Illinois, are required or authorized by law to remain closed.

“Code” means the Internal Revenue Code of 1986, as now or hereafter amended, and applicable regulations. All references herein to sections of the Code are to the sections thereof as they existed on the date of execution of the Loan Agreement.

“Default” means any event or condition which constitutes, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both would constitute, an Event of Default.

“Event of Default” means those events specified in and defined in Section 11 hereof.

“FHLB 5 Year Rate” means the rate equal to The Federal Home Loan Bank of Chicago Advance Rate for a 5 year regular fixed rate existing from time to time.

“Government Obligations” means direct obligations of the United States of America.

“Hereof,” “herein,” “hereunder” and other words of similar import refer to this Bond Resolution as a whole.

“Interest Period” means each consecutive one month period (the first of which shall commence on the date of the Bonds) effective as of the first day of each Interest Period and ending on the last day of each Interest Period, provided that if any Interest Period is scheduled to end on a date for which there is no numerical equivalent to the date on which the Interest Period commenced, then it shall end instead on the last day of the ending calendar month of such Interest Period.

“Interest Rate” means 4.83% per annum (or such other rate established by the Bondholder prior to issuance of the Bonds), subject to adjustment on each Adjustment Date to a rate of interest per annum equal to (a) the then existing FHLB 5 Year Rate plus (b) two hundred twenty-five basis points (2.25%) the sum of which is then multiplied by (c) the number which is 1 minus the highest marginal statutory rate of Federal income tax imposed on corporations and applicable to Bondholder. Provided, however, that in no event shall the Interest Rate be less than 3.00%.

“Investment Securities” means (i) direct obligations of the United States of America, or (ii) deposits which are fully insured by the Federal Deposit Insurance Corporation, or (iii) any other deposits with the consent of the Assignee and the Borrower.

“Note” means the note of the Borrower in the principal amount of \$4,500,000 delivered to the Issuer and endorsed to the Assignee which evidences the obligation of the Borrower to repay the loan to it by the Issuer of the proceeds of the Bonds, which note is in substantially the form attached as Exhibit A to the Loan Agreement.

“Overdue Rate” means the Prime Rate plus two percent (2%).

“Payment Date” means the twenty-second (22nd) day of each calendar month commencing July 22, 2023, on which the monthly payment of (i) interest only until June 22, 2024 and (ii) principal and interest thereafter until maturity is due.

“Person” means natural persons, partnerships, associations, corporations and public bodies.

“Prime Rate” shall mean the rate of interest per annum as published in the Wall Street Journal and publicly announced from time to time by Purchaser as its prime rate. The Prime Rate is a variable rate and each change in the Prime Rate is effective from and including the date the change is announced as being effective. The Prime Rate is a reference rate and may not be Purchaser’s lowest rate.

“Principal Amount” means \$4,500,000.

“Rebate Fund” means “The County of Sangamon Economic Development Revenue Bonds Rebate Fund (Land of Lincoln Goodwill Industries Project, Series 2023)” created by Section 9 hereof

“Supplemental Loan Agreement” means any amendment or supplement to the Loan Agreement entered into pursuant to Section 3.8 of the Loan Agreement.

“Taxable Interest Rate” means a variable rate of interest per annum in effect for an Interest Period equal to the Prime Rate from time to time in effect.

Section 2. Authorization of the Project. That in order to promote the general welfare of the Issuer and its inhabitants by providing for the economic development of the Issuer and providing increased employment, and increased revenue for the Issuer, the Project is hereby authorized to be financed as described herein. It is hereby found and declared that the financing for the Project and the use thereof by the Borrower as hereinafter provided is necessary to accomplish the public purposes described in the preamble hereto and in the Act.

Section 3. Authorization and Payment of Bonds. That for the purpose of financing the cost of said Project there shall be and there is hereby authorized to be issued by the Issuer its Economic Development Revenue Bonds (Land of Lincoln Goodwill Industries Project), Series 2023, in the Principal Amount of \$4,500,000. The Bonds shall be dated as of the date of issuance thereof, and be payable to the order of the Bondholder in the amount and on the dates set forth in the Bond form and shall bear interest on the unpaid principal installments at the rate set forth in the Bond form, said principal and interest payments to be made in monthly installments as follows:

Principal payments shall be made monthly together with accrued interest payments on each Payment Date in amounts calculated in accordance with the formula set forth in the Bond form. The monthly interest payments shall be in arrears, calculated at the applicable interest rate for the actual number of days elapsed, with a 360 day year basis. All payments of principal and interest shall be due and payable on the Payment Dates through June 22, 2044, when payment shall be made of all principal then remaining unpaid together with interest thereon. All payments shall be applied first to interest due and the balance to repayment of principal.

The principal installments of the Bonds are subject to prepayment at the option of the Borrower as set forth in the Loan Agreement.

In the event of prepayment, the Bonds may be redeemed as directed by the Borrower at the redemption price set forth in the Loan Agreement (including any applicable prepayment premium) plus accrued interest to the prepayment date upon written notice to the Registered Owners of the Bonds given by the Borrower on behalf of the Issuer, at least thirty (30) days prior to the date which the Borrower shall have designated as the prepayment date. In addition, the Bonds are subject to redemption as set forth in the Loan Agreement.

All principal installments of the Bonds or portion thereof designated for prepayment will cease to bear interest on the specified prepayment date, provided funds for their prepayment are on deposit at the place of payment at that time.

The principal installments of (except the final installment which will be paid upon presentment at the principal office of the Issuer) and interest on the Bonds shall be payable by direct debit or check or draft of the Borrower mailed to the Registered Owner of the Bonds at the address as shown in the Bond Register.

The Bonds shall be signed by the Chairman of the County Board and attested by the County Clerk of the Issuer and the corporate seal of the Issuer shall be affixed thereto.

The Bonds, together with interest thereon, shall be limited obligations of the Issuer secured by, among other things, the Assignment and payable solely from the receipts derived from and as described in the Loan Agreement (except to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment

thereof) and shall be a valid claim of the Registered Owners hereof only against moneys required to be applied to the payment of the Bonds and other moneys held by the Assignee and the receipts derived from the Loan Agreement, which receipts shall be used for no other purpose than to pay the principal installments of, and interest on the Bonds, except as may be otherwise expressly authorized in this Bond Resolution. The Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness or a loan of credit of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against their general taxing powers, within the meaning of any constitutional or statutory provisions of the State of Illinois, but shall be secured by the Assignment, and payable solely from the receipts from the Loan Agreement. Without limiting the foregoing, the Issuer makes no representation that interest on the Bonds is or will continue to be tax-exempt under the Code, and expressly disclaims any liability for absence or loss of any such tax-exempt status for any reason whatsoever.

Section 4. Bond Form. That the Bonds shall be in substantially the form as shown on attached Exhibit A, with appropriate insertions.

Section 5. Creation of the Project Fund and Bond Fund; Custody and Application of Proceeds of Bonds.

(a) Refinancing. The sale proceeds of the Bonds shall applied and disbursed in part directly by the Assignee at closing as set forth in Section 4.1 of the Loan Agreement to pay costs of issuance and to the holder of the Prior Debt in accordance with the provisions of the Loan Agreement, and particularly Article IV thereof. The Borrower shall keep and maintain adequate records pertaining to all disbursements.

(b) Project Fund. There is hereby created and established with the Assignee a special fund in the name of the Issuer to be designated “The County of Sangamon Economic Development Revenue Bonds Project Fund (Land of Lincoln Goodwill Industries Project)” (the “Project Fund”) and identified with the name of the Borrower. A portion of the proceeds received by the Issuer upon the sale of the Bonds shall be deposited in the Project Fund which shall be held in a separate account by the Assignee. Moneys in the Project Fund shall be expended in accordance with the provisions of the Loan Agreement, and particularly Article IV thereof.

The Assignee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in this Section, the Assignee upon request shall deliver copies of such records to the Issuer and the Borrower.

Upon completion of the Project and payment of all costs and expenses incident thereto, any moneys thereafter remaining in the Project Fund shall be applied in accordance with Sections 4.3 and 9.3 of the Loan Agreement.

(c) Bond Fund. There is hereby created and established with the Assignee a special fund in the name of the Issuer to be designated "The County of Sangamon Economic Development Revenue Bonds Bond Fund (Land of Lincoln Goodwill Industries Project)" (the "Bond Fund") and identified with the name of the Borrower. The payments of the Borrower received by the Issuer or the Assignee shall be deposited in the Bond Fund which shall be held in a separate account by the Assignee. Moneys in the Bond Fund shall be held for application to payment of the Bonds and shall be timely paid over to the Assignee for application in accordance with the provisions of this Bond Resolution.

The Assignee shall keep and maintain adequate records pertaining to the Bond Fund and all disbursements therefrom, and after all the Bonds have been paid and all costs filed as provided in this Section, the Assignee upon request shall deliver copies of such records to the Issuer and the Borrower.

The payment of all the Bonds and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Issuer and the Assignee of a certificate of the Authorized Borrower Representative (as set forth in Section 10.1 of the Loan Agreement).

Section 6. Payment of Amounts Under the Loan Agreement. It is the declared intention of the Issuer to authorize the disbursement of the proceeds of the Bonds in order to finance the Project pursuant to the Loan Agreement in substantially the form which has been presented to and is hereby approved by the County Board of the Issuer.

The Chairman of the County Board is hereby authorized to execute and acknowledge said Loan Agreement for and on behalf of the Issuer, and the County Clerk is hereby authorized to attest same and to affix thereto the corporate seal of the Issuer.

The Loan Agreement and the Note and the receipts therefrom, including all moneys received under their terms and conditions, are intended to be sufficient to pay the principal installments of and interest on the Bonds hereby authorized and are hereby pledged and ordered paid to the Registered Owners of the Bonds for payment of the Bonds. The Loan Agreement provides that the Borrower shall remit the required payments thereunder directly to the Assignee for payment of the Bonds and such provision for payment is hereby expressly approved.

Section 7. Receipts. Notwithstanding any provision of this Bond Resolution or the Loan Agreement to the contrary, the Bonds and all payments required of the Issuer hereunder are not general obligations of the Issuer but are special and limited obligations secured by the Assignment and are payable by the Issuer solely and only out of the receipts derived from the Loan Agreement and the Note as provided herein and therein.

The Issuer covenants and agrees that should there be a default under the Loan Agreement, the Issuer shall fully cooperate with the Assignee and with the Registered Owners of the Bonds to enforce the obligations of the Borrower under the Loan Agreement and the Note to the end of fully protecting the rights and security of such Registered

Owners. Nothing herein shall be construed as requiring the Issuer to use any funds or receipts from any source other than funds and receipts derived from or as described in the Loan Agreement and the Note, or to undertake to perform the obligations of the Borrower under the Loan Agreement and the Note, including without limitation the obligation to complete the Project.

Any amounts held by the Assignee, after payment in full of the principal installments of and interest on the Bonds (or provision for payment thereof as provided in this Bond Resolution) shall be paid to the Borrower upon the expiration or sooner termination of the term of the Loan Agreement.

Section 8. Assignment. As security for the due and punctual payment of the principal installments of and interest on the Bonds hereby authorized, the Issuer hereby assigns and pledges to the Assignee, the Loan Agreement and the Note, including all receipts derived by the Issuer pursuant to the Loan Agreement and the Note (except any payment made pursuant to Sections 2.3, 3.4, 6.2, 8.2, 8.3, 8.5, 8.6 and 8.7 of the Loan Agreement relating to reimbursement or indemnification of the Issuer by the Borrower) and all rights and remedies of the Issuer under the Loan Agreement and the Note to enforce payment thereof, including evidence of such assignment and of the agreement of the Assignee to accept its responsibilities with respect to the moneys to be applied to the payment of the Bonds, the Chairman of the County Board is hereby authorized to execute for and on behalf of the Issuer, and the Chairman of the County Board and County Clerk are authorized and directed to cause the Assignment to be executed by the Assignee, with the Assignment to be in substantially the form which has been presented to and is hereby approved by the County Board of the Issuer.

Section 9. Investments; Arbitrage. Any moneys held as part of the Project Fund created pursuant to Section 5 hereof or for application to payment of the Bonds, may be invested or reinvested on the direction of the Borrower, in accordance with the provisions of the Loan Agreement and this Bond Resolution. Any such investment shall be held by or under control of the Borrower and shall be deemed at all times a part of the account from which such investment was made and the interest accruing thereon and any profit realized from such investments shall be credited to such account, and any loss resulting from such investments shall be charged to such account, which loss shall be an obligation of the Borrower as provided in the Loan Agreement.

With respect to Section 148 of the Code, the Borrower has made certain representations and warranties to the Issuer in Sections 2.2 and 2.3 of the Loan Agreement, which representations and warranties by this reference are incorporated herein and made a part hereof. The Issuer agrees to comply with all provisions of the Code which, if not complied with by the Issuer, would cause the Bonds not to be tax-exempt. The County Board of the Issuer, acting in reliance upon such representations and warranties, in furtherance of the foregoing provisions, but without limiting their generality, agrees that it will not take or authorize the taking of any action which will affect the tax-exempt status of

the Bonds under the Code or will cause the Bonds to be classified as an “arbitrage bond” within Section 148 of the Code and regulations or rulings lawfully promulgated thereunder.

The Issuer recognizes that the provisions of Section 148 of the Code require a rebate to the United States government in certain circumstances, and pursuant to the Arbitrage Regulation Agreement creates and orders established with the Borrower, a trust fund in the name of the Issuer to be designated “The County of Sangamon Economic Development Revenue Bonds Rebate Fund (Land of Lincoln Goodwill Industries Project, Series 2023)” (the “Rebate Fund”), which shall be held, invested, expended and accounted for at the direction of the Borrower and at the Borrower’s expense in accordance with the Assignment, the Loan Agreement and the Arbitrage Regulation Agreement. Such Rebate Fund shall not be considered moneys held under the Assignment and shall not constitute part of the Project held for the benefit of the Registered Owners, the Issuer, or the Borrower, but shall be held on behalf of the United States government as contemplated by the provisions of the Arbitrage Regulation Agreement and subject to direction by the Borrower as provided in the Arbitrage Regulation Agreement.

Moneys in the Rebate Fund shall be held in trust by the Borrower and, except for those excess amounts which may be transferred to the Assignee as funds to be held and applied under the Assignment, shall be held for future payment at the Borrower’s direction to the United States government as contemplated under the provisions of the Arbitrage Regulation Agreement.

Notwithstanding the foregoing, exemptions to rebate requirements applicable to the Bonds appear at Treasury Regulation 1.148-7. Based upon the certifications of the Borrower, no rebate is required or planned by the Issuer. In support of this conclusion, the Chairman of the County Board and the County Clerk may make such further certifications and covenants as they deem necessary in the Arbitrage Regulation Agreement.

Section 10. General Covenants. The Issuer covenants that it will promptly cause to be paid solely and only from the source mentioned in the Bonds, the principal installments of and interest on the Bonds hereby authorized at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. The Bonds and the obligation to pay interest thereon are limited obligations of the Issuer, secured by, among other things, the Assignment and payable solely out of the receipts derived by the Issuer from the Loan Agreement and the Note and otherwise as provided herein and in the Loan Agreement and the Note. The Bonds and the obligation to pay interest thereon shall not be deemed to constitute an indebtedness or a loan of credit of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against their general taxing powers, within the meaning of any constitutional or statutory provision of the State of Illinois. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Resolution, in the Bonds and in all proceedings of its County Board pertaining thereto. The Issuer covenants that it is duly authorized under the Constitution and laws of the State of Illinois, including particularly and without limitation the Act, to issue the Bonds authorized hereby,

and to pledge and assign the receipts hereby pledged and assigned in the manner and to the extent herein set forth; and that all action on its part for the issuance of the Bonds has been duly and effectively taken and that the Bonds are and will be a valid and enforceable limited obligation of the Issuer according to the true intent and meaning thereof, except as the enforceability of the same may be subject to bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting creditors' rights, and to the exercise of judicial discretion in accordance with general principles of equity.

The Issuer covenants that it will execute, acknowledge and deliver such instruments and other documents as the Registered Owners of the Bonds or the Assignee may reasonably require for the better assuring, granting, pledging and assigning unto the Assignee the interest of the Issuer in the Loan Agreement and the Note, as well as the rights of the Issuer in and to the receipts hereby assigned and pledged to the payment of the principal installment of and interest on the Bonds. The Issuer covenants and agrees that, except as herein and in the Loan Agreement provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the receipts derived from the Loan Agreement and the Note or of its rights under the Loan Agreement and the Note.

The Issuer covenants and agrees that all books and documents in its possession relating to the receipts derived from and as described in the Loan Agreement and the Note shall at all reasonable times be open to inspection by the Registered Owners of the Bonds or such accountants or other agencies as such Registered Owners may from time to time designate.

Section 11. Event of Default and Remedies. If any of the following events occur it is hereby defined as and declared to be and to constitute an "Event of Default":

(a) Default in the due and punctual payment of any interest on the Bonds or of any principal installments of the Bonds, whether at the stated maturity thereof, or upon proceedings for prepayment thereof, and continuance of such default for five (5) Business Days.

(b) Any event of default under Section 8.1 of the Loan Agreement shall have occurred.

Upon the occurrence of an Event of Default and so long as such event is continuing, the Assignee by notice in writing delivered to the Issuer and the Borrower, may declare the principal installments of the Bonds and the interest accrued thereon immediately due and payable, and such principal installments and interest shall thereupon become and be immediately due and payable. Upon any such declaration all payments under the Loan Agreement and the Note from the Borrower immediately shall become due and payable as provided in the Loan Agreement.

While any principal installments of the Bonds or interest are unpaid, the Issuer shall not exercise any of the remedies on default specified in Section 8.2 of the Loan Agreement without prior written consent of the Assignee.

Upon the occurrence of an Event of Default, the Assignee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal installments and interest on the Bonds and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth and of the Borrower as set forth in the Loan Agreement and the Note.

No remedy by the terms of this Bond Resolution conferred upon or reserved to the Assignee is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Assignee or to the Registered Owner hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right, power or remedy may be exercised from time to time as often as may be deemed expedient.

All moneys received pursuant to any right given or action taken under the provisions of this Section or under the provisions of the Loan Agreement (after payments of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Issuer, the Assignee or the Registered Owners of the Bonds) and all moneys in the held by the Assignee at the time of the occurrence of an Event of Default shall be applied to the payment of the principal installments and interest then due and unpaid upon the Bonds to the person entitled thereto.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Assignee shall determine, but in any event within fifteen (15) business days after receipt of such moneys by the Assignee. The Assignee shall give such notice as it may deem appropriate of the receipt of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Registered Owner of any Bond until such Bond shall be presented for appropriate endorsement or for cancellation if fully paid.

Whenever all principal installments and interest on the Bonds have been paid under the provisions of this Section and all expenses of the Assignee and the Issuer have been paid, any balance remaining with the Assignee shall be paid to the Borrower.

With regard to any default concerning which notice is given to the Borrower under the provisions of this Section, the Issuer hereby grants the Borrower full authority for account of the Issuer to perform or observe any covenant or obligation alleged in said notice not to have been performed or observed, in the name and stead of the Issuer with full power

to do any and all things and acts to the same extent that the Issuer could do in order to remedy such default.

Section 12. Sale of the Bonds; Execution of Bond Purchase Agreement. The sale of the Bonds (the execution and issuance of which is authorized pursuant to Section 13 hereunder) to the Purchaser, at a price of the Principal Amount, plus accrued interest, if any, and payment pursuant to the Bond Purchase Agreement is hereby in all respects authorized, approved and confirmed. The Bond Purchase Agreement in substantially the form which has been presented to this County Board is hereby approved.

The Chairman of the County Board is hereby authorized and directed to execute said Bond Purchase Agreement for and on behalf of the Issuer, and the County Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the Issuer.

Section 13. Performance Provisions. The forms, terms and provisions of the proposed Loan Agreement, Bond Purchase Agreement, Note, Assignment, and Arbitrage Regulation Agreement (the "Issuer Documents") are hereby in all respects approved, and the Chairman of the County Board and County Clerk are hereby authorized, empowered and directed to execute and deliver the Issuer Documents in the name and on behalf of the Issuer. The Issuer Documents, as executed and delivered, shall be in substantially the forms now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the forms of the Issuer Documents now before this meeting.

The Chairman of the County Board and County Clerk are, and they are hereby, further authorized and directed for and on behalf of the Issuer, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of the authority conferred by this Bond Resolution or to evidence said authority and to exercise and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the Issuer under the Loan Agreement, the Assignment, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement and to discharge all of the obligations of the Issuer thereunder. From and after the execution and delivery of the Issuer Documents authorized by this Bond Resolution, the officers, agents and employees of the Issuer are hereby further authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out the intent and accomplish the purposes of this resolution and to comply with and make effective the provisions of the instruments as executed.

Section 14. Other Tax Covenants.

(a) The Issuer recognizes the provisions of Section 265(b)(3) of the Code which provide that a "qualified tax-exempt obligation" as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The Issuer hereby designates each of the Bonds as may be from time to time outstanding for purposes of Section 265(b)(3) of the Code as a "qualified tax-exempt obligation" as

provided herein. In making such designations, the Issuer is relying upon covenants and warranties of the Borrower and continued compliance in connection with Section 501(c)(3) of the Code and the status of the Bonds as “Qualified 501(c)(3) Bonds” under Section 141(e)(1)(G).

In support of such designations, the Issuer certifies, represents and covenants as follows:

(i) Including the Bonds, the Issuer (including any entities subordinate thereto) has not and does not reasonably expect to issue in excess of \$10,000,000 in “tax-exempt obligations” during calendar year 2023. The term “tax-exempt obligations” includes “qualified 501(c)(3) bonds” (as defined in Section 145 of the Code) but does not include other “private activity bonds” (as defined in Section 141 of the Code).

(ii) Including the Bonds, not more than \$10,000,000 of obligations issued by the Issuer (including any entities subordinate thereto) during calendar year 2023 have been to date or will be designated by the Issuer for purposes of said Section 265(b)(3).

(b) The Bonds are qualified 501(c)(3) “private activity bonds” as defined in Section 141(e)(1)(G) of the Code. In support of such conclusion, the Issuer certifies, represents and covenants as follows:

(i) All property which is to be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit.

(ii) No direct or indirect payments are to be made on any Bonds with respect to any private business use by any person other than the qualified 501(c)(3) organization.

(iii) None of the proceeds of the Bonds are to be used, directly or indirectly, to make or finance loans to persons other than a qualified 501(c)(3) organization.

(c) The Issuer recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain tax-exempt. In this connection, the Issuer agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 15. Notices. It shall be sufficient service of any notice or other paper on the Issuer if the same shall be duly mailed to the Issuer by registered or certified mail, postage prepaid, return receipt requested, addressed to the Issuer at The County of Sangamon, Sangamon County Court House, 200 South 9th Street, Springfield, Illinois 62701, Attention: County Board Chairman, or to such other address as the Issuer may from

time to time file with the Assignee and the Borrower. It shall be sufficient service of any notice or other paper on the Borrower if the same shall be duly mailed to the Borrower by registered or certified mail, postage prepaid, return receipt requested, addressed to Land of Lincoln Goodwill Industries, Inc., 1220 Outer Park Drive, Springfield, Illinois 62704, Attention: President & CEO, or to such other address as the Borrower may from time to time file with the Issuer and the Assignee. It shall be sufficient service of any notice or other paper on the Assignee if the same shall be duly mailed to the Assignee by registered or certified mail, postage prepaid, return receipt requested, addressed to Heartland Bank and Trust Company, 401 N. Hershey Rd., Bloomington, , Illinois 61704, Attention: Steven K. Gnuse, Senior Lender, or to such other address or addresses as the Assignee may from time to time file with the Issuer and the Borrower.

Section 16. Resolution a Contract: Provisions for Modifications, Alterations and Amendments. The provisions of this Bond Resolution shall constitute a contract between the Issuer and the Registered Owner or Registered Owners of the Bonds hereby authorized; and after the issuance of the Bonds no modification, alteration, or amendment or supplement to the provisions of this Bond Resolution shall be made in any manner except with the written consent of the Registered Owner or Registered Owners of the Bonds until such time as all principal installments of, and interest on the Bonds shall have been paid in full.

Section 17. Satisfaction and Discharge. All rights and obligations of the Issuer and the Borrower under the Loan Agreement, the Note, the Assignment, the Bonds, the Bond Purchase Agreement and this Bond Resolution shall terminate and such instruments shall cease to be of further effect and the Assignee shall cancel the Bonds, deliver them to the Issuer, and deliver a copy of the canceled Bonds to the Borrower, and shall assign and deliver to the Borrower any moneys held by the Assignee required to be paid to the Borrower under Section 7 hereof (except moneys held for the payment of principal of or interest on the Bonds) when:

- (a) all expenses of the Issuer and the Assignee shall have been paid;
- (b) the Issuer and the Borrower shall have performed all of their covenants and promises in the Loan Agreement, the Note, the Assignment, the Bonds, the Bond Purchase Agreement and in this Resolution; and
- (c) all principal installments and interest on the Bonds have been paid.

Section 18. Severability. If any section, paragraph, clause or provision of this resolution shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

8-15

Section 19. Captions. The captions or headings of this resolution are for convenience only and in no way define, limit or describe the scope or intent of any provision of this resolution.

Section 20. Provisions in Conflict Repealed. All resolutions, and orders, or parts thereof, in conflict with the provisions of this resolution are to the extent of such conflict, hereby repealed, and this Bond Resolution shall be in full force and effect upon its passage and approval as required by law.

AND BE IT FURTHER RESOLVED, that the Chairman of the County Board of The County of Sangamon is authorized to execute all documents necessary to effectuate this Bond Resolution.

This Bond Resolution is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of a majority of the members of the County Board of The County of Sangamon, Illinois, at a regular meeting of said County Board on this June 13, 2023.

PASSED by the County Board this June 13, 2023.

Chairman of the County Board

(SEAL)

County Clerk

8-16

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, Don Gray, hereby certify that I am the duly qualified and acting County Clerk of The County of Sangamon, Illinois and as such official I further certify that attached hereto is a copy of a RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (LAND OF LINCOLN GOODWILL INDUSTRIES PROJECT), SERIES 2023, AUTHORIZING EXECUTION OF A LOAN AGREEMENT, AN ASSIGNMENT AND AGREEMENT, AND A BOND PURCHASE AGREEMENT, ALL RELATIVE TO SAID BONDS, AND AUTHORIZING OTHER ACTION TO BE TAKEN WITH RESPECT TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS, dated as of June 22, 2023 (the "Bond Resolution") adopted at the meeting of the County Board of The County of Sangamon, Illinois held on June 13, 2023; that I have compared said copy with the original Bond Resolution in my official custody; that said copy is true, correct and complete; and that as of the date hereof the attached Bond Resolution is still in full force and effect and has not been amended, repealed or rescinded.

I further certify that in accordance with the requirements of The Open Meetings Act, 5 ILCS 120/1 *et seq.*, public notice of the regular dates, times and places of the regular meetings of the County Board of The County of Sangamon, Illinois was given at the beginning of the 2023 calendar or fiscal year of The County of Sangamon, Illinois by posting a copy of such notice at the principal office of the County Board, namely at Room 201, Sangamon County Court House, 200 South Ninth Street, Springfield, Illinois, and by supplying copies of such notice to any local newspaper of general circulation or any local radio or television station that has filed an annual request for such notice.

I further certify that all meetings of the County Board concerning the \$4,500,000 Economic Development Revenue Bonds (Land of Lincoln Goodwill Industries Project), Series 2023, were held at times and places convenient to the public and specified in the notice regarding said meetings, and that said meetings were public meetings.

WITNESS my official signature and seal of The County of Sangamon, Illinois this June 22, 2023.

County Clerk

8-17

EXHIBIT A
(FORM OF BOND)

UNITED STATES OF AMERICA
THE COUNTY OF SANGAMON, ILLINOIS
ECONOMIC DEVELOPMENT REVENUE BONDS
(LAND OF LINCOLN GOODWILL INDUSTRIES PROJECT)
SERIES 2023

No. R-1

\$4,500,000

(1) KNOW ALL MEN BY THESE PRESENTS that The County of Sangamon, Illinois (the "Issuer"), a county of the State of Illinois, for value received, promises to pay from the source and as hereinafter provided, to the order of HEARTLAND BANK AND TRUST COMPANY, an Illinois banking corporation, or registered assigns, the principal sum of FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS (\$4,500,000), in installments of principal as hereinafter provided and to pay interest on the unpaid balance of said principal sum as hereinafter provided, until the principal amount is paid in full.

(2) This Bond shall bear interest at the Interest Rate as adjusted on each Adjustment Date, provided, however, that from and after any Effective Date of Taxability as defined in the Loan Agreement (as hereinafter defined), this Bond shall bear interest at the Taxable Interest Rate in effect from time to time.

(3) Principal payments on this Bond shall be made monthly on each Payment Date as set forth in the attached amortization schedule, together with accrued interest payments on each Payment Date. The monthly interest payments shall be in arrears, calculated at the applicable interest rate for the actual number of days elapsed, with a 360 day year basis. All payments of principal and interest shall be due and payable on the Payment Dates through June 22, 2044, when payment shall be made of all principal then remaining unpaid together with interest thereon. All payments shall be applied first to interest due and the balance to repayment of principal.

(4) As used herein, the terms "Adjustment Date," "Borrower," "Effective Date of Taxability," "Determination of Taxability," "Interest Rate," "Note," "Prime Rate," "Project" and all other defined terms used herein shall have the meanings assigned to them in the Loan Agreement by and between the Issuer and the Borrower dated as of June 1, 2023 (the "Loan Agreement"), including but not limited to the following definitions:

"Code" means the Internal Revenue Code of 1986, as now or hereafter amended, and applicable regulations. All references herein to sections of the Code are to the sections thereof as they existed on the date of execution of the Loan Agreement.

"Interest Period" means each consecutive one month period (the first of which shall commence on the date of the Bonds) effective as of the first day of each Interest Period and ending on the last day of each Interest Period, provided that if any Interest Period is

scheduled to end on a date for which there is no numerical equivalent to the date on which the Interest Period commenced, then it shall end instead on the last day of the calendar month which ends within such Interest Period.

“Overdue Rate” means the Prime Rate plus two percent (2%).

“Payment Date” means the twenty-second (22nd) day of each calendar month commencing July 22, 2023, on which the monthly payment of (i) interest only until June 22, 2024 and (ii) principal and interest thereafter until maturity is due.

“Purchaser” or “Assignee” means Heartland Bank and Trust Company, an Illinois banking corporation.

“Taxable Interest Rate” means a variable rate of interest per annum in effect for an Interest Period equal to the Prime Rate from time to time in effect.

(5) Upon maturity of the Bond (whether by acceleration or otherwise), until paid, and during the continuance of an Event of Default under the Loan Agreement, this Bond shall bear interest at a rate per annum equal to the Overdue Rate. In the event any payment is not made when due hereunder, the Issuer shall pay to the owner of this Bond a “late charge” equal to the Overdue Rate, as defined in the Loan Agreement, times the amount of such principal, interest or other charges.

(6) Principal of and interest and premium, if any, on this Bond are payable in lawful money of the United States of America. Payment of principal and interest on this Bond shall be made to the registered owner thereof and shall be paid by direct debit or by check or draft mailed to the registered owner at his address as it appears on the registration books of Issuer or at such other address as is furnished to Issuer and Borrower in writing by such registered owner.

(7) This Bond is the sole and only Bond of an authorized issue of Bonds limited in aggregate principal amount to \$4,500,000 and issued in one series (the “Bonds”) for the purpose of providing funds to be loaned to Land of Lincoln Goodwill Industries, Inc., an Illinois not-for-profit corporation and 501(c)(3) organization (the “Borrower”) for the Project, as more fully described in the Loan Agreement.

(8) The proceeds from the sale of the Bonds have been lent by the Issuer to the Borrower under the terms of the Loan Agreement, under which the Borrower is obligated to pay amounts which are sufficient to pay (a) the principal of, and interest on, the Bonds as the same shall become due in accordance with the terms and provisions of the Bonds and the Loan Agreement, and (b) certain Additional Payments and expenses of Issuer related to the Project.

(9) Reference is hereby made to the Loan Agreement for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of Issuer, and the Owner of the Bonds, and the terms upon which the Bonds are issued and secured.

8-19

(10) This Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing, but only in the manner, subject to the limitations and upon payment of the charges provided in the Loan Agreement, and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. Issuer and any paying agents may deem and treat the Registered Owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes, and Issuer shall not be affected by the notice to the contrary.

(11) This Bond is issuable only as a fully registered Bond without coupons. Subject to the limitations and upon payment of the charges provided in the Loan Agreement, a registered Bond without coupons may be exchanged for a like aggregate principal amount of registered Bonds without coupons of other authorized denominations of the same series and the same maturity.

(12) The principal installments of the Bonds are subject to prepayment as set forth in the Loan Agreement.

(13) In the event of prepayment, the Bonds may be redeemed as directed by the Borrower at the redemption price set forth in the Loan Agreement (including any applicable prepayment premium) plus accrued interest to the prepayment date upon written notice to the Registered Owner of the Bonds given by the Borrower on behalf of the Issuer, at least thirty (30) days prior to the date which the Borrower shall have designated as the prepayment date. Reference is hereby made to the Loan Agreement for a description of the circumstances under which the Borrower may prepay or be required to prepay the amounts payable under the Loan Agreement.

(14) In the event the Borrower prepays the Bonds in part, the Borrower shall be required to continue to make payments on each subsequent Payment Date until the entire principal balance of the Bonds is paid in full.

(15) The Bonds are issued pursuant to and in full compliance with the Industrial Building Revenue Bond Act, 50 ILCS 445/1 *et seq.*, as amended, and by appropriate action duly taken by the County Board of the Issuer which authorizes the execution and delivery of the Loan Agreement. Payments sufficient for the prompt payment, when due, of the principal of and premium, if any, and interest on the Bonds are to be paid by the Borrower to the Purchaser for the account of Issuer and such payments have been duly pledged and assigned for that purpose, and in addition, the rights of Issuer (other than certain indemnification rights and the payment of certain expenses of Issuer related to the Project) under the Loan Agreement have been assigned to the Purchaser to secure payment of such principal and premium, if any, and interest under the Loan Agreement. The Bonds are also being issued pursuant to the Local Government Debt Reform Act.

(16) THIS BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER NOR A LOAN OF THE CREDIT OF THE ISSUER OR THE STATE OF ILLINOIS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE FAITH AND CREDIT OF THE ISSUER NOR THE TAXING POWER OF THE STATE OF ILLINOIS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

(17) The Owner of this Bond shall have no right to enforce the Loan Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Loan Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto, unless an Event of Default, as defined in the Loan Agreement shall have occurred. In certain events, on the conditions, in the manner and with the effect set forth in the Loan Agreement, the principal of the Bonds then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

(18) The Loan Agreement permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of Issuer and the rights of the Owner of the Bonds at any time by Issuer with the consent of the Owner of the Bonds. Any such consent or waiver by the Owner of the Bonds shall be conclusive and binding upon such Owner and upon all future Owners of this Bond and of any Bond issued in replacement thereof whether or not notation of such consent or waiver is made upon this Bond. The Loan Agreement also contains provisions permitting waiver of certain past defaults under the Loan Agreement and their consequences.

(19) It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Loan Agreement and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation; and that the amounts payable under the Loan Agreement and pledged to the payment of the principal of and premium, if any, and interest on this Bond and the issue of which it forms a part, as the same become due, will be sufficient in amount for that purpose.

(20) The Issuer has designated the Bonds "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

8-21

IN WITNESS WHEREOF, The County of Sangamon, Illinois, has caused this Bond to be executed in its name by the manual signature of its County Chairman and its corporate seal to be hereunto impressed or imprinted hereon and attested by the manual signature of its County Clerk, all as of June 22, 2023.

THE COUNTY OF SANGAMON, ILLINOIS

By: _____
Chairman of the County Board

(SEAL)
ATTEST:

County Clerk

8-22

AMORTIZATION SCHEDULE

Each payment of interest shall be calculated so as to equal the interest for the month preceding the Payment Date. Each payment of principal shall be calculated by amortizing the outstanding principal balance of the Bonds as of the Payment Date at the interest rate then applicable using an amortization factor of (i) twenty (20) years from June 22, 2024 until the first Adjustment Date, (ii) fifteen (15) years from the first Adjustment Date until the second Adjustment Date, (iii) ten (10) years from the second Adjustment Date until the third Adjustment Date and (iv) five (5) years from the third Adjustment Date for the remainder of the term of the Bonds.

At least five (5) Business Days prior to each Payment Date, the Assignee shall send Borrower a notice specifying the principal and interest due on the next succeeding Payment Date. The failure to provide notice will not relieve Borrower of its obligations to pay principal and interest when due.

8-23

(Form of Certificate of Authentication)

This Bond is one of the Bonds described in the within mentioned Resolution No. ___ of The County of Sangamon, Illinois.

Registration Date: _____, 2023

Heartland Bank and Trust Company,
an Illinois banking corporation

By: _____
Senior Lender

Assignee:

Heartland Bank and Trust Company,
an Illinois banking corporation
Bloomington, Illinois

8-24

(Form for Transfer)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name, address and employer identification number or social security number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocable constitutes and appoints _____, Attorney to transfer the within Bond on the Bond Register kept for registration thereof, with full power of substitution in the premises.

Dated: _____

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

Signature Guaranteed By:

(Name of Bank)

By: _____

Title: _____

8-25

LOAN AGREEMENT

between

THE COUNTY OF SANGAMON, ILLINOIS

and

LAND OF LINCOLN GOODWILL INDUSTRIES, INC.

Dated as of June 1, 2023

\$4,500,000 The County of Sangamon, Illinois
Economic Development Revenue Bonds
(Land of Lincoln Goodwill Industries Project)
Series 2023

THE RIGHTS, TITLE AND INTEREST OF THE COUNTY OF SANGAMON, ILLINOIS, IN AND TO THIS LOAN AGREEMENT HAVE BEEN ASSIGNED TO HEARTLAND BANK AND TRUST COMPANY, AS ASSIGNEE UNDER THE ASSIGNMENT AND AGREEMENT DATED AS OF JUNE 1, 2023 BETWEEN THE COUNTY OF SANGAMON, ILLINOIS AND SUCH ASSIGNEE. FOR PURPOSES OF ARTICLE 9 OF THE ILLINOIS UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS LOAN AGREEMENT MAY BE CREATED BY THE TRANSFER OF POSSESSION OF ANY COUNTERPART HEREOF OTHER THAN THE COUNTERPART CONTAINING THE RECEIPT THEREFOR EXECUTED BY SUCH ASSIGNEE, ON OR IMMEDIATELY FOLLOWING THE SIGNATURE PAGE HEREOF.

This instrument was prepared by:
Hart, Southworth & Witsman
Suite 501, One North Old State Capitol Plaza
Springfield, Illinois 62701

8-26

LOAN AGREEMENT

TABLE OF CONTENTS

(THIS TABLE OF CONTENTS IS FOR CONVENIENCE OF REFERENCE ONLY AND IS NOT INTENDED TO DEFINE, LIMIT OR DESCRIBE THE SCOPE OR INTENT OF ANY PROVISIONS OF THIS LOAN AGREEMENT).

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION	1
Section 1.1. <u>Definitions.</u>	2
Section 1.2. <u>Rules of Construction.</u>	6
ARTICLE II REPRESENTATIONS	7
Section 2.1. <u>Representations by the Issuer.</u>	7
Section 2.2. <u>Representations by the Borrower.</u>	8
Section 2.3. <u>Tax-Exempt Status of the Bonds.</u>	11
Section 2.4. <u>Modification and Termination of Special Tax Covenants.</u>	13
ARTICLE III ISSUANCE OF THE BONDS; LOAN BY THE ISSUER TO THE BORROWER; NOTE; ADDITIONAL PAYMENTS; ADDITIONAL NOTES	13
Section 3.1. <u>Agreement to Issue the Bonds.</u>	14
Section 3.2. <u>The Loan.</u>	14
Section 3.3. <u>Repayment of the Note.</u>	14
Section 3.4. <u>Additional Amounts Payable.</u>	15
Section 3.5. <u>Obligations Unconditional.</u>	16
Section 3.6. <u>Additional Bonds and Notes.</u>	16
Section 3.7. <u>Interest Rate Adjustment.</u>	17
Section 3.8. <u>Supplemental Loan Agreements.</u>	17
Section 3.9. <u>Change in Law; Yield Maintenance.</u>	18
Section 3.10. <u>Highest Lawful Rate.</u>	19
ARTICLE IV REFINANCING OF PRIOR DEBT; CONSTRUCTION, EQUIPPING AND IMPROVEMENT OF THE PROJECT	19
Section 4.1. <u>Refinancing of Prior Debt.</u>	19
Section 4.2. <u>Construction, Equipping and Improvement.</u>	19
Section 4.3. <u>Deficiency of Project Fund.</u>	20
Section 4.4. <u>Surplus in Project Fund.</u>	20
Section 4.5. <u>Plans and Specifications.</u>	20
Section 4.6. <u>Completion Date.</u>	21
Section 4.7. <u>Investment of Funds.</u>	21
ARTICLE V MAINTENANCE; MODIFICATIONS; INSURANCE; LEASE OR ASSIGNMENT OF PROJECT; LOSS OF OR DAMAGE TO PROJECT	21
Section 5.1. <u>Maintenance and Modification of Project by Borrower.</u>	21
Section 5.2. <u>Sale or Lease of Project; Assignment of Loan Agreement by Borrower.</u>	22
Section 5.3. <u>Borrower to Maintain its Corporate Existence.</u>	22
Section 5.4. <u>Use of Project.</u>	22
Section 5.5. <u>Insurance and Bonds Required.</u>	22
Section 5.6. <u>Damage, Destruction, Condemnation or Loss of Title.</u>	23

ARTICLE VI PARTICULAR COVENANTS	24
Section 6.1. <u>Access to the Project and Inspection; Operation of the Project.</u>	24
Section 6.2. <u>Indemnification.</u>	25
Section 6.3. <u>Special Arbitrage Certification.</u>	26
Section 6.4. <u>Further Assurances and Corrective Instruments.</u>	27
Section 6.5. <u>Recordation and Filing.</u>	27
Section 6.6. <u>Certificate to be Provided.</u>	27
Section 6.7. <u>Performance of Assignment.</u>	27
 ARTICLE VII ASSIGNMENT OF ISSUER'S RIGHTS UNDER LOAN AGREEMENT	 27
Section 7.1. <u>Assignment by the Issuer.</u>	27
Section 7.2. <u>Restrictions on Transfer of Issuer's Rights.</u>	28
 ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES	 28
Section 8.1. <u>Event of Default Defined.</u>	28
Section 8.2. <u>Remedies on Default.</u>	29
Section 8.3. <u>Surrender of Possession of the Project; Assignee in Possession.</u>	31
Section 8.4. <u>No Remedy Exclusive.</u>	31
Section 8.5. <u>Agreement to Pay Attorneys' Fees and Expenses.</u>	31
Section 8.6. <u>Issuer and Borrower to Give Notice of Default.</u>	31
Section 8.7. <u>Performance of Borrower's Obligations.</u>	32
Section 8.8. <u>Opportunity of Borrower to Cure Defaults.</u>	32
Section 8.9. <u>Remedial Rights Assigned to the Assignee.</u>	32
 ARTICLE IX PREPAYMENT OF THE NOTE	 32
Section 9.1. <u>General Optional Prepayment.</u>	32
Section 9.2. <u>Optional Prepayment if Tax Exemption is Lost.</u>	32
Section 9.3. <u>Mandatory Prepayment upon Transfer from Project Fund.</u>	33
Section 9.4. <u>Notice of Prepayment.</u>	33
Section 9.5. <u>Notice of Redemption.</u>	33
 ARTICLE X MISCELLANEOUS	 33
Section 10.1. <u>Authorized Representatives.</u>	33
Section 10.2. <u>Terms of Loan Agreement.</u>	34
Section 10.3. <u>Notices.</u>	34
Section 10.4. <u>Performance Date a Legal Holiday.</u>	35
Section 10.5. <u>Payments Due on Saturdays, Sundays and Holidays.</u>	35
Section 10.6. <u>Binding Effect.</u>	35
Section 10.7. <u>Severability.</u>	35
Section 10.8. <u>Amendments, Changes and Modifications.</u>	35
Section 10.9. <u>Date of Loan Agreement.</u>	35
Section 10.10. <u>Execution in Counterparts.</u>	36
Section 10.11. <u>Applicable Law.</u>	36
Section 10.12. <u>No Pecuniary Liability.</u>	36
Section 10.13. <u>Issuer Not Liable.</u>	36
 <u>SCHEDULE 1 LEGAL DESCRIPTION</u>	 39
 <u>EXHIBIT A PROMISSORY NOTE</u>	 40

LOAN AGREEMENT

THIS LOAN AGREEMENT (the “Loan Agreement”), dated as of June 1, 2023, by and between THE COUNTY OF SANGAMON, ILLINOIS, a county of the State of Illinois (the “Issuer”), and LAND OF LINCOLN GOODWILL INDUSTRIES, INC., an Illinois not-for-profit corporation and a 501(c)(3) organization (the “Borrower”).

WITNESSETH:

WHEREAS, the Issuer is authorized and empowered by the provisions of the Industrial Building Revenue Bond Act, 50 ILCS 445/1 *et seq.*, as amended (hereinafter referred to as the “Act”), to issue revenue bonds to finance in whole or in part the construction, rebuilding, acquisition, improvement or extension of any industrial project in order to encourage development and achieve one or more of the public policy purposes set forth in the Act and to secure payment of such bonds in such manner as the Issuer determines; and

WHEREAS, the Issuer proposes to issue its Economic Development Revenue Bonds (Land of Lincoln Goodwill Industries Project), Series 2023, in the aggregate principal amount of \$4,500,000 (the “Bonds”) pursuant to the Act and the Bond Resolution (hereinafter defined), and to use the proceeds of the Bonds to make a loan to the Borrower for the purposes set forth herein; and

WHEREAS, the proceeds of the Bonds will be loaned to the Borrower for the purpose of refinancing certain indebtedness of the Borrower (the “Prior Debt”) and financing a portion of the costs of the construction, equipping and improvement by the Borrower of facilities owned and operated by the Borrower and located at 135 Independence Blvd. , Chatham, Illinois (the “Chatham Facility”) and paying certain expenses incurred in connection with the issuance of the Bonds (collectively, the “Project”). The proceeds of the Prior Debt were used for the purpose of financing a portion of the costs of the construction, equipping and improvement by the Borrower of the Chatham Facility, which is located within the territorial boundaries of the Issuer and will be owned and operated by Borrower in furtherance of its charitable purposes.; and

WHEREAS, the Issuer and the Borrower are entering into this Loan Agreement to provide for such loan and its repayment.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the Issuer and the Borrower do hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

8-19

Section 1.1. Definitions.

In addition to words and terms elsewhere defined in this Loan Agreement, the following words and terms shall have the following meanings:

“Additional Bonds” means any additional parity bonds issued pursuant to Section 3.6A of this Loan Agreement.

“Additional Notes” means those additional Notes of the Borrower delivered to the Issuer pursuant to Section 3.6B of this Loan Agreement.

“Additional Payments” means those payments required to be made by the Borrower pursuant to Section 3.4 of this Loan Agreement.

“Adjustment Date” means June 22, 2029, June 22, 2034 and June 22, 2039.

“Arbitrage Regulation Agreement” means the Arbitrage Regulation Agreement dated as of June 1, 2023, by and between the Borrower and the Issuer.

“Assignee” means Heartland Bank and Trust Company, an Illinois banking corporation, as Assignee pursuant to the Assignment.

“Assignment” means the Assignment and Agreement dated as of June 1, 2023, between the Assignee and the Issuer.

“Authorized Borrower Representative” means the person or persons at the time designated to act on behalf of the Borrower by a written certificate furnished to the Issuer and the Assignee containing the specimen signature(s) of such person(s) and signed by appropriate officers of the Borrower. Such certificate or any subsequent or supplemental certificate so executed may designate an alternative or alternates, each of whom shall be entitled to perform all duties of the Authorized Borrower Representative.

“Authorized Issuer Representative” means the Chairman of the County Board of the Issuer or such other person at the time designated to act on behalf of the Issuer by a written certificate furnished to the Borrower, and the Assignee containing the specimen signature of such person and signed by the Chairman of the County Board of the Issuer and certified by the County Clerk of the Issuer. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Issuer Representative.

“Bondholder,” “Registered Owner” or “Owner” means Heartland Bank and Trust Company, an Illinois banking corporation, and its successors to all or any part of the Bonds, as registered in the Bond Register.

“Bond Counsel” means the counsel or firm who rendered the opinion as to the tax-exempt status of interest on the Bonds initially issued pursuant to the Bond Resolution or other

8-30

firm of nationally recognized bond counsel experienced in matters relating to tax-exempt financing, selected by the Borrower and approved by the Assignee.

“Bond Fund” means the Bond Fund created pursuant to the Bond Resolution.

“Bond Purchase Agreement” means the Bond Purchase Agreement dated June 22, 2023, by, between and among the Issuer, the Assignee and the Borrower.

“Bond Register” means the bond register maintained by the Assignee.

“Bond Registrar” and “Paying Agent” means Heartland Bank and Trust Company, an Illinois banking corporation, and its successors and assigns.

“Bond Resolution” means Resolution No. ___ adopted by the County Board of The County of Sangamon, Illinois on June 13, 2023.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks located in Bloomington, Illinois, are required or authorized by law to remain closed.

“Code” means the Internal Revenue Code of 1986, as now or hereafter amended, and applicable regulations. All references herein to sections of the Code are to the sections thereof as they existed on the date of execution of this Loan Agreement.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state, including legal counsel for either the Issuer, the Borrower or the Assignee.

“Default” means any event or condition which constitutes, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both would constitute, an Event of Default.

“Determination of Taxability” means any of the following:

- (a) the filing by the Issuer or the Borrower of an officer’s certificate with the parties to this Loan Agreement asserting or indicating that an Event of Taxability has occurred with respect to the Bonds;
- (b) notification to one or more of the parties to this Loan Agreement that an authorized officer or official of the Internal Revenue Service has issued a statutory notice of deficiency or document of similar import to the effect that an Event of Taxability has occurred with respect to the Bonds; or
- (c) notification to one of the parties to this Loan Agreement from any Bondholder to the effect that the Internal Revenue Service has assessed as includable in the gross income of such Bondholder or former Bondholder interest on a Bond due to the occurrence of any Event of Taxability with respect to the Bonds;

provided, however, that in respect of clauses (b) and (c) above, a Determination of Taxability shall not be deemed to have occurred unless and until the Borrower has been notified of the

allegation that an Event of Taxability and a Determination of Taxability have occurred and the Borrower fails within 90 days following such notice either (i) to have the allegation that an Event of Taxability has occurred rescinded by the Internal Revenue Service or the Bondholder or the former Bondholder who made such allegation, as the case may be, or (ii) to obtain an unqualified Opinion of Bond Counsel to the effect that no Event of Taxability has occurred.

“Event of Default” means any Event of Default as defined in Section 8.1 hereof.

“Event of Taxability” means any act, omission or event which results in the interest paid or payable on any Bond becoming includable for federal income tax purposes in the gross income of any owner.

“FHLB 5 Year Rate” means the rate equal to The Federal Home Loan Bank of Chicago Advance Rate for a 5 year regular fixed rate existing from time to time.

“Fiscal Year” means any period of twelve (12) consecutive months adopted by the Borrower as its fiscal year for financial reporting purposes and initially means the period beginning on July 1 of each year and ending on the following June 30.

“Full Insurable Value” means the actual replacement cost of the Project without deduction for physical depreciation and exclusive of land, excavations, footings, foundations and parking lots.

“Government Obligations” means direct obligations of the United States of America.

“Guaranty Agreement” means the Guaranty Agreement dated as of June 1, 2023, by and between the Borrower and the Assignee.

“Independent” means having no interest, directly or indirectly, in the Borrower or the Issuer and, in the case of an individual, not being a director, officer or employee of the Borrower or of the Issuer and, in the case of a firm, not having a partner, director, officer or employee who is a director, officer or employee of the Borrower or of the Issuer.

“Interest Period” means each consecutive one month period (the first of which shall commence on the date of the Bonds) effective as of the first day of each Interest Period and ending on the last day of each Interest Period, provided that if any Interest Period is scheduled to end on a date for which there is no numerical equivalent to the date on which the Interest Period commenced, then it shall end instead on the last day of the calendar month which ends within such Interest Period.

“Interest Rate” means 4.83% per annum (or such other rate established by the Bondholder prior to issuance of the Bonds), subject to adjustment on each Adjustment Date to a rate of interest per annum equal to (a) the then existing FHLB 5 Year Rate plus (b) two hundred twenty-five basis points (2.25%) the sum of which is then multiplied by (c) the number which is 1 minus the highest marginal statutory rate of Federal income tax imposed on corporations and applicable to Bondholder. Provided, however, that in no event shall the Interest Rate be less than 3.00%.

“Investment Securities” means (i) Government Obligations, or (ii) deposits which are fully insured by the Federal Deposit Insurance Corporation, or (iii) any other deposits with the consent of the Assignee and the Borrower.

“Land” means the real estate described in Schedule 1 hereto and any other real estate added thereto, together with all buildings, improvements, fixtures and other property situated thereon at the time of delivery of this Loan Agreement, or at any time thereafter, constituting real property or real estate under the laws of the State of Illinois.

“Mortgage” means the Mortgage, Security Agreement and Assignment of Rents and Leases dated as of June 1, 2023, from the Borrower to the Assignee.

“Net Proceeds” means the gross proceeds from the insurance (including title insurance) or condemnation award with respect to which the term is used remaining after the payment of all expenses (including attorneys’ fees and any expenses of the Issuer) incurred in the collection of such gross proceeds.

“Note” means the note of the Borrower in the principal amount of \$4,500,000 delivered to the Issuer and endorsed to the Assignee which evidences the obligation of the Borrower to repay the loan to it by the Issuer of the proceeds of the Bonds, which note is in substantially the form attached hereto as Exhibit A.

“Notes” means the Note and all Additional Notes.

“Outstanding”, when used with reference to the Bonds, means, as of a particular date, all Bonds theretofore authenticated and delivered except:

- (i) Bonds theretofore canceled or delivered for cancellation;
- (ii) Bonds for which the payment or prepayment has been provided for in accordance with this Loan Agreement; and
- (iii) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to the Bond Resolution.

“Overdue Rate” means the Prime Rate plus two percent (2%).

“Payment Date” means the twenty-second (22nd) day of each calendar month commencing July 22, 2023, on which the monthly payment of (i) interest only until June 22, 2024 and (ii) principal and interest thereafter until maturity is due.

“Permitted Encumbrances” shall have the meaning set forth in the Guaranty Agreement.

“Person” means natural persons, partnerships, associations, corporations and public bodies.

8-33

“Prime Rate” shall mean the rate of interest per annum as published in the Wall Street Journal and publicly announced from time to time by Assignee as its prime rate. The Prime Rate is a variable rate and each change in the Prime Rate is effective from and including the date the change is announced as being effective. The Prime Rate is a reference rate and may not be Assignee’s lowest rate.

“Project Fund” means the Project Fund created in Section 5 of the Bond Resolution.

“Rebate Fund” means the Rebate Fund created in Section 9 of the Bond Resolution.

“Regulations” means the Income Tax Treasury Regulations (26 C.F.R. Part 1) promulgated under, pursuant to or in respect of the Code.

“Security Agreement” means collectively the Security Agreement dated as of June 1, 2023, from the Borrower to the Assignee and the Assignment of Contracts, Licenses and Permits dated June 22, 2023, from the Borrower to the Assignee.

“State” means the State of Illinois.

“Supplemental Loan Agreement” means any amendment or supplement to this Loan Agreement entered into pursuant Section 3.8 of this Loan Agreement.

“Taxable Interest Rate” means a variable rate of interest per annum in effect for an Interest Period equal to the Prime Rate from time to time in effect.

Section 1.2. Rules of Construction.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter gender. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, partnerships, associations and corporations, including public bodies, as well as natural persons.

The words “herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Loan Agreement and not solely to the particular article, section, paragraph or subparagraph hereof in which such word is used.

Reference herein to a particular article or a particular section shall be construed to be a reference to the specified article or section hereof unless the context or use clearly indicates another or different meaning or intent.

Whenever an item or items are listed after the word “including”, such listing is not intended to be a listing that excludes items not listed.

The table of contents, captions and headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

This Loan Agreement shall not be construed or interpreted to require the Issuer to take any action or perform any function unless: (i) the Issuer is unequivocally and unambiguously required to take such action or perform such function; or (ii) such action or performance is something that could not be taken or performed by the Assignee, the Borrower or some other Person.

ARTICLE II REPRESENTATIONS

Section 2.1. Representations by the Issuer.

The Issuer represents and warrants as follows:

- (a) The Issuer is a county of the State of Illinois.
- (b) Under the Constitution of the State of Illinois and the Act, the Issuer has the power and authority to enter into, execute and deliver this Loan Agreement, the Assignment, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement, to perform its obligations under and consummate the transactions contemplated by this Loan Agreement and the Assignment, to issue the Bonds, to loan the proceeds thereof to the Borrower and to endorse the Note without recourse to the Assignee, and the Issuer is not in violation of any of the laws of the State that might affect its existence or the power and authority referred to in this subparagraph.
- (c) The Issuer has duly authorized the execution and delivery of this Loan Agreement, the Assignment, the Arbitrage Regulation Agreement, the Bond Purchase Agreement, and the Bonds and has authorized the endorsement of the Note to the Assignee, all for purposes set forth in the Act.
- (d) This Loan Agreement, the Assignment, the Arbitrage Regulation Agreement, the Bond Purchase Agreement, and the Bonds are special and limited obligations of the Issuer and shall not be deemed a pledge of the faith and credit of the Issuer, the State or any other political subdivision thereof within the meaning of any constitutional or statutory provision but shall be payable solely from the revenues and other amounts derived by the Issuer from this Loan Agreement or otherwise from the Project.
- (e) The issuance of the Bonds and the loan of the proceeds thereof as set forth herein will further the public purposes of the Act.
- (f) All governmental approvals required by the Act in connection with the Project and the issuance of the Bonds have been obtained.

8-35

(g) Neither the execution and delivery of this Loan Agreement, the Assignment, the Arbitrage Regulation Agreement, and the Bond Purchase Agreement, nor the Issuer's endorsement of the Note to the Assignee, the consummation of the transactions contemplated hereby or thereby, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement, the Arbitrage Regulation Agreement, the Bond Purchase Agreement, and the Assignment conflicts with or results in a breach of the terms, conditions or provisions of any restrictions or any agreement or instrument to which the Issuer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(h) The Issuer has not assigned or pledged and will not assign or pledge its interest in this Loan Agreement and the Note other than to secure the Bonds.

(i) The Issuer makes no warranty, either express or implied, as to the condition of the Project or any part thereof or that the Project will be suitable for the Borrower's purposes and needs.

Section 2.2. Representations by the Borrower.

The Borrower represents and warrants as follows:

(a) The Borrower is duly organized, existing and qualified as a not-for-profit corporation under the laws of the State of Illinois; it has filed all certificates and reports required to be filed by it under the laws of the State of Illinois, and is not in violation of any provision of its Articles of Incorporation, By-Laws or any laws of the State of Illinois relevant to the transactions contemplated by this Loan Agreement, the Bond Resolution, the Note, the Bond Purchase Agreement and the Arbitrage Regulation Agreement.

(b) The Borrower is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and exempt from taxation under Section 501(a) thereof. The letter of the Internal Revenue Service dated regarding the status of the Borrower as an organization described in 501(c)(3) of the Internal Revenue Code (the "IRS Letter") has not been modified, limited or revoked and the Borrower is in compliance with the terms, condition and limitation of the IRS Letter, and the facts and circumstances which form the basis of the IRS Letter as represented to the Internal Revenue Service continue substantially to exist.

(c) The Borrower is exempt from federal income taxes, except for unrelated business income subject to taxation under Section 511 of the Code.

(d) The Borrower is organized and operated exclusively for benevolent and charitable purposes and not for pecuniary profit, and no part of its net earnings inures to the benefit of any persons, private stockholder or individual, all within the meaning of Section 3(a)(4) of the Securities Act of 1933, as amended.

(e) The Borrower's ownership, development and operation of the Project does not constitute an unrelated trade or business determined by applying Section 513(a) of the Code and the regulations promulgated thereunder.

(f) The Borrower has the requisite authority to own, lease and operate its properties and to carry on its affairs and has obtained or will obtain all material permits, licenses, consents and approvals as are necessary or required therefor, including without limitation those required in connection with the Project.

(g) The Borrower has the power and authority to enter into, execute and deliver this Loan Agreement, the Note, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement, to borrow the proceeds of the Bonds from the Issuer and to perform its obligations under and consummate the transactions contemplated by this Loan Agreement, the Note, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement, and has by proper action duly authorized the execution and delivery of this Loan Agreement, the Note, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement.

(h) This Loan Agreement, the Note, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement are valid and binding agreements of the Borrower, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws of general application affecting remedies or creditors' rights, from time to time in effect, and except that the availability of specific performance or of injunctive relief is subject to the discretion of the court before which any proceedings may be brought.

(i) The execution and delivery of this Loan Agreement, the Note, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement, the consummation of the transactions contemplated hereby and thereby and the fulfillment of or compliance with the terms and conditions hereof and thereof will not (with the passage of time or the giving of notice, or both) conflict with or result in or constitute a breach of or default under any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Borrower is a party or by which it or any of its property is bound, or violate any constitutional or statutory provisions, or any order, rule or regulation of any court or governmental authority applicable to the Borrower or its property.

(j) The average maturity of the Bonds shall not exceed one hundred twenty percent (120%) of the average reasonably expected economic life of the facilities being financed with the proceeds of the Bonds as computed in accordance with Section 147(b) of the Code.

(k) The Borrower has operated, and intends to operate the Project or cause the Project to be operated, on a not-for-profit basis until the date on which all the Bonds have been fully paid and are no longer outstanding.

(l) The Borrower has not taken or omitted to take or permitted to be taken on its behalf and will not so take, omit to take, or permit to be taken on its behalf, any action that, if taken or omitted, would adversely affect the tax-exempt status of the interest on the Bonds.

(m) The Project is located wholly within the territorial boundaries of the Issuer.

(n) The issuance of the Bonds by the Issuer and the lending of the proceeds thereof to the Borrower to enable the Borrower to acquire, construct and improve the Project contributed to the Borrower's decision to acquire, construct and improve the Project within the territorial boundaries of the Issuer.

(o) The Project and refinancing the Prior Debt will promote and enhance the public purposes set forth in the Act, create or preserve jobs and employment opportunities and benefit the economy of the Issuer.

(p) The Project is an "industrial project" as defined in the Act and the Borrower intends to so operate the Project during the term of this Loan Agreement, or, if the Borrower no longer operates the Project, to assure that any tenant, assignee, vendee or other successor in interest actively using the Project shall so operate the Project until the Bonds are fully paid or payment is provided for under the terms of this Loan Agreement and the Assignment.

(q) The Borrower is lawfully seized of marketable title in and to the Land and all buildings, improvements and fixtures located on the Land.

(r) The Project located on the Land will be wholly and completely located within the boundaries of the Land without encroachment on adjoining lands.

(s) The acquisition, construction and improvement of the Project and its intended use and operation are in complete conformance with the purposes and provisions of the Act and the Project has and will be utilized and maintained in such manner as to conform with all applicable zoning, planning, building, environmental and other regulations of all governmental authorities having jurisdiction over the Project.

(t) There are no actions, suits or proceedings pending, or to the knowledge of the Borrower, threatened against or affecting it or the Project or involving or affecting the validity or enforceability of this Loan Agreement at law or in equity or before or by any governmental authority, except actions, suits and proceedings fully covered by insurance or which, if adversely determined, would not substantially impair the ability of the Borrower to pay when due any amounts which may become payable in respect of the Note and the Loan Agreement; and the Borrower is not in default with respect to any order, writ, injunction, decree or demand of any court or any governmental authority.

(u) The refinancing of the Prior Debt with the proceeds of the sale of the Bonds will occur on the date of issuance of the Bonds, and all proceeds of the Bonds will be expended within six months of the issuance date of the Bonds. All the proceeds of the Prior Debt were expended on the Project, and the proceeds from the loan being made by the Issuer hereunder of the proceeds from the issuance of the Bonds are needed for the purpose of refinancing the Prior Debt.

(v) The Borrower shall do or cause to be done all things necessary to preserve, maintain and keep in full force and effect its existence and status under Section 501(c)(3) of the Code and comply with all laws applicable to it.

(w) Not less than ninety-five percent (95%) of the net proceeds of the Bonds will be used by the Borrower, as determined by Section 145(a) of the Code, for its exempt purpose.

(x) None of the proceeds of the Bonds will be used for any of the following purposes: airplanes, skybox, gambling facility or liquor store.

(y) The issuance costs financed by the issue of which the Bonds are part shall not exceed two percent (2%) of the aggregate proceeds of the issue.

(z) The Borrower covenants that, with respect to the Project or any portion thereof, it has not and will not enter into any leases, subleases, management agreements, or any other arrangement which would cause the interest paid on the Bonds to be subject to Federal income tax or which would constitute use in an unrelated trade or business for the Borrower, nor permit the use of the Project or any portion thereof in a trade or business of any person other than a 501(c)(3) organization (and such use shall not be use in an unrelated trade or business) or a governmental unit. The Borrower has not and will not take any action or permit any action to be taken on its behalf, or cause or permit any circumstances within its control to arise or continue, if such action or circumstance, or its expectation on the date of issue of the Bonds, would cause the interest paid on the Bonds to be subject to Federal income tax.

(aa) The Borrower covenants that (i) it will not take any action which would cause, or omit to take any action the omission of which would cause, the Borrower to cease being an organization exempt under Section 501(c)(3) of the Code, and (ii) it has not and shall not carry on or permit to be carried on in the Project (or with the proceeds of the Bonds) or permit the Project to be used in or for any trade or business the conduct of which is not substantially related to the exercise or performance of the purpose or functions constituting the basis for its exemption under the Code.

(bb) The Borrower covenants that no proceeds of the Bonds shall be used, to acquire, construct or install any facilities used primarily for sectarian instruction or study or as a place for devotional activities or religious worship. The Borrower will not discriminate with regard to race, creed, color, age, sex, national origin or religious belief.

(cc) The Borrower will not use the proceeds of the Bonds or the Project, to provide, directly or indirectly, residential rental property for family units, as defined in Section 145(d) of the Code and Treasury Regulation 1.103-8(b).

(dd) During the period in which the Bonds are outstanding, all of the facilities provided by the proceeds of the Bonds will be owned by a Section 501(c)(3) organization or a governmental unit.

Section 2.3. Tax-Exempt Status of the Bonds.

(a) The Borrower hereby represents, warrants and agrees that:

(i) The Bonds have been designated as qualified tax exempt obligations under 265(b)(3) of the Code. It will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the tax-exempt status of the interest on the Bonds contemplated by this Loan Agreement or the designation of the Bonds as "Qualified Tax Exempt Obligations" under Section 265(b)(3) of the Code and, if it should take or permit, or omit to take or cause to be taken, any such action, the Borrower shall take or cause to be taken all lawful actions necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof;

(ii) It will do, execute, and perform such actions, things or documents as may be necessary, including in the opinion of Bond Counsel, to comply fully with all applicable rules, rulings, policies, procedure, regulations or other official statements promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service pertaining to obligations issued under Section 103 and 141 *et seq.* of the Code;

(iii) It will, within fifteen (15) days of the occurrence of a Determination of Taxability, as defined herein, or otherwise upon request of the Assignee, at its own expense, provide the Assignee, by registered or certified mail, postage prepaid, return receipt requested, with an opinion of Bond Counsel to the effect that such a Determination of Taxability has occurred and setting forth the effective date of such Determination of Taxability;

(iv) It will file of record such documents and take any other steps as are necessary, in the opinion of Bond Counsel, in order to insure that the requirements and restrictions of this Article II will be binding upon all owners of the Project. The Borrower hereby covenants to include such requirements and restrictions in any document transferring any interest in the Project to another Person so that such transferee has notice of, and is bound by such requirements and restrictions; and

(v) It will do or cause to be done all computations, filings and payments required to be done under Section 148(f) of the Code in connection with the Bonds.

(b) The Issuer hereby represents, warrants and agrees that:

(i) It designates the Bonds as qualified tax exempt obligations under 265(b)(3) of the Code. It will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the tax-exempt status of the interest on the Bonds or the designation of the Bonds as "Qualified Tax Exempt Obligations" under Section 265(b)(3) of the Code and, if it should take or permit, or omit to take or cause to be taken, any such action, the Issuer shall, upon written request and notice by the Borrower or the Assignee, take or cause to be taken all lawful actions necessary to rescind or correct such actions or omissions promptly;

(ii) It will do, execute and perform such actions, things or documents as may be necessary, in the opinion of Bond Counsel, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated,

proposed or made by the Department of the Treasury or the Internal Revenue Service pertaining to obligations issued under Section 103 and 141 *et seq.* of the Code;

(iii) It will file of record upon the request of the Assignee or the Borrower or upon receipt of an opinion of Bond Counsel such documents and take any other steps as are necessary, in the opinion of Bond Counsel, in order to insure that the requirements and restrictions of this Article II will be binding upon all owners of the Project; and

(iv) In any event, the Issuer shall not be liable for any actions taken as described in (i) through (iii) above without advance written notice from the Assignee or Bond Counsel. The Borrower hereby agrees to indemnify and reimburse the Issuer and Assignee for all cost and expense incurred in the aforesaid actions.

Section 2.4. Modification and Termination of Special Tax Covenants.

(a) Subsequent to the issuance of the Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of this Loan Agreement and the Bond Resolution), this Loan Agreement may not be amended, changed, modified, altered or terminated except as permitted herein and as permitted by the Assignment with the written consent of the Assignee. The Issuer (upon written request of the Assignee) and the Borrower hereby agree to amend this Loan Agreement to the extent required, in the opinion of Bond Counsel, in order for interest on the Bonds to remain tax-exempt under Section 103 of the Code and in order for the Bonds to retain their designation as "Qualified Tax Exempt Obligations," except that any such amendment may not materially alter the indemnification rights of the Issuer set forth in Section 6.4 hereof. The party requesting such amendment shall notify the other party to this Loan Agreement and the Assignee of the proposed amendment, with a copy to Bond Counsel. After review of such proposed amendment, Bond Counsel shall render to the Assignee an opinion as to the effect of such proposed amendment upon the includability of interest on the Bonds in the gross income of the recipient thereof for Federal income tax purposes and shall send a copy of such opinion to the Issuer and the Borrower. The Borrower shall reasonably compensate Bond Counsel for reviewing such proposed amendment and rendering such opinion.

(b) The Borrower, the Issuer (upon written request of the Assignee or the Borrower or upon receipt of an opinion of Bond Counsel), and when applicable, the Assignee shall execute, deliver and, if applicable, file of record any and all documents and instruments necessary, in the opinion of Bond Counsel, to effectuate the intent of this Section, and both the Borrower and the Issuer hereby appoint the Assignee as their true and lawful attorney-in-fact to execute, deliver and, if applicable, file of record on behalf of the Borrower or the Issuer, as is applicable, any such document or instrument (in such form as may be approved by Bond Counsel); provided, however, that the Assignee shall take no action under this subsection (b) without first notifying the Borrower and the Issuer of its intention to take such action and providing the Borrower or the Issuer, or both as is applicable, a reasonable opportunity to comply with the requirements of this Section.

ARTICLE III
ISSUANCE OF THE BONDS;

LOAN BY THE ISSUER TO THE BORROWER;
NOTE; ADDITIONAL PAYMENTS; ADDITIONAL NOTES

Section 3.1. Agreement to Issue the Bonds.

The Issuer will issue, sell and deliver the Bonds to the Assignee and loan the proceeds thereof to the Borrower to provide funds for the payment of the costs of refinancing the Prior Debt, costs of the Project and Costs of Issuance. The Bonds will be issued pursuant to the Bond Resolution in the aggregate principal amount of \$4,500,000 and will bear interest, mature and be subject to redemption and other terms and provisions as provided in this Loan Agreement and the Bond Resolution. The Borrower hereby acknowledges its agreement with the terms and conditions set forth in the Bond Resolution and pursuant to direction of Assignee has arranged the terms and conditions under which the Bonds will be sold and delivered and the Issuer is relying on the actions of the Borrower in that connection.

Section 3.2. The Loan.

Upon the terms and conditions of this Loan Agreement, the Issuer agrees to make a loan to the Borrower of the proceeds received from the sale of the Bonds for the purposes herein specified. The Borrower's obligation to repay such loan shall be evidenced by the Note. The Note shall bear interest at the Interest Rate as adjusted on each Adjustment Date. Such loan shall be made by (i) paying a portion of the Bond proceeds directly to the holder of the Prior Debt and (ii) depositing the balance of the Bond proceeds (excluding amounts required to be deposited in the Bond Fund pursuant to the Bond Resolution) in the Project Fund as provided in Section 5 of the Bond Resolution. The Borrower, and expressly not the Issuer or the Assignee, shall be responsible for the appropriate deposit, application and investment of such funds.

The Borrower shall pledge to the Issuer, for simultaneous assignment to the Assignee, all its right, title and interest in and to the proceeds of such loan, including any securities purchased with such proceeds and any earnings thereon, to secure the payment of the Notes, such pledge to be effected by the deposit of such proceeds in the Project Fund in accordance with this Loan Agreement. Such pledge shall continue so long as such proceeds are held in the Project Fund, it being understood that the Assignee shall be authorized to (but shall not be so required unless directed by the Borrower and appropriately indemnified) apply and disburse such proceeds as provided in the Arbitrage Regulation Agreement and ARTICLE IV hereof. The Borrower consents to the Issuer assigning and pledging its interest in such proceeds to the Assignee to secure the payment of the Bonds as set forth in the Assignment.

Section 3.3. Repayment of the Note.

To evidence its obligation to repay the loan described in Section 3.2 hereof, the Borrower shall issue, concurrently with the issuance of the Bonds, its Note to the Issuer, the Note to be in substantially the form of Exhibit A hereto. The Borrower's obligation to repay such loan shall exist as provided in the Note or, if the Note cannot be located, as provided in the form thereof attached as Exhibit A hereto, regardless of whether the Note is in existence, and the provisions hereof respecting the Borrower's obligations to make payments of principal of, and premium, if any, and interest on, the Note or the Notes shall encompass the Borrower's obligations to repay such loan and all related obligations and amounts.

8-42

Section 3.4. Additional Amounts Payable.

The Borrower shall pay the following amounts to the following persons, all as “Additional Payments” under this Loan Agreement:

(a) To the Assignee, on or prior to each date on which any payment into the Bond Fund is to be made, for deposit in the Bond Fund, all amounts required to be deposited therein pursuant to this Loan Agreement or the Notes;

(b) To the Assignee, on or prior to each date on which any payment into the Project Fund is to be made, for deposit in the Project Fund, all amounts required to be deposited therein pursuant to this Loan Agreement;

(c) To the Assignee, on or prior to each date on which any such payment is to be made, for deposit into the Rebate Fund or as payment to the United States, all amounts required to be deposited therein or paid pursuant to the Arbitrage Regulation Agreement;

(d) To the Bond Registrar, in accordance with the usual and customary fees charged by Bond Registrar, as payment for its services rendered. In addition to the foregoing there shall be paid to the Bond Registrar all reasonable expenses (including reasonable fees and charges of any bond registrar, counsel, accountant, engineer or other person) incurred in the performance of the duties of the Bond Registrar under this Loan Agreement for which the Bond Registrar and other persons are entitled to repayment or reimbursement upon presentation of an itemized statement of such expenses;

(e) To the Issuer and the Assignee, upon demand, all reasonable expenses (including reasonable attorney’s fees) incurred by the Issuer or the Assignee in relation to the transactions contemplated by this Loan Agreement, the Bond Resolution and the Assignment, or the official actions taken by the Issuer preliminary to the issuance of the Bonds, which are not otherwise to be paid by the Borrower under this Loan Agreement or the Assignment;

(f) To the appropriate person, all taxes, assessments and charges required to be paid by the Borrower pursuant to this Loan Agreement and the Mortgage;

(g) To the appropriate Person, such Additional Payments as are required (i) as payment for or reimbursement of any and all reasonable costs, expenses and liabilities incurred by the Issuer or the Assignee or both of them in satisfaction of any obligations of the Borrower hereunder that the Borrower does not perform, or incurred in the defense of any action or proceeding with respect to the Project, this Loan Agreement or the Notes or (ii) as reimbursement for expenses paid, or as prepayment of expenses to be paid, including reasonable attorney’s fees, by the Issuer or the Assignee and that are incurred as a result of a request by the Borrower or a requirement of this Loan Agreement and that the Borrower is not otherwise required to pay under this Loan Agreement; and

(h) To the appropriate Person, any other amounts required to be paid by the Borrower under and as described in this Loan Agreement, including but not limited to amounts payable to Assignee under Section 3.9 and Section 3.10 of this Loan Agreement.

8-43

Any past due Additional Payments continue as an obligation of the Borrower until paid and shall bear interest at the Overdue Rate during the period such Additional Payments remain unpaid, commencing with the date due and payable, and without demand.

Section 3.5. Obligations Unconditional.

The obligations of the Borrower to pay the principal of, premium, if any, and interest on, the Notes and Additional Payments shall be absolute and unconditional, and the Borrower shall make such payments without abatement, diminution or deduction regardless of any cause or circumstances, including any defense, set-off, recoupment or counterclaim that the Borrower may have to assert against the Issuer, the Assignee or any other persons. Until all principal of, premium, if any, and interest on the Notes and all Additional Payments shall have been paid by the Borrower, the Borrower (i) may not suspend or discontinue payment of the Notes and Additional Payments, (ii) shall perform and observe all of its other agreements contained in this Loan Agreement and (iii) may not terminate this Loan Agreement for any cause, including failure to complete the Project; failure of title to the Project or any portion thereof; any acts or circumstances that may constitute failure of consideration; destruction of or damage to the Project; commercial frustration of purpose; any change in the tax laws or other laws, or administrative rulings of or administrative actions by, or under authority of, the United States of America, the State, any other state, or any other political subdivision; or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement. Nothing contained in this Section shall be construed to release the Issuer from the performance of any of its agreements contained herein which cannot be performed by others, and if the Issuer should fail to perform any such agreement on its part, the Borrower with notice to the Issuer, may perform any such agreement in its place and stead to the extent lawfully possible and otherwise may institute such action against the Issuer as deemed necessary to compel performance so long as such action shall be separate, shall not be inconsistent with the agreements of the Borrower contained in the preceding sentences and shall not adversely affect the security for the Bonds.

Section 3.6. Additional Bonds and Notes.

A. Additional Bonds. So long as no Event of Default exists (unless Additional Bonds are being issued to cure such Default), Additional Bonds may be issued under and equally and ratably secured on a parity with the Bonds and any other Additional Bonds, at any time and from time to time, upon compliance with the conditions in this Section, for the purpose of providing funds (i) to pay all or any part of the cost of the acquisition, purchase, construction or equipping of additions to or expansions of or remodeling or modification of the Project including, if necessary, costs of issuance and sale of any such Additional Bonds, capitalized interest and a reasonably required reserve fund, or (ii) for refunding all of the Bonds then Outstanding of any series, including a payment of any premium thereon and interest to accrue to the designated redemption date and any expenses in connection with such refunding and provision for a reasonably required reserve fund. Provided, however, that no Additional Bonds shall be issued pursuant to this Section until the Borrower has first obtained the written consent of the Assignee.

B. Additional Notes. In the event Additional Bonds are proposed to be issued, the Borrower shall execute an Additional Note or Additional Notes, substantially in the form of Exhibit A hereto, with such alterations, additions or omissions as may be appropriate, evidencing its obligation to repay amounts loaned to the Borrower from the proceeds of such Additional Bonds at such times and in such amounts as are required to pay the principal or, premium, if any, and interest on, such Additional Bonds. Concurrently with the execution thereof, the Borrower and the Issuer shall enter into a Supplemental Loan Agreement to provide for each such additional loan and the repayment thereof. In addition, the Borrower and the Issuer shall execute, deliver, file and record any security instruments deemed necessary or appropriate by the Assignee to secure such Additional Notes on a parity and equal lien basis with the Note. Such Additional Notes may be issued only in connection with the issuance of Additional Bonds.

Section 3.7. Interest Rate Adjustment.

In the event the rate of interest payable on the Bonds Outstanding is adjusted pursuant to the Bond Resolution, then the rate of interest payable on the Notes shall be adjusted by a like percentage.

Section 3.8. Supplemental Loan Agreements.

A. Supplemental Loan Agreements Not Requiring Consent of Bondholders. The Issuer (upon request of the Assignee) and the Assignee may, without the consent of or notice to the Bondholders, consent to the execution of any Supplemental Loan Agreements as may be required (i) by this Loan Agreement, (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) so as to more precisely identify the Project or substitute or add additional property thereto, (iv) in connection with the issuance of Additional Bonds, or (v) in connection with any other change therein which, in the judgment of the Assignee, is not to the prejudice of the Assignee or the Bondholders.

B. Supplemental Loan Agreements Requiring Consent of Bondholders. Except for Supplemental Loan Agreements as provided for in subsection A of this Section, neither the Issuer nor the Assignee shall consent to the execution of any Supplemental Loan Agreements by the Issuer, the Assignee or the Borrower without the mailing of notice and the obtaining of the written approval or consent of the Registered Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding, provided that the consent of all the Registered Owners of Bonds then Outstanding shall be required for (a) an extension of the maturity of the principal of or interest on any Notes, or (b) a reduction in the principal amount of any Notes or the interest thereon, or (c) a reduction in the aggregate principal amount of Bonds the Registered Owners of which are required to consent to any Supplemental Loan Agreement. If at any time the Borrower shall request the consent of the Assignee to any such proposed Supplemental Loan Agreement, the Assignee shall cause notice of such proposed Supplemental Loan Agreement to be mailed in the manner provided in Section 10.3. Upon consent of the Assignee, the Issuer shall execute such instrument. Such notice shall briefly set forth the nature of such proposed Supplemental Loan Agreement and shall state that copies of the same are on file at the office of the Assignee for inspection by all Bondholders.

Section 3.9. Change in Law; Yield Maintenance.

If the Assignee shall have determined that the adoption or implementation of, or any change in, any law, rule, treaty, accounting principle or regulation, or any policy, guideline, or directive of, or any change in the interpretation, implementation, or administration thereof by, any court, central bank, or other administrative or governmental authority (in each case, whether or not having the force of law), or compliance by the Assignee with any request or directive of any such court, central bank or other administrative or governmental authority (whether or not having the force of law), shall (i) change the basis of taxation of payments to the Assignee of any amounts payable on the Note, the Bonds or this Loan Agreement (except for taxes on the overall net income of the Assignee); (ii) impose, modify or deem applicable any reserve, special deposit, or similar requirement against purchasing or holding the Bonds, or assets held by, or deposits with or for the account of, the Assignee or (iii) impose on the Assignee any other condition regarding the Note, the Bonds or this Loan Agreement, and the result of any event referred to in clause (i), (ii) or (iii) above shall be to increase the cost to the Assignee of holding the Bonds or to reduce the amount of any sum received or receivable by the Assignee hereunder, then, upon demand by the Assignee, the Borrower shall pay to the Assignee for its own account such additional amount or amounts as will compensate the Assignee for such increased costs or reductions in amount, which amounts shall not constitute interest on the Bonds.

If the Assignee shall have determined that the adoption or implementation of, or any change in, any law, rule, treaty or regulation, or any policy, guideline, or directive of, or any change in the interpretation, implementation, or administration thereof by, any court, central bank, or other administrative or governmental authority, or compliance by the Assignee with any request by or directive of any central bank or other authority (in each case, whether or not having the force of law) or compliance by the Assignee with any request or directive of any such court, central bank or other administrative or governmental authority (whether or not having the force of law), shall impose, modify or deem applicable any capital adequacy or similar requirement (including, without limitation, a request or requirement that affects the manner in which the Assignee allocates capital resources to its exposures, claims or commitments) that either (i) affects or would affect the amount of capital to be maintained by the Assignee or (ii) reduces or would reduce the rate of return on the Assignee's capital to a level below that which the Assignee could have achieved but for such circumstances (taking into consideration the policies of the Assignee with respect to capital adequacy) then, upon demand by the Assignee, the Borrower shall pay to the Assignee such additional amounts as will compensate the Assignee for such event, which amounts shall not constitute interest on the Bonds.

All payments of amounts referred to in clauses (i) and (ii) above shall be paid by the Borrower to the Assignee on the next Payment Date on the Bonds. A certificate as to such increased cost, increased capital, or reduction in return incurred by the Assignee as a result of any event mentioned in clause (i) or (ii) of this Section 3.9 setting forth, in reasonable detail, the basis for calculation and the amount of such calculation shall be submitted by the Assignee to the Borrower simultaneously with such demand for payment and shall be conclusive as to the amount thereof absent manifest error. In making the determinations contemplated by the above-referenced certificate, the Assignee may make such reasonable estimates, assumptions, allocations and the like that the Assignee in good faith determines to be appropriate. The obligations of the Borrower under this Section shall survive the termination of this Loan Agreement.

8-46

Section 3.10. Highest Lawful Rate.

Any interest payable on the Bonds shall not exceed the maximum amount permitted by law or by this Loan Agreement (the "Highest Lawful Rate"). In the event any interest required to be paid on the Bonds at any time exceeds the Highest Lawful Rate, the portion of such interest required to be paid on a current basis shall equal such Highest Lawful Rate.

ARTICLE IV
REFINANCING OF PRIOR DEBT; CONSTRUCTION, EQUIPPING AND IMPROVEMENT
OF THE PROJECT

Section 4.1. Refinancing of Prior Debt.

The Borrower represents, warrants, covenants and agrees that on the date of issuance of the Bonds, Borrower shall use a portion of the proceeds of the Bonds to pay the costs of refinancing the Prior Debt on that date.

Section 4.2. Construction, Equipping and Improvement.

The Borrower represents, warrants, covenants and agrees that:

(a) It will cause the construction, equipping and improvement of the Project to be completed (i) with all reasonable dispatch, (ii) in accordance with the applicable provisions of this Loan Agreement, the Guaranty, and the Code, and (iii) free from all liens other than Permitted Encumbrances;

(b) All contracts entered into or to be entered into by the Borrower relating to any work on the Project shall be in accordance with all applicable requirements of Federal, state and local laws, codes, regulations, rules and resolutions, including compliance with any applicable law pertaining to the payment of prevailing wage and the Illinois Prevailing Wage Act 820 ILCS 130/1 *et seq.*;

(c) It has obtained or shall obtain all necessary or required permits, licenses, consents and approvals that are material for the construction, equipping and improvement of the Project and shall comply with all lawful requirements of any governmental body regarding the use or condition of the Project, whether existing or later enacted or foreseen or unforeseen or whether involving any change in governmental policy or requiring structural or other changes to the Project and irrespective of the cost of so complying;

(d) It will pay all fees, costs and expenses incurred in completing the Project and complying with the Code or, to the extent there are monies in the Project Fund available therefor, will request the Assignee to make such payments from the Project Fund in the manner hereinafter provided; and

(e) It will ask, demand, sue for and use its best efforts to recover and receive such sums of money, debts or other demands to which it may be entitled under any contract, order, receipt, guaranty, warranty, writing or instruction in connection with the construction, equipping and improvement of the Project, and it will use its best efforts, to the extent economically reasonable, to enforce the provisions of any contract, agreement, obligation, bond or other security in connection therewith, and any such amount received in connection with the foregoing,

after deduction of expenses incurred in recovering such amounts, shall be paid to the Assignee for deposit in the Project Fund if the Completion Date has not occurred or for deposit in the Bond Fund if the Completion Date has occurred.

Moneys on deposit in the Project Fund are pledged to Assignee in accordance with Section 3.2 hereof. All disbursements from the Project Fund are subject to receipt and approval by Assignee of sworn contractors' statements, waivers of lien and completed requisitions of Borrower, all in such form required by, and satisfactory to, Bank as provided in the Guaranty.

If the construction, equipping and improvement of the Project or any portion thereof is delayed or fails to occur for any reason, there shall be no diminution in or postponement of the payments to be made by the Borrower pursuant to the Notes.

The Issuer and the Assignee and their assigns are not the agents or representatives of the Borrower, and the Borrower is not the agent of the Issuer or the Assignee, and this Loan Agreement shall not be construed to make the Issuer or the Assignee liable to materialmen, contractors, subcontractors, craftsmen, laborers or others for goods or services delivered by them in connection with the Project, or for debts or claims accruing to the aforesaid parties with regard to the Project, against the Borrower. This Loan Agreement shall not create any contractual relation either expressed or implied between the Issuer or the Assignee and any materialmen, contractors, subcontractors, craftsmen, laborers or any other person supplying any work, labor or materials in connection with the Project.

Section 4.3. Deficiency of Project Fund.

The Issuer makes no warranty, either express or implied, that the amounts in the Project Fund shall be sufficient to pay fully all Project Costs and to acquire and complete the Project free of all liens other than Permitted Encumbrances. If the amounts in the Project Fund are insufficient for such purpose, the Borrower shall deposit cash in the full amount of any such deficiency on demand by the Issuer or the Assignee. In connection with the foregoing, the Issuer or the Assignee may request the Borrower to provide a confirming certification from an Architect as to the sufficiency of remaining funds to complete the Project. The Borrower shall not be entitled to any reimbursement for the payment of any such deficiency from the Issuer, the Assignee or any Bondholder, nor shall it be entitled to any diminution of any amounts otherwise payable under this Loan Agreement. The foregoing shall not prohibit the reimbursement of the Borrower from the proceeds of a subsequent issue of Additional Bonds.

Section 4.4. Surplus in Project Fund.

Except for any amounts that may be retained in the Project Fund pursuant to Section 4.6, all proceeds of the loan remaining on deposit in the Project Fund at the Completion Date shall be transferred to the Bond Fund and applied in accordance with Section 5 of the Bond Resolution and Section 9.3 of this Loan Agreement.

Section 4.5. Plans and Specifications.

If requested by the Assignee, the Plans and Specifications will be filed with the Issuer and the Assignee. The Borrower may revise the Plans and Specifications from time to time with the consent of the Assignee, provided that no revision shall be made that would change the character

of the Project so that it no longer qualifies as an “economic development project” as defined in the Act or would result in less than ninety-five percent (95%) of the proceeds of the Bonds being used by the Borrower for qualifying expenses of the Project under the Code or would otherwise impair the tax exempt status of interest on the Bonds and provided that any change that would materially alter the design or structure of the Project, or change the intended use, or in any way increase or decrease the total Project Costs by Fifty Thousand Dollars (\$50,000.00) or more for any single change, or in aggregate, by more than One Hundred Thousand Dollars (\$100,000.00) shall require the prior written approval of the Assignee. Whether or not the Assignee’s approval is required, the Borrower shall furnish the Assignee with two copies of all revisions.

Section 4.6. Completion Date.

The Project has been completed or will be completed within six (6) months from the date of issuance of the Bonds (the “Completion Date”).

Section 4.7. Investment of Funds.

Subject to the provisions of the Bond Resolution, any moneys held in the Bond Fund or the Project Fund shall, at the oral or written request (but if oral, confirmed promptly in writing) of the Authorized Borrower Representative, be invested or reinvested by the Assignee or Paying Agent, as the case may be, in Investment Securities as provided in the Bond Resolution. The Borrower shall restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that they will not constitute arbitrage bonds under Section 148 of the Code.

ARTICLE V
MAINTENANCE; MODIFICATIONS; INSURANCE;
LEASE OR ASSIGNMENT OF PROJECT;
LOSS OF OR DAMAGE TO PROJECT

Section 5.1. Maintenance and Modification of Project by Borrower.

The Borrower will at its own expense (i) keep the Project in as reasonably safe condition as its operations shall permit, (ii) with respect to the Project, comply with all applicable health and safety standards and all other industrial requirements or restrictions enacted or promulgated by the State, or any political subdivision or agency thereof, or by the government of the United States of America or any agency thereof, and (iii) keep the Project in good repair and in good operating condition as the Project exists on the date of the issuance of the Bonds and make from time to time all necessary repairs thereto and renewals and replacements thereof. The Borrower shall not permit or suffer others to commit a nuisance in or about the project or itself commit a nuisance in connection with its use or occupancy of the Project.

The Borrower may, also at its own expense, make from time to time any additions, modification or improvements to the Project that it may deem desirable for its business purposes and that do not materially impair the structure, strength or effective use or materially decrease the value of the Project; provided that no such addition, modification or improvement shall result in a change in the character of the Project so that it no longer qualifies as an “industrial project” under the Act or constitutes a change in use under Section 150(b) of the Code. All additions, modifications or improvements made by the Borrower pursuant to the authority of this Section

and otherwise herein shall (a) be made in a workmanlike manner and in strict compliance with all laws and regulations applicable thereto, (b) if commenced, be pursued to completion with due diligence and (c) when completed, be deemed a part of the Project.

Section 5.2. Sale or Lease of Project; Assignment of Loan Agreement by Borrower.

Except with the prior written consent of the Assignee, the Borrower will not assign, mortgage, pledge, sell, grant a security interest in, or in any other manner transfer, convey or dispose of the Project or any interest therein or part thereof or assign any of its right, title and interest in, to and under this Loan Agreement, whether voluntary, involuntary or by operation of law.

Section 5.3. Borrower to Maintain its Corporate Existence.

The Borrower agrees that while any of the Bonds are outstanding it will maintain its corporate existence and will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it without Assignee's consent.

Section 5.4. Use of Project.

The Borrower's ownership, possession, custody, use and enjoyment of the Project shall comply with the Code (including without limitation Section 501(c)(3) thereof) and this Loan Agreement.

Section 5.5. Insurance and Bonds Required.

Borrower shall maintain insurance in such amounts and covering such risks as is consistent with sound business practice. Without limiting the foregoing, Borrower shall (i) keep all of its real property insured against fire and windstorm and extended coverage risks in an amount consistent with sound business practices, subject to reasonable deductibles, with annual adjustments for inflation related factors through the purchase of additional amounts of coverage, (ii) keep all of its physical property (other than real property) insured against fire, theft and extended coverage risks in an amount not less than the amount maintained by Borrower on the date hereof, with such increases as would be reasonable for institutions of similar size and scope of operations, (iii) maintain all such workers' compensation or similar insurance as may be required by law, and (iv) maintain, in those amounts generally maintained by institutions of similar size and scope of operations engaged in similar activities and without increasing its deductible over that in effect on the date hereof, general public liability insurance against claims for bodily injury, death or property damage occurring on, in, or about properties of Borrower and liability insurance covering Borrower's operations. The insurance maintained on Borrower's property referred to in clauses (i) and (ii) above shall name Issuer as an additional insured and Assignee as a lender's loss payee; provided, however, that Assignee agrees not to exercise its right as a lender's loss payee to direct the application of insurance proceeds unless (a) an Event of Default occurs and is continuing or (b) Borrower is not operating as an ongoing concern and diligently planning or pursuing reconstruction of the insured property. Insurance proceeds will be held in an escrow account maintained at Assignee until such time as they are spent on such reconstruction of the insured property. All insurance required hereunder shall be maintained with good and reputable insurance companies permitted to do business in the State of Illinois.

Originals or copies of the policies required by this Section or certificates evidencing such insurance shall be delivered by the Borrower to the Issuer and the Assignee thirty (30) days prior to the commencement of the period of insurance thereof. All policies of such insurance (other than title insurance), and all renewals thereof, shall contain a provision that such insurance may not be canceled by the issuer thereof without at least thirty (30) days' written notice to the Borrower, the Issuer and the Assignee.

Section 5.6. Damage, Destruction, Condemnation or Loss of Title.

The Borrower hereby irrevocably assigns to the Issuer all right, title and interest of the Borrower in and to any Net Proceeds of any award (other than any relocation award), compensation, settlement, damages, compromise, voluntary conveyance or insurance proceeds payable in connection with the pending or threatened condemnation or taking, or sale under threat of condemnation or taking, of the Facility or a portion thereof for any public or quasi-public use (hereinafter referred to as "condemnation") or in connection with a deficiency or non-existence of the Borrower's title thereto or the lien or priority of the Mortgage (hereinafter referred to as a "loss of title").

The Borrower shall notify the Assignee immediately in the case of damage to or destruction of the Facility or any portion thereof resulting from fire or other casualty (hereinafter referred to as a "casualty loss") or of a condemnation or loss of title.

In the event of a casualty loss, a condemnation or a loss of title for which the Net Proceeds do not exceed \$25,000, the Borrower forthwith will repair, reconstruct, restore, replace and improve the Facility to substantially the same or any improved condition or utility value as existed prior to such casualty loss or forthwith make such replacement of or repairs or improvements to the Facility or portions thereof made necessary by such condemnation or loss of title. Such Net Proceeds shall be deposited in the Project Fund and applied to the extent necessary to the payment of the costs of such repair, reconstruction, restoration, replacement and improvement. Any remaining balance not required for such purpose shall be paid to the Assignee for deposit in the Bond Fund.

If such Net Proceeds exceed \$25,000, such Net Proceeds shall be paid to the Assignee for disbursement as hereinafter described and the Borrower shall elect one of the following options by written notice delivered to the Assignee and the Issuer within sixty (60) days of the determination of the amount of such Net Proceeds or within one hundred eighty (180) days of the occurrence of such casualty loss, condemnation or loss of title, whichever occurs first:

(a) Option A - Repairs and Improvements. If no Event of Default under this Loan Agreement shall then be existing and continuing, the Borrower may elect to use such Net Proceeds to repair, reconstruct, restore, replace and improve the Facility and, in such event, such Net Proceeds shall be deposited in the Project Fund and, so long as no Event of Default under this Loan Agreement exists, shall be disbursed from time to time by the Assignee to pay costs of such repair, reconstruction, restoration, replacement and improvement. Upon the completion of such use, any remaining balance not required for such repair, reconstruction, restoration, replacement and improvement shall be deposited in the Bond Fund and held by the Paying Agent for the benefit of all Bondholders.

(b) Option B - Redemption of Bonds. The Borrower may elect to have such Net Proceeds deposited in the Bond Fund provided, either (i) the Borrower elects to prepay, in whole or in part, the Notes pursuant to Section 9.1 and any similar provisions in Supplemental Loan Agreements respecting Additional Notes and cause all of the Bonds to be redeemed pursuant to the Bond Resolution or in any supplemental resolutions authorizing Additional Bonds at the earliest practical date, or (ii) the Borrower elects to prepay the Notes in whole pursuant to Section 9.2 of this Loan Agreement or in any Supplemental Loan Agreements respecting Additional Notes and cause part of the Bonds to be redeemed pursuant to the Bond Resolution and any supplemental resolutions authorizing Additional Bonds and the property suffering such casualty loss, condemnation or loss of title was not essential to the use of the Project as an "industrial project" as defined in the Act, and provided further that an Independent expert appraiser acceptable to the Assignee delivers to the Assignee its written opinion, appraisal or certificate showing that the ratio of the fair market value of the Project immediately prior to the occurrence or discovery of such casualty loss, condemnation or loss of title to the principal amount of the Bonds then Outstanding is no greater than the ratio of the then fair market value of the Project to the principal amount of the Bonds to be Outstanding after the application of such Net Proceeds and any other monies deposited in the Bond Fund by the Borrower for the redemption of Bonds.

In the event such Net Proceeds do not exceed \$25,000 or the Borrower shall elect Option A, (i) the Borrower shall complete the repair, reconstruction, restoration, replacement and improvement of the Facility free from all liens other than Permitted Encumbrances, whether or not such Net Proceeds are sufficient to pay for the same; (ii) the Borrower shall not be entitled to any reimbursement from the Issuer, the Assignee or the Bondholders or any abatement or diminution of its obligations hereunder by reason of any payments made by the Borrower for such purpose in excess of the Net Proceeds; and (iii) all such repairs, reconstructions, restorations, replacements and improvements shall be a part of the Facility and shall be subject to the liens and security interest of the Mortgage and the Borrower shall take any actions which the Assignee reasonably deems necessary or appropriate to so subject them to the Mortgage.

ARTICLE VI PARTICULAR COVENANTS

Section 6.1. Access to the Project and Inspection; Operation of the Project.

The Authorized Issuer Representative, and the duly authorized agents of the Issuer, and the Assignee shall have the right, at all reasonable times upon the furnishing of reasonable notice under the circumstances, to enter upon the Project and to examine and inspect the Project, subject to any secrecy regulation or agreement or national security law or regulation of the government of the United States of America. The Borrower will execute, acknowledge and deliver all such further documents and do all such other acts and things as may be necessary to grant to the Issuer and the Assignee such right of entry. The Authorized Issuer Representative, and the duly authorized agents of the Issuer, and the Assignee shall also be permitted, at all reasonable times upon reasonable notice under the circumstances, to examine the books and records, including, but not limited to, all reports, contracts, cost statements and estimates, of the Borrower with respect to the Project and the obligations of the Borrower hereunder and under the Arbitrage

Regulation Agreement and the Notes. The Assignee may request inspection prior to any disbursement of the Bond proceeds hereafter made. Neither the Borrower nor any third party shall have the right to use or rely upon the reports of the inspection, for any purpose. Neither the Issuer nor the Assignee shall be required to exercise such right of entry and access.

Section 6.2. Indemnification.

To the extent permitted by law, the Borrower will protect, indemnify and hold harmless the Issuer and the Assignee from and against all liabilities, obligations, claims, damages, penalties, cause of action, costs and expenses (including all reasonable attorney fees, costs and expenses of defending against same) incurred by, imposed upon or asserted against the Issuer or the Assignee for any reason in connection with this Loan Agreement, the Project, the Note, the Bonds or the Arbitrage Regulation Agreement, including (a) any loss or damage to the property, or injury to or death of any person, that may be occasioned by any cause or condition pertaining to the construction, equipping, improvement, operation and use of the Project; (b) any breach or default by the Borrower in the performance of any of its agreements, duties or obligations under this Loan Agreement, the Assignment, the Note, the Bonds or the Arbitrage Regulation Agreement; (c) any breach or default arising from any act or failure to act by the Borrower or any of its agents, contractors, servants, employees or licensees or arising from any accident, injury or damage caused to any person, firm or corporation and occurring on or about the Project; (d) the authorization, issuance, sale and payment of the Bonds, and the provision in connection with the authorization, issuance and sale of the Bonds of any information about the Project or the Borrower's operations, financial status and other matters; and (e) any such claim, action, or proceeding brought thereon.

To the extent permitted by law, the Borrower will protect, indemnify and hold harmless the Assignee and the Issuer from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses, including, but not limited to, the making of disbursements in accordance with this Loan Agreement (including the reasonable costs and expenses of defending against the same) imposed upon or asserted against the Assignee or the Issuer, other than those resulting from the gross negligence or bad faith of the Assignee or the Issuer, because of any action taken or omitted to be taken by the Assignee in accordance with this Loan Agreement, the Arbitrage Regulation Agreement, the Assignment, the Note or the Bonds, or because of any action taken by the Assignee or the Issuer at the request of or with the consent of the Borrower.

In case any claim shall be made or any action shall be brought against Issuer or Assignee in respect of which indemnity can be sought against the Borrower pursuant to this Section 6.2, the Issuer or Assignee seeking indemnity shall promptly notify the Borrower, in writing, and the Borrower shall promptly assume the defense thereof, including the employment of counsel chosen by the Borrower and approved by the Issuer or Assignee, or both (provided, that such approval by Issuer or Assignee shall not be unreasonably withheld), the payment of all expenses and the right to negotiate and consent to settlement. If Issuer or Assignee is advised in a written opinion of counsel that there may be legal defenses available to such Issuer or Assignee which are adverse to or in conflict with those available to the Borrower or that the defense of such Issuer or Assignee should be handled by separate counsel, the Borrower shall not have the right to assume the defense of such Issuer or Assignee, but the Borrower shall be responsible for the

reasonable fees and expenses of counsel retained by such Issuer or Assignee in assuming its own defense, and provided also that, if the Borrower shall have failed to assume the defense of such action or to retain counsel reasonably satisfactory to the Issuer or Assignee within a reasonable time after notice of the commencement of such action, the reasonable fees and expenses of counsel retained by the Issuer or Assignee shall be paid by the Borrower. Notwithstanding the foregoing, any one or more of the Issuer or Assignee shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Issuer or Assignee unless the employment of such counsel has been specifically authorized by the Borrower or unless the provisions of the immediately preceding sentence are applicable. The Borrower shall not be liable for any settlement of any such action affected without the consent of the Borrower, but if settled with the consent of the Borrower or if there be final judgment for the plaintiff in any such action with or without consent, the Borrower agrees to indemnify and hold harmless the Issuer or Assignee from and against any loss, liability or expense by reason of such settlement or judgment.

In case any claim, action, suit or proceeding is brought against the Issuer or the Assignee in respect of which indemnity may be sought hereunder, and upon the request of the Issuer or the Assignee, the Borrower will promptly cause, at its expense, such claim, action, suit or proceeding to be resisted and defended by one or more Counsel designated by the Issuer or the Assignee, as the case may be. Any amounts payable to the Assignee or the Issuer under this Section that are not paid within ten (10) days after written demand therefor shall bear interest at the Overdue Rate. At its own expense, the Assignee may employ separate Counsel and participate in the defense.

The indemnification provided by this Section to the Issuer and the Assignee shall extend to all officials, trustees, directors, officers, employees, attorneys and agents of the Issuer and the Assignee and shall survive termination of this Loan Agreement.

Section 6.3. Special Arbitrage Certification.

An Authorized Issuer Representative will execute at the time of issuance of the Bonds a certificate in accordance with Section 148 of the Code and the Regulations promulgated thereunder verifying that on the basis of the facts, estimates and circumstances in existence on the date of the issuance of the Bonds, as such facts, estimates and circumstances are represented by the Borrower and set forth in the certificate, it is not expected that the proceeds of such Bonds will be used in a manner that would cause such Bonds to be arbitrage bonds within the meaning of the Code and the Regulations (including proposed and temporary Regulations) issued thereunder; provided that an appropriate officer of the Borrower has certified that the facts set forth in such certificate are true and correct and that the estimates and expectations of the Borrower set forth in such certificate are reasonable. In addition, the Borrower and the Issuer shall comply with all provisions of the Arbitrage Regulation Agreement. Neither the Borrower nor the Issuer shall take or permit to be taken any action which would cause any Bonds to become "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.

8-54

Section 6.4. Further Assurances and Corrective Instruments.

Subject to the Assignment, the Issuer and the Borrower from time to time will execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, Supplemental Loan Agreements such further instruments as may reasonably be required for correcting any inaccurate or incorrect description of the Project and for carrying out the intention or facilitating the performance of this Loan Agreement, the Bond Resolution and the Assignment.

Section 6.5. Recordation and Filing.

The Borrower will cause the Assignment, and any supplements and amendments thereto, any security instrument securing Additional Notes and all appropriate financing and continuation statements and other security instruments to be recorded and filed in such manner in such places as may be required by law to fully preserve and protect the security of the Bondholders and the rights of the Assignee. The Borrower will pay all fees and expenses, including legal fees, incurred in connection with such recordings and filings.

Section 6.6. Certificate to be Provided.

The Borrower shall cause to be delivered to the Assignee a certificate addressed to the Issuer and the Assignee and stating that based upon the law in effect on the date of such certificate, no filing, registration or recording and no refiling, reregistration or rerecording of any agreement or instrument, including any Assignment or amendment thereto, any financing statement or amendments thereto, or any continuation statements or instruments of a similar character relating to the pledges and Assignments made by the Issuer or the Borrower to secure the Bonds, is required by law during that year in order to fully preserve and protect the security of the Assignee and the rights of the Assignee under the Assignment, or if such filing, registration, recording, refiling, reregistration or rerecording is necessary, setting forth the requirements in respect thereto. Promptly after any filing, registration, recording, refiling, reregistration or rerecording is completed, the Borrower will provide a copy of such agreement or instrument to the Assignee.

The certificate shall also state that the Project and all property, real and personal, that is security for the Bonds, is insured as required in Section 5.5 of this Loan Agreement or that there exists certain violations of the insurance provisions of Section 5.5 of this Loan Agreement, whichever is the case.

Section 6.7. Performance of Assignment.

The Borrower approves the terms and conditions of the Assignment and hereby covenants and agrees to do and perform all acts and things described or referred to in the Assignment on its part to be done and performed.

ARTICLE VII
ASSIGNMENT OF ISSUER'S RIGHTS
UNDER LOAN AGREEMENT

Section 7.1. Assignment by the Issuer.

The Issuer, by means of the Assignment and as security for payment of the principal of, and premium, if any, and interest on, the Bonds, will assign, pledge and grant a security interest

in certain of its rights, title and interests in, to and under this Loan Agreement and the Notes, including Additional Payments and other revenues, monies and receipts received by it pursuant to this Loan Agreement, to the Assignee (reserving its rights to reimbursement and payment of its costs and expenses under Sections 2.3, 3.4, 6.2, 8.2, 8.3, 8.4, 8.5, 8.6 and 8.7 hereof, its rights of access under Section 6.1 hereof, its rights to indemnification under Section 6.2 hereof, its rights to receive notices, reports and other statements and its rights to consent to certain matters). In addition, as security for payment of principal of, premium, if any and interest on the Bonds, the Issuer will assign, pledge and grant a security interest in the Note to the Assignee and will endorse the Note, without recourse, to the Assignee. The Borrower consents to such assignments and endorsements. For purposes of Article 9 of the Uniform Commercial Code of the State, no security interest in this Loan Agreement may be created by the transfer or possession of any counterpart hereof other than the counterpart containing the receipt therefor executed by the Assignee on or immediately following the signature page hereof.

Section 7.2. Restrictions on Transfer of Issuer's Rights.

The Issuer will not sell, assign, transfer or convey its interests in this Loan Agreement except pursuant to the Assignment and by endorsement of the Notes as described in Section 7.1 of this Loan Agreement.

ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Event of Default Defined.

The term "Event of Default" shall mean any one or more of the following:

(a) Failure by the Borrower to make timely payment of principal of, premium, if any, or interest on, the Bonds or any Note or to make any Additional Payment or payment due hereunder or under the Assignment when due, and continuance of such default for five (5) Business Days.

(b) Failure by the Borrower to observe and perform any covenant, condition, or agreement on the part of the Borrower under the Notes, this Loan Agreement, the Arbitrage Regulation Agreement, the Mortgage, the Security Agreement or the Guaranty Agreement, other than as referred to in the preceding subparagraph (a) of this section, for a period of thirty (30) days after written notice of such failure has been given to the Borrower by the Issuer or the Assignee during which time such failure is neither cured by the Borrower nor waived in writing by the Issuer and the Assignee, provided that, if the failure stated in the notice cannot be corrected within said thirty (30) day period, the Assignee may consent in writing to an extension of such time prior to its expiration.

(c) Failure by the Borrower to satisfy any final judgment, decree or order against the Borrower which has not been stayed or appealed within thirty (30) days after entry thereof if, at the end of such thirty (30) day period, there shall be undischarged any final judgment or judgments against the Borrower for the payment of money which shall alone or in the aggregate exceed \$100,000.

(d) Abandonment of the Project by the Borrower. For the purposes of this subparagraph (d), the Project shall not be deemed abandoned so long as the Borrower (or, as permitted by this Loan Agreement, an assignee, lessee or purchaser) is operating the Project as an "industrial project" within the meaning of the Act, or is, in good faith, seeking to repair the Project from a casualty loss to arrange an economically reasonable operation of the Project as an "industrial project."

(e) Any representation or warranty by the Borrower herein, or in any certificate or other instrument delivered under or pursuant to this Loan Agreement, the Arbitrage Regulation Agreement or the Assignment or in connection with the financing of the Project which shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Assignee.

(f) The Assignment at any time shall prove not to be a valid, binding and enforceable agreement of the Issuer or shall not constitute a valid assignment of the rights of the Issuer under this Loan Agreement as described in Section 7.1 and effective to vest in the Assignee all such rights (except unassigned rights) of the Issuer in, to and under this Loan Agreement, including the right to enforce this Loan Agreement and the Notes, in accordance with their terms.

(g) The Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of the Borrower, or of all or a substantial part of the assets of the Borrower, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable Federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the Borrower in any bankruptcy, reorganization or insolvency proceeding.

(h) An order, judgment or decree shall be entered without the application, approval or consent of the Borrower, by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of the Borrower or of all or a substantial part of the assets of the Borrower, and such order, judgment or decree shall continue unstayed and in effect for any period of sixty (60) consecutive days.

(i) The Borrower voluntarily or involuntarily causes or permits (i) any sale or transfer of any interest of the Borrower, legal or equitable, in the Project or (2) any mortgage, pledge, encumbrance or lien to be imposed or remain outstanding on the Project or the granting of any security interest therein, except as granted pursuant to this Loan Agreement, and under the Permitted Encumbrances, without, in each instance, the prior written consent of the Assignee.

Section 8.2. Remedies on Default.

Whenever any Event of Default shall have happened and be continuing, with due regard for the parity security of all Bondholders contemplated by this Loan Agreement, the Assignee and the Issuer (at the direction of the Assignee) may take any one or more of the following remedial steps provided, however, that upon the occurrence of any Event of Default specified in subparagraph (h) or (i) of Section 8.1, all installments payable pursuant to the Notes and the

Bonds for the remainder of the term thereof shall become immediately due and payable without any further act or action on the part of or on behalf of the Assignee or the Issuer, and the Assignee may immediately proceed to take any one or more of the remedial steps set forth in subparagraph (b) of this Section:

(a) By written notice to the Borrower declare the Notes and the Bonds to be immediately due and payable, whereupon the Notes shall become immediately due and payable, together with interest on overdue payments of principal and, to the extent permitted by law, interest, at the rate of interest specified in the Bonds, without presentment, demand or protest, all of which are expressly waived.

(b) Take whatever other action at law or in equity, including causing the appointment of a receiver or receivers for the Borrower and/or its assets, taking all actions necessary and appropriate to cause the Assignee to exercise the rights and powers set forth in the Mortgage, the Security Agreement and the Guaranty Agreement, as may appear necessary or desirable to collect the amounts payable pursuant to the Note and the Bonds then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the Borrower under this Loan Agreement, the Arbitrage Regulation Agreement, the Mortgage, the Notes, the Bonds or the Assignment.

(c) Take whatever action is necessary to maintain the additional security required by Section 3.6.

(d) Interest on the Note shall accrue at the Overdue Rate.

In the enforcement of the remedies provided in this Section, the Issuer or the Assignee on behalf of the Issuer, may treat all expenses of enforcement, including reasonable legal, accounting and advertising fees and expenses, as Additional Payments then due and payable by the Borrower.

Except as to any amount collected by the Issuer pursuant to those rights reserved by the Issuer in Section 7.1 hereof, which the Issuer shall retain, any other amount collected pursuant to action taken under this Section shall be paid to the Assignee and applied, first, to the payment of any costs, expenses and fees incurred by the Issuer or the Assignee as a result of taking such action and, next, any balance shall be used to satisfy pro rata any principal of, premium, if any, and interest on, the Note and Bonds then due in accordance with the Bond Resolution, then, to satisfy any other Additional Payments then due or to cure any other Event of Default.

Notwithstanding the foregoing, the Issuer shall not be obligated to take any step in connection with any part of this Loan Agreement that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until satisfactory indemnity has been furnished to the Issuer at no cost or expense to the Issuer. The provisions of this Section are subject to the limitation that the annulment of a declaration that the Note and the Bonds are immediately due and payable shall automatically constitute an annulment of any corresponding declaration made pursuant to subparagraph (a) of this Section and a waiver and rescission of the consequences of such declaration and of the Event of Default with respect to which such

declaration has been made, provided that no such waiver or rescission shall extend to or affect any other or subsequent Default or impair any right consequent thereon. In the event any covenant, condition or agreement contained in this Loan Agreement shall be breached or any Event of Default shall have occurred and such breach or Event of Default shall thereafter be waived by the Issuer or the Assignee, such waiver shall be limited to such particular breach or Event of Default.

Section 8.3. Surrender of Possession of the Project; Assignee in Possession.

If any Event of Default shall have occurred and be continuing, the Assignee, by such officer or agent as it may appoint for the benefit of all Bondholders, may take possession of all or any part of the Project (as defined in the Assignment and this Loan Agreement), together with any books, papers and accounts pertaining thereto, and including the rights and the position of the Issuer under the Loan Agreement and the Notes, and shall collect, receive and sequester the loan payments, revenues and receipts therefrom, and out of the same and any monies received from any receiver of any part thereof pay and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, and the Assignee shall apply the remainder of the monies so received in accordance with the provisions of this Loan Agreement. Whenever all that is due upon all the Bonds shall have been paid and all Defaults cured, the Assignee shall surrender possession of the Project, the same right of entry, however, to exist upon any subsequent Event of Default.

Section 8.4. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Issuer or the Assignee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power occurring upon Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer and the Assignee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

Section 8.5. Agreement to Pay Attorneys' Fees and Expenses.

In connection with any Event of Default by the Borrower, if the Issuer or the Assignee employs Counsel or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the Borrower herein contained, the Borrower agrees that it will on demand therefor pay to the Issuer and the Assignee the reasonable fees of such Counsel and such other reasonable expenses so incurred by the Issuer and the Assignee.

Section 8.6. Issuer and Borrower to Give Notice of Default.

The Issuer and the Borrower shall each, at the expense of the Borrower, promptly give to the Assignee written notice of any Default of which the Issuer or the Borrower, as the case may be, shall have actual knowledge or written notice, but the Issuer shall not be liable for failing to give such notice nor waive or lose any of its rights or remedies hereunder.

Section 8.7. Performance of Borrower's Obligations.

If the Borrower shall fail to keep or perform any of its obligations as provided in this Loan Agreement, the Issuer or the Assignee may (but shall not be obligated so to do) upon the continuance of such failure on the Borrower's part for thirty (30) days after notice of such failure is given to the Borrower by the Issuer or the Assignee, and without waiving or releasing the Borrower from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by the Issuer or the Assignee and all necessary incidental costs and expenses incurred by the Issuer or the Assignee in performing such obligations shall be deemed to be Additional Payments and shall be paid to the Issuer or the Assignee on demand.

Section 8.8. Opportunity of Borrower to Cure Defaults.

With regard to any alleged Default which notice is given to the Borrower under this Loan Agreement, concerning any covenant, agreement, or obligation, the nonperformance of which is alleged in said notice to constitute a Default, the Assignee shall accept performance by the Borrower as satisfactory performance thereof, so long as the Borrower is diligently, continuously and in good faith attempting to cure such Default.

Section 8.9. Remedial Rights Assigned to the Assignee.

Upon the execution and delivery of the Assignment, the Issuer will thereby have assigned to the Assignee all rights and remedies conferred upon or reserved to the Issuer by this Loan Agreement, reserving only the rights set forth in Section 7.1. The Assignee shall have the exclusive right to exercise such assigned rights and remedies in the same manner and to the same extent, but under the limitations and conditions imposed thereby and hereby. The Assignee and the Bondholders shall be deemed third party creditor beneficiaries of all representations, warranties, covenants and agreements contained herein.

ARTICLE IX
PREPAYMENT OF THE NOTE

Section 9.1. General Optional Prepayment.

Borrower shall have the right to redeem and prepay the Bonds and the Note on any date with a prepayment premium equal to two percent (2%); provided, however, such prepayment premium shall not be applicable if (a) the Project is sold to an unrelated third party or (b) the total percentage prepaid in any year (a year being defined as the time between anniversary dates of the Note and Bonds) is equal to or less than twenty percent (20%) of the remaining principal balance of the Note and Bonds (the percentage of principal of a prepayment is calculated at the time of said prepayment).

Section 9.2. Optional Prepayment if Tax Exemption is Lost.

If there shall have been made a Determination of Taxability, the Borrower shall have the option to prepay the Note in whole. The amount to be prepaid pursuant to this Section shall be equal to the redemption price of 100% of the principal amount of all Outstanding Bonds, plus accrued interest at the Taxable Interest Rate to their redemption date to the extent the interest is taxable income to the Registered Owners of the Bonds, plus any applicable prepayment premium. In the event Borrower elects to prepay the Note, the Borrower shall give notice

pursuant to Section 9.4 of this Loan Agreement not later than forty-five (45) days after the date of a Determination of Taxability.

Section 9.3. Mandatory Prepayment upon Transfer from Project Fund.

If any amounts are transferred from the Project Fund to the Bond Fund pursuant to Section 4.4 of this Loan Agreement, the Borrower shall prepay the Notes without premium or penalty in an amount equal to the principal amount of Bonds required to be redeemed on such an occurrence pursuant to Section 5 of the Bond Resolution. Said amount shall be paid by the Borrower to the Assignee not later than the date the Bonds are to be redeemed pursuant to such provision.

The Borrower will promptly notify the Issuer and the Assignee in writing of the occurrence and existence of an event which will result in mandatory prepayment under this Section 9.3.

Section 9.4. Notice of Prepayment.

To exercise an option granted by Section 9.1 or 9.2, the Borrower shall give written notice to the Issuer and the Assignee which shall specify therein the date upon which a prepayment of the Note (or a portion thereof) will be made, which date shall be not less than thirty (30) days from the date the notice is received by the Assignee.

Section 9.5. Notice of Redemption.

If and when the Borrower shall call any of the Bonds for redemption (which term shall include prepayment), the Borrower shall give written notice in the name of the Issuer and the Assignee of its intention to redeem and pay such Bonds. In addition, such notice shall be given by the Borrower by first class mail, postage prepaid, mailed not less than thirty (30) nor more than sixty (60) days prior to the date set for redemption thereof (the "Redemption Date"), or by hand delivery to each Registered Owner of Bonds to be redeemed, at his or her address appearing on the Bond Register. All notices of redemption shall include the following information:

- (a) The redemption date;
- (b) The redemption price; and
- (c) That on the redemption date, the redemption price will become due and payable upon each such Bond, and that interest thereon shall cease to accrue from and after said date.

The failure of the Registered Owner of any Bond to be so redeemed to receive written notice mailed as herein provided shall not affect or invalidate the redemption of said Bonds.

ARTICLE X
MISCELLANEOUS

Section 10.1. Authorized Representatives.

Whenever under this Loan Agreement or the Bond Resolution the approval of the Issuer is required or the Issuer is required to take some action at the request of the Borrower, such

8-61

approval shall be given or such action shall be taken by the Authorized Issuer Representative, and the Borrower, and the Assignee shall be authorized to act on any such approval or action.

Whenever under this Loan Agreement or the Bond Resolution the approval of the Borrower is required or the Borrower is required to take some action at the request of the Issuer or the Assignee, such approval shall be given or such action shall be taken by the Authorized Borrower Representative, and the Issuer and the Assignee shall be authorized to act on any such approval or action. If the certificate of the Borrower appointing such Authorized Borrower Representative sets forth the names of more than one person, such approval shall be given and such action shall be taken by either of such persons.

Section 10.2. Terms of Loan Agreement.

This Loan Agreement shall be effective from and after its execution and delivery and shall continue in full force and effect until the Bonds are deemed to be paid within the meaning of the Assignment and the Bond Resolution and provision has been made for paying all other sums payable by the Borrower to the Issuer, and the Assignee for the Bonds under this Loan Agreement, the Guaranty Agreement and the Assignment to the date of the retirement of the Bonds. All agreements, covenants, representations and certifications by the Borrower as to all matters affecting the tax-exempt status of the interest on the Bonds and the indemnification provided by Section 6.2 shall survive the termination of this Loan Agreement.

Section 10.3. Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by hand delivery or on the third (3rd) day following the day on which the same has been mailed by overnight delivery or courier service, addressed as follows:

If to the Issuer:

The County of Sangamon, Illinois
Sangamon County Court House
200 South Ninth Street
Springfield, Illinois 62701
Attention: Chairman of the County Board

If to the Assignee:

Heartland Bank and Trust Company
401 N. Hershey Rd.
Bloomington, Illinois 61704
Attention: Steven K. Gnuse, Senior Lender

If to the Borrower:

Land of Lincoln Goodwill Industries, Inc.
1220 Outer Park Drive
Springfield, Illinois 62704
Attention: President & CEO

8-62

A duplicate copy of each notice, certificate or other communication given hereunder to any party shall be given to all other parties. The Issuer, the Borrower or the Assignee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent to it.

Section 10.4. Performance Date a Legal Holiday.

If the last day for performance of any act or the exercising of any right, as provided in this Loan Agreement, shall not be a Business Day, such act may be performed or right exercised on the next succeeding Business Day.

Section 10.5. Payments Due on Saturdays, Sundays and Holidays.

Where the date of maturity of principal of, or premium, if any, or interest on, the Note or the Bonds or the date fixed for redemption of any Bonds shall not be a Business Day, then payment of principal, premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 10.6. Binding Effect.

This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower and their respective successors and assigns, subject, however, to the provisions contained in Sections 5.2 and 5.3 of this Loan Agreement.

Section 10.7. Severability.

If any provision of this Loan Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken thereunder, or any application of such provision, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Loan Agreement or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Such illegality or invalidity of any application thereof shall not affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 10.8. Amendments, Changes and Modifications.

Except as otherwise provided in this Loan Agreement or in the Assignment, subsequent to the issuance of Bonds and prior to all of the Bonds being paid in full and provisions being made for the payment of all sums payable under the Assignment, this Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the concurring written consent of the Assignee, given in accordance with the Assignment.

Section 10.9. Date of Loan Agreement.

The dating of this Loan Agreement as of June 1, 2023 is intended as and for the convenient identification of this Loan Agreement and is not intended to indicate that this Loan

8-63

Agreement was executed and delivered on such date, this Loan Agreement to be executed and delivered and become effective simultaneously with the issuance of the Bonds.

Section 10.10. Execution in Counterparts.

This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; provided, however, that for the purposes of Article 9 of the Uniform Commercial Code of the State, no security interest in this Loan Agreement may be created by the transfer or possession of any counterpart hereof other than the counterpart containing the receipt therefor executed by the Assignee on or immediately following the signature page hereof delivered, pledged and assigned to the Assignee.

Section 10.11. Applicable Law.

This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

Section 10.12. No Pecuniary Liability.

No provision, representation, covenant or agreement contained in this Loan Agreement, the Assignment, the Arbitrage Regulation Agreement, the Bonds or any obligation herein or therein imposed upon the Issuer, or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or a charge upon the general credit or taxing powers of the Issuer or the State. No provision hereof shall be construed to impose a charge against the general credit of the Issuer or any personal or pecuniary liability upon any officer, trustee, agent, attorney, official or employee of the Issuer or of the Assignee.

Section 10.13. Issuer Not Liable.

Notwithstanding any other provision of this Loan Agreement (a) the Issuer shall not be liable to the Borrower, the Assignee or any Bondholder for any failure of the Issuer to take action under this Loan Agreement, and (b) except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, the Issuer shall not be liable to the Borrower, the Assignee or any Bondholder for any action taken by the Issuer or by its officers, trustees, attorneys, servants, agents or employees, or for any failure to take action under this Loan Agreement, the Notes, or the Assignment. In acting under this Loan Agreement, the Issuer may conclusively rely on the advice of its Counsel.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

8-64

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Loan Agreement to be executed in their respective names and attested by their duly authorized officers, all as of the date first above written.

THE COUNTY OF SANGAMON, ILLINOIS

(SEAL)

By: _____
Chairman of the County Board

ATTEST:

County Clerk

LAND OF LINCOLN GOODWILL INDUSTRIES, INC.,
an Illinois not-for-profit corporation

By: _____
President & CEO

ATTEST:

Treasurer & Secretary

8-65

UNIFORM COMMERCIAL CODE RECEIPT

Receipt of this original counterpart of the foregoing Loan Agreement is hereby acknowledged this June 22, 2023.

Heartland Bank and Trust Company,
an Illinois banking corporation,
as Assignee

By: _____
Senior Lender

(The Assignee should sign only on the copy of the Loan Agreement received by it.)

8-66

SCHEDULE 1

LEGAL DESCRIPTION

Lot 115B of Foxx Creek Estates Plat 3 of the City of Chatham, Sangamon County, Illinois according to the Plat recorded April 16, 1996 in Plat Cabinet G-194A and as Document No. 96-15065.

SITUATED IN SANGAMON COUNTY, ILLINOIS.

P.I.N.: 28-01-432-004

Common Address: 135 Independence Blvd., Chatham, Illinois

8-67

EXHIBIT A

PROMISSORY NOTE

\$4,500,000

June 22, 2023

Land of Lincoln Goodwill Industries, Inc., an Illinois not-for-profit corporation (the “Borrower”) hereby promises to pay to the order of The County of Sangamon, Illinois, a county of the State of Illinois (the “Issuer”), the principal sum of Four Million Five Hundred Thousand Dollars (\$4,500,000), in installments of principal together with interest payable on the dates and in the amounts as hereinafter provided until the principal amount hereof is paid in full, together with all costs, expenses and reasonable attorney fees paid or incurred in collecting or attempting to collect or enforce this Promissory Note or any of the provisions hereof.

As used herein, the terms: “Adjustment Date,” “Assignee,” “Bond,” “Determination of Taxability,” “Effective Date of Taxability,” “Interest Rate,” “Payment Date”, “Prime Rate” and “Taxable Interest Rate” and all other defined terms used herein shall have the meanings assigned to them in the Loan Agreement dated as of June 1, 2023 between the Issuer and the Borrower (the “Loan Agreement”).

This Promissory Note shall bear interest at the Interest Rate as adjusted on each Adjustment Date, provided, however, that from and after any Effective Date of Taxability as defined in the Loan Agreement, the interest rate on this Promissory Note shall be adjusted to the Taxable Interest Rate, which adjustment shall be effective as of the date the interest on the Bonds was first required to be included in the gross income of the holder(s) of such Bonds for federal income tax purposes and shall change as and when the Taxable Interest Rate changes. Interest shall be calculated on the then outstanding principal amount of the Bond, not on the unpaid principal amount of this Promissory Note. Under no circumstances will the interest rate on this Promissory Note be more than the maximum rate allowed by applicable law.

Principal payments shall be made monthly on each Payment Date in amounts calculated in accordance with the attached Amortization Schedule, together with accrued interest payments on each Payment Date. The monthly interest payments shall be payable in arrears, calculated at the applicable interest rate for the actual number of days elapsed, with a 360 day year basis. All payments of principal and interest shall be due and payable on the Payment Dates through June 22, 2044, when payment shall be made of all principal then remaining unpaid together with interest thereon. All payments shall be applied first to interest due and the balance to repayment of principal.

This Note also secures Additional Payments and any and all other payments, payable by the Borrower on demand as set forth in the Loan Agreement.

8-68

The principal installments of this Promissory Note are subject to prepayment as set forth in the Loan Agreement.

Payments of all principal and interest have been irrevocably assigned and pledged to Heartland Bank and Trust Company, as assignee (the "Assignee"). Such assignment is made as security for the payment of the \$4,500,000 principal amount of the Issuer's Economic Development Revenue Bonds (Land of Lincoln Goodwill Industries Project), Series 2023 (the "Bonds"), issued pursuant to the Loan Agreement.

The payments hereon shall be sufficient to pay the total amount of principal and interest payable on the Bonds on the Payment Dates and any Additional Payments.

Time is of the essence with respect to this Promissory Note. In the event any payment is not made when due hereunder, the Borrower shall pay to the Assignee, a "late charge" equal to the Overdue Rate times the amount of such principal, interest or other charges to cover the extra expenses involved in handling delinquent payment. In addition, upon maturity of the Note (whether by acceleration or otherwise), until paid, and during the occurrence and continuation of an Event of Default under the Loan Agreement, this Promissory Note shall bear interest at the Overdue Rate from the date of such maturity or Event of Default, as applicable, until paid.

This Promissory Note constitutes the Note described in the Loan Agreement and is given by the Borrower to evidence and secure the loan to the Borrower made under and pursuant to the Loan Agreement and is subject to prepayment at the times, in the manner, in the amounts and upon the terms and conditions set forth therein. An Event of Default under the Loan Agreement shall constitute an event of default hereunder, and the Assignee may exercise all rights and remedies set forth in the Loan Agreement upon the occurrence of an Event of Default, including without limiting the generality of the foregoing, the declaration of the principal hereof and accrued interest hereon to be immediately due and payable. All payments of principal of, premium if any, and interest on this Promissory Note shall be made in lawful money of the United States of America directly by the Borrower for the account of the Issuer to the Assignee. The holder or holders from time to time of the Bonds shall look solely to the Borrower and/or the property and assets of the Borrower for the payment of the principal of, premium, if any, and interest on this Promissory Note; provided, however, that the foregoing shall not in any manner affect, abrogate, impair, restrict, or limit any of the liens, rights, liabilities or remedies, or the enforcement thereof, otherwise provided herein or under any one or more of the Bonds, the Loan Agreement and/or any other documents or instruments executed in connection with the foregoing. All of the terms, conditions and provisions of the Loan Agreement and the therein described Bond Purchase Agreement are by this reference incorporated herein as a part of this Promissory Note and this Promissory Note is entitled to the benefits and subject to the conditions of the Loan Agreement.

This Promissory Note, the Loan Agreement and the Guaranty Agreement are secured by the Mortgage and the Security Agreement as described in the Loan Agreement.

The terms and provisions of this Promissory Note are subject in all respects to the provisions of the Loan Agreement. In accordance with the provisions of the Loan Agreement

8-69

and the Assignment, the Issuer shall assign to the Assignee all of the Issuer's right, title and interest in, under and to this Promissory Note as security for the Bonds. This Promissory Note is not transferable by the Assignee or any successor Assignee except to effect assignment to any successor Assignee under the Assignment.

Upon payment in full of the Bonds, this Promissory Note shall be marked "Paid in Full" and returned to the Borrower.

The Borrower hereby waives presentment, demand, notice, protest, and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Promissory Note, and assents to the addition or release of any other party or person primarily or secondarily liable under this Promissory Note.

To further secure the payment of this Promissory Note, the Borrower hereby authorizes irrevocably any attorney of any court of record to appear for it in such court in term time or vacation, or any time after maturity, whether by expiration of time or by declaration as in the Loan Agreement provided, and confess judgment without process, in favor of the holder of this note, for such amount as may appear to be unpaid thereon, together with interest and costs, and reasonable attorney's fees, and to waive and release all errors which may intervene in any such proceedings, and to consent to immediate execution upon said judgment, hereby ratifying and confirming all that the Borrower's said attorney may do by virtue hereof.

This Promissory Note shall be governed by and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, the Borrower has caused this Promissory Note to be executed and delivered as of June 22, 2023.

LAND OF LINCOLN GOODWILL INDUSTRIES, INC.,
an Illinois not-for-profit corporation

By: _____
President & CEO

ATTEST:

Treasurer & Secretary

8-70

ASSIGNMENT

Assigned this June 22, 2023 by the Issuer to the Assignee pursuant to the Assignment and Agreement, dated as of June 1, 2023 between the Issuer and the Assignee.

THE COUNTY OF SANGAMON, ILLINOIS

By: _____
Chairman of the County Board

(SEAL)

ATTEST:

County Clerk

AMORTIZATION SCHEDULE

Each payment of interest shall be calculated so as to equal the interest for the period preceding the Payment Date. Each payment of principal shall be calculated by amortizing the outstanding principal balance of the Bonds as of the Payment Date at the interest rate then applicable using an amortization factor of (i) twenty (20) years from June 22, 2024 until the first Adjustment Date, (ii) fifteen (15) years from the first Adjustment Date until the second Adjustment Date, (iii) ten (10) years from the second Adjustment Date until the third Adjustment Date and (iv) five (5) years from the third Adjustment Date for the remainder of the term of the Bonds.

At least five (5) Business Days prior to each Payment Date, the Assignee shall send Borrower a notice specifying the principal and interest due on the next succeeding Payment Date. The failure to provide notice will not relieve Borrower of its obligations to pay principal and interest when due.

8-72

ASSIGNMENT AND AGREEMENT

between

THE COUNTY OF SANGAMON, ILLINOIS

and

HEARTLAND BANK AND TRUST COMPANY

Dated as of June 1, 2023

\$4,500,000 The County of Sangamon, Illinois
Economic Development Revenue Bonds
(Land of Lincoln Goodwill Industries Project),
Series 2023

This instrument was prepared by:
Hart, Southworth & Witsman
Suite 501, One North Old State Capitol Plaza
Springfield, Illinois 62701

ASSIGNMENT AND AGREEMENT

ASSIGNMENT AND AGREEMENT, dated as of June 1, 2023 between THE COUNTY OF SANGAMON, ILLINOIS, a county of the State of Illinois (the “Issuer”) and HEARTLAND BANK AND TRUST COMPANY, an Illinois banking corporation (the “Assignee”).

1. The Issuer hereby assigns and pledges to the Assignee and its successors and assigns, as security for the due and punctual payment of the principal installments of, and interest on the \$4,500,000 Economic Development Revenue Bonds (Land of Lincoln Goodwill Industries Project), Series 2023 (the “Bonds”) issued by the Issuer pursuant to a Resolution adopted by the County Board of the Issuer on June 13, 2023 (the “Bond Resolution”), all of its right, title and interest in, and including without limitation its rights to payment of any and all amounts which may become due under the Loan Agreement (which together with the accompanying Note of the Borrower is called the “Loan Agreement”) dated as of the date hereof by and between the Issuer and Land of Lincoln Goodwill Industries, Inc., an Illinois not-for-profit corporation (the “Borrower”), except any payments made pursuant to Sections 2.3, 3.4, 6.2, 8.2, 8.3, 8.4, 8.5, 8.6 and 8.7 of the Loan Agreement relating to reimbursement or indemnification of the Issuer by the Borrower, its rights of access under Section 6.1 of the Loan Agreement, its rights to indemnification under Section 6.2 of the Loan Agreement, its rights to receive notices, reports and other statements and its rights to consent to certain matters, which Loan Agreement relates to the financing by the Issuer of the Project as defined in the Loan Agreement and all other rights and remedies to enforce such payment of any amount due the Issuer by the Borrower under the Loan Agreement.

2. The Assignee acknowledges receipt of an executed counterpart of the Loan Agreement and a certified copy of the Bond Resolution and agrees to hold and disburse all funds which it may receive pursuant to the Loan Agreement or the Bond Resolution in accordance with the applicable provisions thereof. The Assignee further agrees to perform such other duties and obligations as are specifically set forth herein and in the Loan Agreement and the Bond Resolution. In the performance of such duties and obligations, the Assignee shall not be liable for any actions it may take at the direction of the Borrower and may rely and shall be protected in acting or refraining from acting on any instrument believed by the Assignee to be genuine and to have been filed or presented by the proper party or parties. The Assignee shall not be liable for any action taken or omitted to be taken by the Assignee in good faith and believed by the Assignee to be authorized hereby or by the Loan Agreement or the Bond Resolution, nor for any action taken or omitted to be taken by the Assignee in accordance with the advice of its attorney.

3. The parties agree that the assignment made hereby shall not subject the Assignee to, or transfer, or pass or in any way affect or modify, any obligations of the Issuer under the Loan Agreement, it being understood and agreed that all such obligations of the Issuer shall be and remain enforceable only against the Issuer. This assignment is

given solely for the purpose of securing the obligations of the Issuer referred to in paragraph 1 hereof.

4. The Assignee shall promptly apply amounts available therefor to the payment or prepayment or principal and interest on the Bonds in the manner contemplated by the Bond Resolution.

5. Pursuant to the Loan Agreement, the Borrower is to notify the Assignee and the Issuer promptly of all amounts proposed to be prepaid by the Borrower under the Loan Agreement.

6. If an event of default under the Loan Agreement shall occur and be continuing, the Assignee, without obligation to resort to any other security, at its own expense or the expense of the Borrower, shall have the right at any time and from time to time, in its sole discretion, to enforce the rights and remedies specified in Article VIII of the Loan Agreement, pledged and assigned hereunder, and to take any and all action which, in the judgment of the Assignee, is necessary or appropriate to enforce the rights of the Issuer in respect of its interests in the moneys payable under the Loan Agreement. Upon any such enforcement of rights under the Loan Agreement after deducting all costs and expenses of every kind of the Assignee and the Issuer, including attorneys' fees, from the proceeds of any recovery, the Assignee shall apply any residue to the payment of any liabilities of the Issuer on the Bonds, all as provided in the Bond Resolution. The balance, if any, remaining after payment in full of all of the liabilities of the Issuer on the Bonds shall be paid to the Borrower.

7. The remedies provided herein shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies existing at law or in equity.

8. During the term of this Agreement, unless compliance shall have been waived in writing by the Assignee, the Issuer agrees:

(a) it will deliver to the Assignee copies of any documents delivered to the Borrower or received by it from the Borrower under the Loan Agreement; and

(b) it will not consent to or agree to any modifications of the Loan Agreement or waive any of the terms thereof without the prior written consent of the Assignee.

9. Notwithstanding the foregoing provisions of this agreement, the Assignee understands and agrees that the obligations of the Issuer to make payments of principal installments and interest on the Bonds are limited obligations of the Issuer payable solely and only out of the receipts to be derived by the Issuer under the Loan Agreement and that the Bonds and the obligation to pay interest thereon do not constitute an indebtedness or a loan of credit of the Issuer, the State of Illinois or of any political subdivision thereof,

or a charge against their general credit or taxing powers, within the meaning of any constitutional or statutory provision of the State of Illinois.

10. No delay on the part of the Assignee in exercising any of its options, powers or rights, or any partial or single exercise thereof, shall constitute a waiver thereof.

11. The Issuer agrees that it will from time to time at the Assignee's reasonable request, execute and deliver such instruments of further assurance with respect to the assignment, pledge and security interest provided for in this agreement as the Assignee may specify. Upon request of the Assignee, the Issuer agrees to execute and file or cause to be filed at the expense of the Borrower a financing statement under the Uniform Commercial Code of Illinois or any other document the filing of which, in the judgment of the Assignee, is necessary or desirable to establish and protect its security interest in such revenues and receipts and the rights of the Issuer under the Loan Agreement, assigned to the Assignee pursuant to this agreement. Upon the payment in full of the principal and interest on the Bonds, the Assignee will cancel the Bonds, deliver the Bonds to the Issuer and deliver a copy of the canceled Bonds to the Borrower.

12. Any notice or demand upon the Issuer shall be deemed to have been sufficiently given or served for all purposes thereof if mailed by registered or certified mail, postage prepaid, return receipt requested, to the Issuer at Sangamon County Court House, 200 South 9th Street, Springfield, Illinois 62701, Attention: County Board Chairman, or such other address as the Issuer may designate in writing to the Assignee.

13. This agreement, including the rights, duties and obligations of the Assignee hereunder, shall be governed by and construed in accordance with the laws of the State of Illinois.

[SIGNATURE PAGE TO FOLLOW]

8-76

THE COUNTY OF SANGAMON, ILLINOIS

By: _____
Chairman of the County Board

(SEAL)

ATTEST:

County Clerk

HEARTLAND BANK AND TRUST COMPANY,
an Illinois banking corporation

By: _____
Senior Lender

ACKNOWLEDGED:

Land of Lincoln Goodwill Industries, Inc.,
an Illinois not-for-profit corporation

By: _____
President & CEO

ATTEST:

By: _____
Treasurer & Secretary

8-77

\$4,500,000
THE COUNTY OF SANGAMON, ILLINOIS
ECONOMIC DEVELOPMENT REVENUE BONDS
(LAND OF LINCOLN GOODWILL INDUSTRIES PROJECT)
SERIES 2023

BOND PURCHASE AGREEMENT

June 22, 2023

The County of Sangamon
Sangamon County Court House
200 South 9th Street
Springfield, Illinois 62701

Land of Lincoln Goodwill Industries, Inc.
1220 Outer Park Drive
Springfield, Illinois 62704

Ladies and Gentlemen:

Heartland Bank and Trust Company, an Illinois banking corporation (the “Purchaser”), hereby offers to purchase from The County of Sangamon, Illinois (the “Issuer”) upon the terms and conditions hereinafter specified, \$4,500,000 aggregate principal amount of Economic Development Revenue Bonds (Land of Lincoln Goodwill Industries Project), Series 2023 (the “Bonds”), to be issued by the Issuer under and pursuant to the Bond Resolution (as defined in Section 1(a) hereof) and a Loan Agreement between the Issuer and Land of Lincoln Goodwill Industries, Inc., an Illinois not-for-profit corporation (the “Borrower”), dated as of June 1, 2023 (the “Loan Agreement”). If and when accepted by both of you, this document shall constitute our Bond Purchase Agreement (the “Agreement”).

The net proceeds of the Bonds are to be used to pay for costs of the Project as more fully described in the Loan Agreement. The Issuer shall assign all of its rights in and to the Loan Agreement and the Note (as defined in the Loan Agreement) to the Purchaser, as assignee (the “Assignee”) pursuant to an Assignment and Agreement, dated as of June 1, 2023, between the Issuer and the Assignee (the “Assignment”). Payment of principal and interest due with respect to the Loan Agreement, the Note and the Bonds shall be secured pursuant to a Mortgage, Security Agreement and Assignment of Rents and Leases, dated as of June 1, 2023 (the “Mortgage”) from the Borrower to the Purchaser, a Security Agreement dated as of June 1, 2023 from the Borrower to the Purchaser (the “Security Agreement”), an Assignment of Contracts, Licenses and Permits, dated June 22, 2023 (the “CLP Assignment”) and a Guaranty Agreement dated as of June 1, 2023 by and between the Borrower and the Purchaser (the “Guaranty Agreement”).

1. Representations of the Issuer

The Issuer hereby represents, warrants and agrees that as of the date hereof:

- (a) The Issuer is a county of the State of Illinois. The Issuer is authorized and empowered by the provisions of the Industrial Building Revenue Bond Act, 50 ILCS 445/1 *et seq.*, as amended (hereinafter referred to as the “Act”) to issue its industrial revenue bonds to defray in whole or in part the reasonable and necessary costs incidental to the construction, rebuilding, acquisition, improvement or extension of any industrial project including without limitation the cost of studies and surveys; plans, specifications, architectural and engineering services; legal, marketing or other special services; financing, acquisition, demolition, construction, equipment and site development of new and rehabilitated buildings, rehabilitation, reconstruction, repair or remodeling of existing buildings and all other necessary and incidental expenses, and in conjunction therewith, to enter into an agreement with any persons, with respect to any economic development project whereby the Issuer agrees to loan the proceeds of its bonds to such person in order to cause the acquisition, construction and equipping of such project, and such person shall agree to pay to the Issuer or for its account an amount sufficient to pay the principal of, interest, and redemption premium, if any, on the bonds of the Issuer issued with respect to such project, all for the purpose of encouraging the increase of industry and commerce within the Issuer, thereby reducing the evils attendant upon unemployment and under employment, and providing for the increased welfare and prosperity of the residents of the Issuer and by Resolution No. ___ entitled “RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (LAND OF LINCOLN GOODWILL INDUSTRIES PROJECT), SERIES 2023, AUTHORIZING EXECUTION OF A LOAN AGREEMENT, AN ASSIGNMENT AND AGREEMENT, AND A BOND PURCHASE AGREEMENT, ALL RELATIVE TO SAID BONDS, AND AUTHORIZING OTHER ACTION TO BE TAKEN WITH RESPECT TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS” passed by the County Board of The County of Sangamon, Illinois on June 13, 2023, (the “Bond Resolution”), to issue the Bonds pursuant to the Bond Resolution, to lend the proceeds from the sale for the Project (as defined in the Loan Agreement) pursuant to the Loan Agreement, and to pledge the loan repayments to be received pursuant to the Loan Agreement and its interest in the Loan Agreement (except for its rights to indemnification and payment of certain expenses) and the Note as security for the payment of the principal of and interest on the Bonds.
- (b) The Issuer has complied with all provisions of the Constitution and laws of the State of Illinois, including the Act, and has full power and authority to authorize and issue the Bonds and to adopt the Bond Resolution and to execute

and deliver this Agreement, the Bonds, the Assignment, the Loan Agreement, the Arbitrage Regulation Agreement, dated as of June 1, 2023, by and between the Issuer and the Borrower (the “Arbitrage Regulation Agreement”) and any and all other agreements relating thereto an to carry out the terms thereof. The forms of the loan documents to be executed by the Issuer were adopted or approved at a duly convened meeting of the Issuer, with respect to which all legally required notices were duly given, and at which meeting a quorum was present and acting throughout.

- (c) The Bond Resolution has been duly and validly adopted. This Agreement, the Loan Agreement, the Assignment and the Arbitrage Regulation Agreement (the “Issuer Documents”), each when executed and delivered as contemplated by this Agreement, will have been duly and validly authorized, executed and delivered, will be in full force and effect and will be valid and binding obligations of the Issuer enforceable in accordance with their terms, except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights generally.
- (d) The Issuer has duly authorized all necessary action to be taken by it for (i) the authorization, issuance and sale of the Bonds upon the terms set forth herein and in the Issuer Documents and the Bond Resolution; (ii) the execution, delivery, receipt and due performance of the Bonds, the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated hereby. Executed counterparts of the Issuer Documents will be delivered by the Issuer at the Closing Time, as hereinafter defined.
- (e) The Bonds when issued, delivered and paid for as provided herein and in the Issuer Documents and the Bond Resolution, will have been duly and validly authorized and issued and will constitute valid and binding limited obligations of the Issuer in accordance with their terms, entitled to the benefits and security of the Bond Resolution and the Issuer Documents, which among other things provide that the Bonds and the interest thereon are payable solely from the payments to be made pursuant to and as described in the Loan Agreement (except to the extent paid out of moneys attributable to the bonds or refunding bond proceeds or the income from the temporary investment thereof and, under certain circumstances, proceeds of insurance, sale and condemnation awards) or the proceeds of revenue bonds, if any, issued by the Issuer under the Act to pay the principal of the Bonds, and not from any other fund or source and do not constitute a debt of the Issuer within the meaning of any constitutional or statutory limitation.
- (f) The Issuer will cause the proceeds from the sale of the Bonds to be loaned to the Borrower as specified in the Bond Resolution and the Issuer Documents.

So long as any of the Bonds are outstanding and except as may be authorized by the Bond Resolution or the Loan Agreement, the Issuer will not issue or sell any bonds or other obligations, other than the Bonds sold hereby and additional bonds permitted to be issued and sold as provided in the Bond Resolution and the Loan Agreement, the interest and premium, if any, or principal of which will be payable from the payments to be made under the Loan Agreement, and will not pledge the payments to be made under the Loan Agreement, other than to the payment of the Bonds and Additional Bonds permitted to be sold as provided in the Loan Agreement, and the interest thereon, except as provided in the Loan Agreement.

- (g) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board, or body pending or to the knowledge of the Issuer, threatened against or affecting the Issuer (or any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the validity or security of the Bonds, the Bond Resolution, the Issuer Documents or the transactions contemplated thereby, or the tax exempt status of the Bonds.
- (h) The adoption of the Bond Resolution and the execution and delivery of the Issuer Documents, the Bonds and the other agreements contemplated hereby, and the compliance with the provisions thereof, will not conflict with or result in a breach of any of the terms and provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, or any agreement, indenture, mortgage, lease or other instrument to which the Issuer is subject or by which it is or may be bound.
- (i) The issuance and sale of the Bonds will not be subject to any issuance, transfer or other documentary stamp taxes.
- (j) Any certificates signed by an authorized officer of the Issuer delivered to you shall be deemed a representation and warranty by the Issuer to you as to the statements made therein.

2. Representations of the Borrower.

The Borrower hereby represents, warrants and agrees that, as of the date hereof:

- (a) The Borrower has been duly incorporated as a not-for-profit corporation and is validly existing under the laws of the State of Illinois with power and authority to own its properties and conduct its business. The Borrower has full power and authority to execute and deliver this Agreement, the Loan Agreement, the Note, the Mortgage, the Security Agreement, the CLP Assignment, the Guaranty Agreement and the Arbitrage Regulation Agreement (the "Borrower Documents") and to carry out the terms thereof.

- (b) The Borrower is conducting its business in all material respects in substantial compliance with all applicable and valid laws, rules and regulations of the State of Illinois and has all necessary licenses and permits required for the operation of its business.
- (c) The Borrower Documents when executed and delivered, will have been duly and validly authorized, executed and delivered, will be in full force and effect and will be valid and binding obligations of the Borrower enforceable in accordance with their terms, except to the extent that the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally.
- (d) The execution and delivery by the Borrower of the Borrower Documents, and the consummation of the transactions herein and therein contemplated and the carrying out of the terms hereof and thereof, do not and will not result in violation of any provision of, or in default under: (i) its Articles of Incorporation or By-Laws, as amended to the date hereof; (ii) any indenture, mortgage, deed of trust, indebtedness or agreement to which the Borrower is a party or by which it or its property is bound; or (iii) any judgment, decree, order, statute, rule or regulation of which the Borrower has knowledge and to which it or its property is subject.
- (e) No approval, authorization, consent or other order of any public board or body (other than the authorization of the Issuer) and not already obtained or issued is legally required for the transactions contemplated hereby or by the Borrower Documents.
- (f) The Borrower is not in violation of any provision of, or in default under, its Articles of Incorporation or By-Laws, or any indenture, mortgage, deed of trust, indebtedness or agreement of which the Borrower is a party or by which it or its property is bound or, any judgment, decree, order, statute, rule or regulation and to which it or its property is subject. The Borrower knows of no provision of its Articles of Incorporation or By-Laws, or any indenture, mortgage, deed of trust, indebtedness, agreement, instrument, judgment, decree, order, statute, rule or regulation that would materially adversely affect the business, properties, assets, liabilities or condition (financial or other) of the Borrower.
- (g) There are no legal or governmental proceedings pending or, to the best of the Borrower's knowledge, threatened or contemplated by governmental authorities or threatened by others or to which the Borrower is a party or of which any property of the Borrower is subject, other than ordinary routine litigation incident to the kind of business conducted by the Borrower which, if determined adversely to the Borrower, would not individually or in the aggregate have a material adverse effect on the financial position or results of

operations of the Borrower or on the validity or enforceability of the Bonds, the Borrower Documents or the documents to be delivered pursuant thereto or on the ability of the Borrower to undertake the transactions contemplated by the Borrower Documents.

- (h) Subsequent to June 30, 2022, and prior to the Closing Date hereinafter mentioned, (i) the Borrower has not incurred and shall not have incurred any material liabilities or obligations, direct or contingent, except in the ordinary course of business and has not entered and will not have entered into any material transaction not in the ordinary course of business; (ii) there has not been and will not have been any material change in the long-term debt or decrease in the fund balances of the Borrower; (iii) there has not been and will not have been any material adverse change in the business or the financial position or results of operations of the Borrower; (iv) no loss or damage (whether or not insured) to the property of the Borrower has been or will have been sustained which materially and adversely affects the operations of the Borrower or the ability of the Borrower to undertake the transactions contemplated by the Borrower Documents; and (v) no legal or governmental proceeding affecting the Borrower or the transactions contemplated by the Borrower Documents has been or will have been instituted or threatened which is material or would materially adversely affect the ability of the Borrower to undertake the transactions contemplated by the Borrower Documents. Nothing has come to the attention of the Borrower, acting by its officers, that would lead the Borrower to believe that any statements or information provided to the Purchaser or as set forth in the foregoing documents contain any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made in light of the circumstances under which they were made not misleading.
- (i) The Borrower's audited financial statements for the period ending June 30, 2022, fairly present the financial condition and results of operations of the Borrower as at the date and for the periods indicated, and such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied and there has been no material adverse change in the condition (financial or otherwise) of the Borrower since June 30, 2022.
- (j) The information supplied by the Borrower that has been relied upon by counsel for the Purchaser and by Bond Counsel in order for Bond Counsel to determine the tax-free status of the Bonds is correct and complete.
- (k) The Borrower will not take or omit to take any action that will in any way result in the proceeds from the sale of the Bonds being applied in a manner inconsistent with the provisions of the Borrower Documents.

- (l) On the Closing Date, the Borrower will have marketable title in and to the Land (as defined in the Loan Agreement) and all buildings, improvements and fixtures located on the Land.
- (m) The Borrower shall do or cause to be done all things necessary to preserve, maintain and keep in full force and effect its existence and status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and comply with all laws applicable to it.
- (n) The Borrower shall do or cause to be done all things necessary to comply with Section 148(f) of the Code, including but not limited to all rebate determinations, calculations and computations.

3. Purchase, Sale and Delivery of the Bonds.

On the basis of the representations and warranties and subject to the terms and conditions set forth herein, the Purchaser agrees to purchase at the Closing Time and on the Closing Date (as hereafter defined), from the Issuer, and the Issuer agrees to sell to the Purchaser, the total principal amount of the Bonds at the following purchase price: Bonds in the principal amount of \$4,500,000, the proceeds of which will be used to finance the cost of the Project, and will be purchased at a price of 100% of the principal amount thereof. Payment for the Bonds shall be made to the Issuer or its order in same day funds of the Purchaser, at a mutually agreeable place at 10:00 a.m. prevailing time on June 22, 2023, or at such other date, time and place agreed upon by appropriate officers of the Issuer, the Borrower, and the Purchaser against delivery of the Bonds to the Purchaser. The date of such payment and delivery is herein called the "Closing Date," and the hour and date of such delivery and payment is herein called the "Closing Time." The Bonds will be delivered in fully registered form, in such denominations and in the names of such registered holders as the Purchaser shall specify to the Borrower and the Issuer on the Closing Date.

4. Covenants of the Issuer.

The Issuer shall:

- (a) at the Purchaser's request, take any action reasonably necessary to assure or maintain the tax-exempt status of the Bonds under the Code; and
- (b) refrain from taking any action, or permitting any action to be taken with regard to which the Issuer may exercise control, that results in the loss of the tax-exempt status of the interest on the Bonds or results in the loss of the designation of the Bonds as "qualified tax exempt obligations" under Section 265(b)(3) of the Code; provided in each instance of each covenant contained herein, that the Issuer's out of pocket costs are paid by the Borrower from funds other than those of the Issuer.

5. Covenants of the Borrower.

The Borrower covenants and agrees that the Borrower shall:

- (a) refrain from taking any action, or permitting any action to be taken with regard to which the Borrower may exercise control, that results in the loss of the tax-exempt status of the interest on the Bonds; and
- (b) fully comply with and assume all expenses incurred in fully complying with all regulatory requirements imposed by any state or federal regulatory authority as may have jurisdictions herein, including, but not limited to, all expenses incurred and required in the preparation and filing of such interim and annual financial information and reports as may be required to maintain the registration of the Bonds, or exemptions from registration, as the case may be, copies of all of which the Borrower agrees to promptly furnish to the Purchaser at such time as the same may be filed in the office of any such state or federal regulatory authority.

6. Conditions of Purchaser's Obligations.

The obligations of the Purchaser to purchase and pay for the Bonds are subject to the following conditions:

- (a) The representations and warranties of the Borrower and the Issuer contained herein shall be true and correct as of the date hereof and the Closing Date.
- (b) At the Closing Date, the Borrower and the Issuer shall have performed all of their obligations hereunder theretofore to be performed. Further, the Borrower agrees that the proceeds of the Bonds shall be applied as set forth in the Loan Agreement.
- (c) At the Closing Date, there shall be delivered to the Purchaser the following opinions (and in rendering such opinions, counsel may rely upon customary certificates) and other documents:
 - (i) an opinion of Hart, Southworth & Witsman, Bond Counsel, in form and substance satisfactory to the Purchaser, covering usual and customary matters;
 - (ii) an opinion of counsel for the Borrower, addressed to the Purchaser and Bond Counsel, in form and substance satisfactory to the Purchaser and Bond Counsel; and
 - (iii) an opinion of the Issuer's counsel, addressed to the Purchaser and Bond Counsel, in form and substance satisfactory to the Purchaser;
- (d) The Bonds, the Loan Agreement, the Note, the Arbitrage Regulation Agreement, the Assignment, the Mortgage, the Security Agreement, and the Guaranty Agreement, resolutions, articles of incorporation, bylaws, 501(c)(3) determination letter, and good standing of the Borrower, the closing certificates, Form 8038, UCC financing statement, title policies, insurance

evidence and UCC search report (each in form and substance satisfactory to the Purchaser and Bond Counsel), in substantially the forms existing on the date hereof, with such changes therein as may be mutually agreed upon by the parties hereto and the Purchaser, shall have been duly authorized, executed and delivered by the respective parties thereto and such agreements and the resolutions shall be in full force and effect on the Closing Date.

- (e) All proceedings and related matters in connection with the authorization, issue, sale and delivery of the Bonds shall have been satisfactory to Bond Counsel and counsel for the Purchaser, and such counsel shall have been furnished with such papers and information as they may have reasonably requested to enable them to pass upon the matters referred to in this subparagraph.
- (f) The Borrower and the Issuer shall have furnished or caused to be furnished to the Purchaser on the Closing Date certificates satisfactory to the Purchaser as to the accuracy of their respective representations and warranties contained herein as of the date hereof and as of the Closing Date and as to the performance by them of their respective obligations hereunder to be performed at or prior to the Closing Date.
- (g) The offer and sale of the Bonds shall be exempt from registration under the Securities Act of 1933, as amended; the Bonds and underlying securities shall constitute "municipal securities" within the meaning of the Securities Exchange Act of 1934, as amended.
- (h) All conditions and requirements set forth in the financing commitment letter, dated May 5, 2023, and accepted by the Borrower on May 8, 2023, shall be satisfied or waived in writing by the Purchaser.

All proceedings taken at or prior to the Closing Date in connection with the authorization, issue and sale of the Bonds shall be satisfactory in form and substance to the Purchaser, and the Purchaser shall have been furnished with all such documents, certificates and opinions as the Purchaser may request to evidence the accuracy and completeness of any of the representations, warranties or statements, the performance of any covenants of the Borrower or the compliance with any of the conditions herein contained.

All such opinions, certificates, letters and documents will be in compliance with the provisions hereof only if they are in all material respects satisfactory to the Purchaser and to counsel for the Purchaser, as to which both the Purchaser and such counsel shall act reasonably.

The Purchaser may waive in writing compliance by the Borrower or the Issuer or any one or more of the foregoing conditions or extend the time for their performance.

7. Representations, Warranties and Agreements to Survive Delivery.

The representations, warranties, indemnities, agreements and other statements of the Borrower, the Issuer and the Purchaser their officers set forth in, or made pursuant to, this Agreement will remain operative and in full force and effect regardless of any investigation made by or on behalf of the Borrower, the Issuer or the Purchaser of any controlling person and will survive delivery of and payment for the Bonds.

8. Payment of Costs and Expenses.

All costs and expenses incident to the execution and performance of this Agreement and to the sale and delivery of the Bonds to the Purchaser, including, but not limited to: (i) the fees and expenses of the Issuer's counsel; (ii) the fees and expenses of the Borrower's counsel; (iii) the fees and expenses of Bond Counsel; and (iv) the fees and expenses of the Purchaser.

9. Termination of Agreement.

The Purchaser shall have the right to terminate this Agreement and thereupon be relieved of its obligations hereunder to purchase the Bonds, by written notice or by telegraph to the Issuer and the Borrower of its election so to do between the date hereof and the Closing Time, if at any time hereafter and prior to the Closing Time:

- (a) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be enacted by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or a decision by a court established under Article III of the Constitution of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed which adversely affects the designation of the Bonds as "Qualified Tax-Exempt Obligations" under Section 265(b)(3) of the Code or having the purpose or effect of imposing Federal income taxation, or any other event shall have occurred which results in the imposition of Federal income taxation, upon revenues or other income of the general character to be derived by the Issuer from the Borrower or by any similar body or upon interest received on obligations of the general character of the Bonds, or the Bonds, which, in the Purchaser's opinion, materially adversely affects the market price of the Bonds;
- (b) any legislation, resolution, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency in the State of Illinois, or a decision by any court of competent jurisdiction within the State of Illinois shall be rendered which, in the Purchaser's opinion, materially adversely affects the market price of the Bonds; and

- (c) legislation shall be introduced, by amendment or otherwise, in, or be enacted by the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the Bonds, contemplated hereby is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect, or with the purpose or effect of otherwise prohibiting the issuance, offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby.

If this Agreement shall be terminated pursuant to this Section 9, or if the purchase provided for herein is not consummated because any condition to the Purchaser's obligation hereunder is not satisfied or because of any refusal, inability or failure on the part of the Borrower or the Issuer to comply with any of the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Borrower or the Issuer shall be unable to perform all of their respective obligations under this Agreement, neither the Borrower nor the Issuer shall be liable to the Purchaser for damages on account of loss of anticipated profits arising out of the transactions covered by this Agreement. However, the Borrower shall remain liable to the extent provided in Section 8 hereof, and the Borrower shall pay all of the costs and expenses incurred by the Purchaser and the Issuer in contemplation of the performance by them of their obligations hereunder, including, but not limited to, all fees and expenses specified in Section 8 hereof, as well as all traveling expenses and postage, telegraph and telephone charges.

10. Notice and Governing Law.

All communications hereunder shall be in writing and, except as otherwise provided, shall be delivered at, or mailed or telegraphed to, the following addresses: If to the Purchaser, to Heartland Bank and Trust Company, 1925 S. MacArthur Blvd., Springfield, Illinois 62704, Attention: Steven K. Gnuse, Senior Lender; if to the Borrower, addressed to Land of Lincoln Goodwill Industries, Inc., 1220 Outer Park Drive, Springfield, Illinois 62704, Attention: President & CEO; and if to the Issuer addressed to The County of Sangamon, Sangamon County Court House, 200 South 9th Street, Springfield, Illinois 62701, Attention: Chairman of the County Board. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

11. Parties in Interest.

This Agreement shall be binding upon and shall inure to the benefit of the Purchaser, the Issuer, the Borrower and, to the extent expressed, any person controlling the Issuer or the Purchaser and their respective executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term

“successors and assigns” shall not include any purchaser, as such, from the Purchaser of the Bonds.

12. Time.
Time shall be of the essence of this Agreement.

13. Counterparts.
This Agreement may be executed in any number of counterparts.

If the foregoing is in accordance with your understanding of the Agreement, kindly sign and return to us the enclosed duplicate copies hereof, whereupon it will become a binding agreement among the Issuer, the Borrower and the Purchaser in accordance with its terms.

Very truly yours,

Heartland Bank and Trust Company,
an Illinois banking corporation

By: _____
Senior Lender

Confirmed and accepted as of the date first above written.

Land of Lincoln Goodwill Industries, Inc.,
an Illinois not-for-profit corporation

By: _____
President & CEO

ATTEST:

By: _____
Treasurer & Secretary

The County of Sangamon, Illinois

By: _____
Chairman of the County Board