



May 18, 2021

NOTICE OF ENTRY INTO FUNDING AGREEMENT

\$33,185,000 CONFERENCE CENTER AND HOTEL REVENUE BONDS (LOMBARD PUBLIC FACILITIES CORPORATION PROJECT), FIRST TIER SERIES 2018A-1; (II) \$26,815,000 CONFERENCE CENTER AND HOTEL REVENUE BONDS (LOMBARD PUBLIC FACILITIES CORPORATION PROJECT), FIRST TIER SERIES 2018A-2; (III) \$22,165,000 CONFERENCE CENTER AND HOTEL REVENUE BONDS (LOMBARD PUBLIC FACILITIES CORPORATION PROJECT), FIRST TIER SERIES 2018A-1 (CAPITAL APPRECIATION BONDS); (IV) \$17,790,000 CONFERENCE CENTER AND HOTEL REVENUE BONDS (LOMBARD PUBLIC FACILITIES CORPORATION PROJECT), FIRST TIER SERIES 2018A-2 (CAPITAL APPRECIATION BONDS); (V) \$19,400,000 CONFERENCE CENTER AND HOTEL TAX REVENUE BONDS (LOMBARD PUBLIC FACILITIES CORPORATION PROJECT), SECOND TIER SERIES 2018B; AND (VI) \$22,780,000 CONFERENCE CENTER AND HOTEL TAX REVENUE BONDS (LOMBARD PUBLIC FACILITIES CORPORATION PROJECT), SECOND TIER SERIES 2018B (CAPITAL APPRECIATION BONDS) (COLLECTIVELY, THE “BONDS”)

CUSIP NOS. 74445QAA8, 74445QAB6, 74445QAJ9, 74445QAK6, 74445QAL4, 74445QAM2, 74445QAN0, 74445QAP5, 74445QAQ3, 74445QAR1, 74445QAS9, 74445QAT7, 74445QAU4, 74445QAV2, 74445QAW0, 74445QAX8, 74445QAY6, 74445QAZ3, 74445QBA7, 74445QBB5, 74445QBC3, 74445QBD1, 74445QAE0, 74445QBE9, 74445QBF6, 74445QBG4, 74445QBH2, 74445QBJ8, 74445QBK5, 74445QBL3, 74445QBM1, 74445QBN9, 74445QBP4, 74445QBQ2, 74445QBR0, 74445QBS8, 74445QBT6, 74445QBU3, 74445QBV1, 74445QBW9, 74445QBX7, 74445QBY5, 74445QBZ2, 74445QAF7, 74445QAC4, 74555QDS6, 74445QCA6, 74445QCB4, 74445QCC2, 74445QCD0, 74445QCE8, 74445QCF5, 74445QCG3, 74445QCH1, 74445QCJ7, 74445QCK4, 74445QCL2, 74445QCM0, 74445QCN8, 74445QCP3, 74445QCQ1, 74445QCR9, 74445QCS7, 74445QCT5, 74445QCU2, 74445QCV0, 74445QAG5*

This Notice contains important information that is of interest to the registered and beneficial owners of the above-referenced Bonds. Each registered holder of the Bonds should forward a copy of this Notice immediately to any beneficial owner(s) of the Bonds for whom the holder acts as nominee or in any other capacity.

* CUSIP numbers are included solely for the convenience of Bondholders. The Trustee shall have no responsibility with respect to the selection or use of any CUSIP number, nor is any representation made as to the correctness of any CUSIP number, either as printed on any Bond or in this Notice.

UMB Bank, N.A. is the trustee (the “Trustee”) under that certain Indenture of Trust dated as of March 1, 2018 (the “Indenture”), as amended by that certain First Amendment to Indenture of Trust, dated as of January 20, 2021 (as may be further amended, restated, amended and restated, modified, or supplemented from time to time, the “Indenture”), between the Public Finance Authority and the Trustee. Capitalized terms have the meanings assigned to such terms in the Amended and Restated Master Glossary of Terms for Public Finance Authority Conference Center Hotel Revenue Bonds (Lombard Public Facilities Corporation Project) Series 2018 Transaction dated as of January 20, 2021, attached as Exhibit A to the Indenture.

As previous Notices have stated, Events of Default under, and as defined in, the Indenture and Mortgage, and Loan Default Events under, and as defined in, the Loan Agreement, have occurred and are continuing as a result of, among other things, the Borrower’s failure to make required interest payments with respect to the First Tier Series 2018A-1 Bonds and First Tier Series 2018A-2 Bonds on each of July 1, 2020 and January 1, 2021 and to make other required payments (including the payment of Administrative Expenses and the replenishment of certain reserves, including the First Tier Debt Service Reserve Fund and the Hotel Capital Expenditure Reserve Fund).

The Trustee previously provided notice of its intent to enter into a Bondholder Funding Agreement to fund Project Costs and fees and expenses of the Trustee that the Borrower is unable to fund. The Trustee entered into a Bondholder Funding Agreement which is dated as of May 14, 2021 and a summary of terms is provided below.

Summary of Material Terms of the Funding Agreement

- Principal amount of the Term Loan: \$4,500,000
- Interest rate: 7.5% per annum payable in kind in arrears for each calendar quarter, plus interest on past due interest. Interest shall be paid on the date of any prepayment of the Term Loan, in full or in part, and on the Maturity Date
- Maturity Date: December 31, 2023
- Mandatory Prepayments: Commencing with the calendar quarter ending December 31, 2022 and concluding September 30, 2023, the Trustee shall prepay the Term Loan in an amount equal to any “Excess Cash” for each calendar quarter. “Excess Cash” means cash in the Trust Estate that is available to pay Trustee Expenses in excess of the dollar amounts shown for dates given below:
 - December 31, 2022: \$1,000,000
 - March 31, 2023: \$750,000
 - June 30, 2023: \$750,000
 - September 30, 2023: \$500,000
- Use of Proceeds: The proceeds of the Term Loan shall be deposited by the Trustee in an existing trust account that is part of the Trust Estate and thereafter used by the Trustee from time to time in accordance with the terms of the Indenture and other Bond Documents (i)

to fund Project Costs, (ii) to fund Trustee Expenses, and (iii) in addition to the foregoing, as otherwise directed by one or more Funding Bondholders holding more than 75% of the aggregate outstanding amount of the Term Loan (the “Required Funding Bondholders”).

- Source of Repayment: The Trustee shall have no personal liability for repayment of the Term Loan, interest, or any other amounts due to the Funding Bondholders with respect to the Term Loan (collectively, the “Obligations”). The Funding Bondholders’ sole recourse for repayment of the Obligations shall be from assets held by the Trustee as set forth in the Indenture, Mortgage, and other Bond Documents.
- Security: The Obligations are intended to constitute Indebtedness under, and as defined in, the Mortgage, which Indebtedness is secured by the Collateral. Each Funding Bondholder would appoint the Trustee to serve as its agent with respect to the Collateral and agree that the Trustee shall be entitled to exercise such rights and remedies with respect to the Collateral as set forth in the Indenture, Mortgage, and other Bond Documents.
- Ranking: The Obligations are intended to constitute Trustee Expenses, which, pursuant to sections 5.04(a) and 8.06(a) of the Indenture, are entitled to payment priority from Available Revenue and any proceeds from the realization on Collateral; provided, however, that each Funding Bondholder would agree that payment of the Obligations shall rank junior to the payment of all other Trustee Expenses.
- Payments on the Bonds: No payments will be made to any Bondholder in respect of its Bonds until the Trustee repays the Term Loan in full to the Funding Bondholders; provided that, all amounts paid by the Village to the Trustee pursuant to the Tax Rebate Agreement would be directly deposited into the Second Tier Debt Service Account in accordance with Section 5.01(c)(iv) of the Indenture.

If you have questions concerning this notice, please contact the Trustee’s counsel as noted above or the Trustee directly as follows:

UMB Bank, N.A.
Attention: Gordon Gendler
120 South Sixth Street, Suite 1400
Minneapolis, Minnesota 55402
Phone: (612) 337-7002
Email: Gordon.Gendler@umb.com

Please note that the Trustee may conclude that a specific response to particular inquiries from individual Bondholders is not consistent with equal and full dissemination of significant information to all Holders of the Bonds. Moreover, the matters discussed in this notice and all other Notices issued by the Trustee are for information purposes, and Bondholders should not rely on the Trustee as their sole source of information about matters related to the Bonds. The Trustee makes no recommendations and gives no investment or legal advice to the above matters or to the Bonds generally.

UMB BANK, N.A., as Trustee