



## Lombard Public Facilities Corporation

255 E. Wilson Ave.  
Lombard, Illinois 60148  
(630) 620-5700 FAX (630) 620-8222

### NOTICE TO REPOSITORIES OF SIGNIFICANT EVENTS

#### Board of Directors

**Paul J. Powers**  
President

**George E. Seagraves**  
Vice President

**Edward Murphy**  
Treasurer

**Jeffrey L. Mills**  
Secretary

**Tod Altenburg**  
Director

**Scott Niehaus**  
**Timothy Sexton**  
**Nicole Aranas**  
Designated  
Representatives

**Donald E. Renner III**  
Counsel

Name of Obligor:	Lombard Public Facilities Corporation, DuPage County, Illinois
Name of Bond Issue:	\$63,915,000 Conference Center and Hotel First Tier Revenue Bonds, Series 2005A-1
	\$53,995,000 Conference Center and Hotel First Tier Revenue Bonds, Series 2005A-2
	\$43,340,000 Conference Center and Hotel Second Tier Revenue Bonds, Series 2005B
	\$22,460,000 Conference Center and Hotel Second Tier Revenue Bonds, Series 2005C
	\$5,000,000 Conference Center and Hotel Third Tier Refunding Revenue Bonds, Series 2006C-2
	\$1,775,000 Conference Center and Hotel Third Tier Refunding Revenue Bonds, Series 2006C-3
Date of Issuance:	September 21, 2005

NOTICE IS HEREBY GIVEN that \$66,460,801.31 of accelerated principal and interest went unpaid for the July 1, 2016 debt service payment of the Series 2005A-1 Conference Center and Hotel First Tier Revenue Bonds. ACA Financial Guaranty Corporation paid \$957,534.69 of principal and interest for the July 1, 2016 debt service payment of the Series 2005A-2 Conference Center and Hotel First Tier Revenue Bonds. In addition, \$55,204,038.02 of accelerated principal and interest went unpaid for the July 1, 2016 debt service payment of the Series 2005A-2 Conference Center and Hotel First Tier Revenue Bonds. As a result of the non-payment of principal and interest on the Series 2005A-1 Conference Center and Hotel First Tier Revenue Bonds, Amalgamated Bank of Chicago, as Trustee under the Indenture of Trust, has issued a notice of default under the Indenture (copy attached).

NOTICE IS HEREBY GIVEN that \$46,797,889.31 of accelerated principal and interest went unpaid for the July 1, 2016 debt service payment of the Series 2005B Conference Center and Hotel Second Tier Revenue Bonds. As a result of the non-payment of principal and interest on the Series 2005B Conference Center and Hotel Second Tier Revenue Bonds, Amalgamated Bank of Chicago, as Trustee under the Indenture of Trust, has issued a notice of default under the Indenture (copy attached).

NOTICE IS HEREBY GIVEN that the Obligor had a scheduled July 1, 2016 debt service payment of \$1,905,201.93 for the Series 2005C, Series 2006C-2 and Series 2006C-3 Conference Center and Hotel Third Tier Revenue Bonds, and the total amount was unpaid and will accrue for future payment.

Dated: July 6, 2016

LOMBARD PUBLIC FACILITIES  
CORPORATION

By:   
Its: Designated Representative

**SIXTH NOTICE OF DEFAULT AND NOTICE OF ACCELERATION**

*To All Persons on the  
Attached Distribution List*

**\$63,915,000**  
**LOMBARD PUBLIC FACILITIES CORPORATION**  
**Conference Center and Hotel**  
**First Tier Revenue Bonds**  
**Series 2005A-1**  
**(the "Series 2005A-1 Bonds")**

**\$53,995,000**  
**LOMBARD PUBLIC FACILITIES CORPORATION**  
**Conference Center and Hotel**  
**First Tier Revenue Bonds**  
**Series 2005A-2**  
**(the "Series 2005A-2 Bonds," and together with**  
**the Series 2005A-1 Bonds, the "First Tier Bonds")**

**\$43,340,000**  
**LOMBARD PUBLIC FACILITIES CORPORATION**  
**Conference Center and Hotel**  
**Second Tier Revenue Bonds**  
**Series 2005B**  
**(the "Second Tier Bonds")**

Amalgamated Bank of Chicago is trustee (the "**Trustee**") pursuant to the terms of that certain Indenture of Trust, dated as of August 1, 2005, as amended by that certain First Supplemental Trust Indenture, dated as of April 1, 2006 (collectively, the "**Indenture**") between Lombard Public Facilities Corporation (the "**Issuer**") and the Trustee. The Indenture governs the terms of the above-captioned bonds, as well as the Issuer's (i) \$6,000,000 Lombard Public Facilities Corporation Conference Center and Hotel Third Tier Revenue Bonds, Series 2005C-1 (the "**Series 2005C-1 Bonds**"), (ii) \$9,685,000 Lombard Public Facilities Corporation Conference Center and Hotel Third Tier Revenue Bonds Series 2005C-3 (the "**Series 2005C-3 Bonds**"), (iii) \$5,000,000 Lombard Public Facilities Corporation Conference Center and Hotel Third Tier Refunding Revenue Bonds, Series 2006C-2 (the "**Series 2006C-2 Bonds**"), and (iv) \$1,775,000 Lombard Public Facilities Corporation Conference Center and Hotel Third Tier Refunding Revenue Bonds, Series 2006C-3 (the "**Series 2006C-3 Bonds**" and together with the Series 2005C-1 Bonds, the Series 2005C-3 Bonds, and the Series 2006C-2 Bonds, the "**Third Tier Bonds**").

### **NOTICE OF DEFAULT**

Acting pursuant to Section 9.03 of the Indenture, the Trustee hereby notifies you of the existence of an additional Event of Default under the Indenture insofar as there has occurred a failure to make due and punctual payment of the installment of interest due on the First Tier Bonds and the Second Tier Bonds when and as such became due and payable on July 1, 2016. Such failure constitutes an additional Event of Default under Sections 9.02(b) and 9.02(e) of the Indenture. Existing Events of Default exist due to the Issuer's inability to fund sufficient payments on Second Tier Bonds on January 1, 2014, July 1, 2014, January 1, 2015, July 1, 2015 and January 1, 2016. Similarly, an Event of Default exists due the Issuer's inability to fund sufficient payments on the First Tier Bonds on January 1, 2015, July 1, 2015 and January 1, 2016.

Please note that notification of the Event of Default arising under Sections 9.02(b) and 9.02(e) does not constitute a waiver of any additional defaults which may have occurred and be continuing under the Indenture. This notice is not intended to be an exhaustive identification of defaults which may have occurred and are continuing.

### **NOTICE OF ACCELERATION**

Pursuant to Section 9.04 of the Indenture, if an Event of Default occurs and is continuing, then, subject to Section 9.04(d) of the Indenture (which provides that Registered Owners of the Third Tier Bonds shall have no right to pursue or direct any remedy or to be paid from the proceeds received by the Trustee through the exercise of any remedy while the First Tier Bonds or Second Tier Bonds are Outstanding), the Trustee shall, upon the written direction of the Bond Insurer, ACA Financial Guaranty Corporation, and may, but only upon the written consent of the Bond Insurer, take any or all of the remedies identified in the Indenture.

As of June 30, 2016, the Trustee accelerated and declared all principal and interest of the Bonds to be immediately due and payable as of June 30, 2016, pursuant to the written instruction of the Bond Insurer and in accordance with that prior Notice dated June 22, 2016.

The Trustee reserves all other remedial rights under the Indenture and any and all other documents governing or securing the Bonds or the obligations represented thereby.

### **JULY 1, 2016 PAYMENT**

In accordance with Section 9.05 of the Indenture and a direction letter received from the Bond Insurer, ACA Financial Guaranty Corporation, as the Controlling Party under the Indenture, on July 1, 2016, the Trustee will (a) use a portion of available funds on hand to pay a portion of the amounts due and owing on the First Tier Bonds and the Second Tier Bonds; and (b) use funds received from the Bond Insurer to pay, pro-rata, the Series 2005A-2 Bonds so that such Series 2005A-2 Bonds receive a distribution on July 1, 2016 in an amount equal to the interest payment due and owing to the Series

2005A-2 Bonds on July 1, 2016 per the original Series 2005A-2 Bond debt service schedule. The foregoing payments have been calculated in accordance with the application of funds post-acceleration set forth in Section 9.05 of the Indenture.

**AMALGAMATED BANK OF CHICAGO,**  
as Trustee

Dated: June 22, 2016

DISTRIBUTION LIST

Issuer: Lombard Public Facilities Corporation  
c/o Village of Lombard  
255 East Wilson Avenue  
Lombard, Illinois 60148  
Attention: Registered Agent

With a copy to:  
Thomas P. Bayer, Esq.  
Donald E. Renner III, Esq.  
Klein, Thorpe & Jenkins, Ltd.  
20 N. Wacker Drive  
Suite 1660  
Chicago, Illinois 60606

Asset Manager: Thomas McGuigan  
Mid-America Hotel Partners LLC  
53 South Washington, #2  
Hinsdale, Illinois 60521

Village: Village of Lombard  
255 East Wilson Avenue  
Lombard, Illinois 60148

Bond Insurer: ACA Financial Guaranty Corporation  
600 Fifth Avenue  
New York, New York 10016  
Attention: Carl McCarthy, General Counsel

Bondholders: The Depository Trust Company  
570 Washington Blvd., 4<sup>th</sup> Floor  
Jersey City, New Jersey 07310

Rating Agency: Standard & Poor's Financial Services LLC,  
a part of McGraw Hill Financial  
55 Water Street  
New York, New York 10041

ACA Financial Guaranty Corporation  
600 Fifth Avenue, 2<sup>nd</sup> Floor  
New York, NY 10020  
212 375 2000 Tel  
212 375 2100 Fax



www.aca.com

June 22, 2016

*via electronic mail and overnight delivery*

Amalgamated Bank of Chicago  
Corporate Trust Services  
30 N. LaSalle St.  
Chicago, Illinois 60602

**Re: Indenture of Trust By and Between the Lombard Public Facilities Corporation and Amalgamated Bank of Chicago, as Trustee**

Dear Sir or Madam:

Amalgamated Bank of Chicago serves as trustee (the "Trustee") under that certain Indenture of Trust (the "Indenture") made and entered into as of August 1, 2005, by and between the Lombard Public Facilities Corporation (the "Issuer") and the Trustee, as amended by that certain First Supplemental Trust Indenture, dated as of April 1, 2006, pertaining to several bond series, including the First Tier Revenue Bonds Series 2005A-1 (the "Series 2005A-1 Bonds"), the First Tier Revenue Bonds Series 2005A-2 (the "Series 2005A-2 Bonds" and collectively with the Series 2005A-1 Bonds, the "First Tier Bonds"), the Second Tier Revenue Bonds, Series 2005B (the "Second Tier Bonds"), and the Third Tier Revenue Bonds, Series 2005C-1, 2005C-3, Series 2006C-2, and Series 2006C-3 (collectively, the "Third Tier Bonds" and together with the First Tier Bonds and the Second Tier Bonds, the "Bonds"). Capitalized terms not otherwise defined herein shall be as defined in the Indenture.

It is our understanding that as of July 1, 2016, the Trustee will have insufficient funds on hand to make the required principal and interest payments on both the First Tier Bonds and the Second Tier Bonds. Accordingly, "Events of Default" will exist under Section 9.02 of the Indenture. Existing Events of Default exist due to the Issuer's inability to fund sufficient payments on the Second Tier Bonds on January 1, 2014, July 1, 2014, January 1, 2015, July 1, 2015 and January 1, 2016. Similarly, an Event of Default exists due to the Issuer's inability to fund sufficient payments on the First Tier Bonds on January 1, 2015, July 1, 2015 and January 1, 2016.

As you know, ACA Financial Guaranty Corporation ("ACA") issued a bond insurance policy and a debt service reserve fund surety in connection with the original issuance of the Series

June 22, 2016

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2005A-2 Bonds (collectively, the "Bond Policy"). In consideration for its issuance of the Bond Policy, ACA is the Controlling Party with respect to the Bonds and is entitled to direct the Trustee with respect to remedies and other matters following an Event of Default. This letter is being written to advise you that as of June 30, 2016, in accordance with Section 9.04(a)(i) of the Indenture, the Trustee is hereby directed to accelerate and declare all principal and interest of the Bonds to be immediately due and payable. The Trustee is to take no other remedial action at this time with respect to the Bonds unless expressly directed to do so by ACA. In addition, the Trustee is hereby instructed in accordance with Sections 9.05(b)(ii), (c) (ii) and (d) of the Indenture to:

- (a) use amounts from the Available Revenues Fund and 1<sup>st</sup> Tier Debt Service Fund in the total amount of \$1,000,000 to pay, pro-rata, a portion of the amounts due and owing on the First Tier Bonds in accordance with the schedule attached hereto as Exhibit A;
- (b) use amounts from the 2<sup>nd</sup> Tier Debt Service Reserve Fund in the total amount of \$544,716.24 for the benefit of the Second Tier Bonds to pay, pro-rata, a portion of the amounts due and owing on the Second Tier Bonds in accordance with the schedule attached hereto as Exhibit A; and
- (c) use the funds received from the Insurer to pay, pro-rata, the Series 2005A-2 Bonds so that such Series 2005A-2 Bonds receive a distribution on July 1, 2016 in an amount equal to the interest payment due on July 1, 2016 per the original Series 2005A-2 Bond debt service schedule.

The foregoing has been calculated in accordance with the application of funds post-acceleration set forth in Section 9.05 of the Indenture. ACA acknowledges that the provisions of the Bond Insurance Policy requiring receipt of Notice of Nonpayment have been satisfied.

As the Controlling Party, ACA is continuing to review and analyze the situation and may provide additional instructions to the Trustee in the future, consistent with terms of the Indenture.

In addition to any other provision set forth herein, each of ACA and the Trustee hereby agrees that the paragraphs (a) through (e) set forth in the letter agreement, dated June 24, 2014, are incorporated herein by reference.



June 22, 2016

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Nothing in this letter shall be construed as instructing or otherwise prohibiting the Trustee from taking any actions consistent with the terms of the Indenture, prior to the occurrence of an Event of Default.

**ACA FINANCIAL GUARANTY CORPORATION,  
AS CONTROLLING PARTY**

A handwritten signature in black ink, appearing to read 'Maria Cheng', written over a horizontal line.

By: \_\_\_\_\_

Name: Maria Cheng  
Authorized Signatory

cc: Warren S. Bloom (via email)

Lombard Public Facilities Corporation  
 First And Second Tier Revenue Bonds  
 Exhibit A

Payment Notice for July 1, 2016

CUSIP	Series	Original Principal	Original Maturity	Rate	Amounts Due/ Paid			Accelerated			Total Payment			Payment via DTC		
					Due Per Original Amortization Schedule <sup>1</sup>	Accelerated Total Due on 7/1/16 <sup>2</sup>	Total Payment from Borrower	Accelerated Total	Total Payment from ACA Policy	Accelerated Ending Balances	Total Payment	DTC Rate Per Thousand	Payment Ratio Per Thousand			
541589AC1	A1	1,000,000.00	1/1/2015	6.375%	N/A	1,070,119.97	8,723.93	N/A	1,061,396.03	8,723.93	8,723,934.0	8,723.93	8,723,934.0	8,723,934.0	8.7239340	8.7239340
541589AZ0	A1	61,135,000.00	1/1/2036	7.125%	N/A	65,936,942.71	537,537.43	N/A	65,399,405.28	537,537.43	537,537.43	537,537.43	537,537.43	8,792,629.9	8,792,629.9	8,792,629.9
<b>Series A1</b>		<b>62,135,000.00</b>			<b>N/A</b>	<b>67,007,062.68</b>	<b>546,261.37</b>	<b>N/A</b>	<b>66,460,801.31</b>	<b>546,261.37</b>	<b>546,261.37</b>	<b>546,261.37</b>	<b>546,261.37</b>	<b>8,792,629.9</b>	<b>8,792,629.9</b>	<b>8,792,629.9</b>
541589BH9	A2	4,510,000.00	1/1/2020	5.500%	124,025.00	4,781,725.80	38,982.04	85,042.96	4,742,743.76	124,025.00	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	27,500,000.0
541589BN6	A2	8,260,000.00	1/1/2025	5.500%	227,150.00	8,757,661.88	71,395.05	155,754.95	8,686,266.84	227,150.00	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	27,500,000.0
541589BT3	A2	12,175,000.00	1/1/2030	5.500%	334,812.50	12,908,539.15	105,234.22	229,578.28	12,803,304.93	334,812.50	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	27,500,000.0
541589BZ9	A2	25,835,000.00	1/1/2036	5.500%	710,462.50	27,391,549.00	223,304.00	487,158.50	27,168,245.00	710,462.50	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	8,643,468.1	27,500,000.0
<b>Series A2</b>		<b>50,780,000.00</b>			<b>1,396,450.00</b>	<b>53,839,475.83</b>	<b>438,915.31</b>	<b>957,534.69</b>	<b>53,400,560.52</b>	<b>1,396,450.00</b>	<b>1,396,450.00</b>	<b>1,396,450.00</b>	<b>1,396,450.00</b>	<b>8,643,468.1</b>	<b>8,643,468.1</b>	<b>27,500,000.0</b>
541589C00	A2	835,000.00	1/1/2015	4.125%	17,221.88	872,619.70	11,133.49	N/A	865,461.90	N/A	N/A	N/A	N/A	N/A	N/A	N/A
541589C08	A2	905,000.00	1/1/2016	4.125%	18,665.63	945,725.43	7,709.83	N/A	938,015.60	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Retired CUSIPs</b>		<b>1,740,000.00</b>			<b>35,887.50</b>	<b>1,818,300.82</b>	<b>14,823.33</b>	<b>N/A</b>	<b>1,803,477.50</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Series A</b>		<b>114,655,000.00</b>			<b>1,432,337.50</b>	<b>122,664,839.33</b>	<b>1,000,000.00</b>	<b>957,534.69</b>	<b>121,664,839.33</b>	<b>1,432,337.50</b>	<b>1,432,337.50</b>	<b>1,432,337.50</b>	<b>1,432,337.50</b>	<b>8,643,468.1</b>	<b>8,643,468.1</b>	<b>27,500,000.0</b>
541589C07	B	1,090,000.00	1/1/2016	4.000%	N/A	1,171,998.31	13,484.82	N/A	1,158,513.49	13,484.82	13,484.82	13,484.82	13,484.82	12,371,394.4	12,371,394.4	12,371,394.4
541589CF2	B	1,185,000.00	1/1/2018	4.000%	N/A	1,274,144.95	14,660.10	N/A	1,259,484.85	14,660.10	14,660.10	14,660.10	14,660.10	12,371,394.4	12,371,394.4	12,371,394.4
541589CH8	B	1,615,000.00	1/1/2020	4.125%	N/A	1,740,405.92	20,024.82	N/A	1,720,381.09	20,024.82	20,024.82	20,024.82	20,024.82	12,399,272.1	12,399,272.1	12,399,272.1
541589CN5	B	6,410,000.00	1/1/2025	5.250%	N/A	7,048,804.21	81,102.38	N/A	6,967,701.83	81,102.38	81,102.38	81,102.38	81,102.38	12,652,477.8	12,652,477.8	12,652,477.8
541589CT2	B	10,955,000.00	1/1/2030	5.250%	N/A	12,046,747.30	138,607.89	N/A	11,908,139.40	138,607.89	138,607.89	138,607.89	138,607.89	12,652,477.8	12,652,477.8	12,652,477.8
541589CZ8	B	21,880,000.00	1/1/2036	5.250%	N/A	24,060,504.87	276,836.22	N/A	23,783,668.65	276,836.22	276,836.22	276,836.22	276,836.22	12,652,477.8	12,652,477.8	12,652,477.8
<b>Total Series B</b>		<b>43,135,000.00</b>			<b>N/A</b>	<b>47,342,805.55</b>	<b>544,716.24</b>	<b>N/A</b>	<b>46,797,889.31</b>	<b>544,716.24</b>	<b>544,716.24</b>	<b>544,716.24</b>	<b>544,716.24</b>	<b>12,652,477.8</b>	<b>12,652,477.8</b>	<b>12,652,477.8</b>

<sup>1</sup> Original amortization schedule superseded by acceleration as of June 30, 2016. Used for Series A2 only as reference to ACA Insurance policy payments.

<sup>2</sup> Total Payments made on an accelerated basis of 1) outstanding principal and 2) accrued and unpaid interest through 7/1/16

<sup>3</sup> CUSIP retired by ACA via Series 2005 A-2 Insurance policy. Amounts remain due to ACA by Borrower. Interest payment to be made directly by Trustee (not via DTC).