# BOND TRUST INDENTURE

**between**

**ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA**

**and**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,**
**as Bond Trustee**

**December 1, 2026**

**Relating to**

**$_____**
**Economic Development Authority of Albemarle County, Virginia**
**Residential Care Facility Revenue Bonds**
**(Westminster-Canterbury of the Blue Ridge)**
**Series 2026**

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This **BOND TRUST INDENTURE** (as more particularly defined below, this "Bond Indenture") is dated as of December 1, 2026, and is between the **ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (as more particularly defined below, the "Authority"), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, as trustee (in such capacity and as more particularly defined below, the "Bond Trustee");

**WHEREAS,** the Authority is empowered by the Act (as hereinafter defined) to issue its revenue bonds to protect and promote the health and welfare of the inhabitants of the Commonwealth (as defined below) by assisting in the acquisition, construction, equipping, expansion, enlargement and improvement of medical facilities and facilities for the residence and care of the aged in order to provide modern and efficient medical services to the inhabitants of the Commonwealth and care of the aged of the Commonwealth in accordance with their special needs and also by assisting in the financing of medical facilities and facilities for the residence or care of the aged owned and operated by organizations which are exempt from taxation pursuant to § 501(c)(3) of the Internal Revenue Code of 1986, as amended, in order to reduce the costs of residents of the Commonwealth utilizing such facilities; and further authorizes any such authority to issue its revenue bonds for the purpose of carrying out its powers;

**WHEREAS,** to further the purposes of the Act, the Authority has determined to issue its Residential Care Facility Revenue Bonds (Westminster-Canterbury of the Blue Ridge), Series 2026 (as more particularly defined below, the "Series 2026 Bonds") in an aggregate principal amount of $_____ and use the proceeds thereof to make a loan to Westminster-Canterbury of the Blue Ridge, a Virginia nonstock corporation (as more particularly defined below, the "Borrower") under the terms of a Loan Agreement dated as of the date hereof (as more particularly defined below, the "Loan Agreement"), between the Authority and the Borrower;

**WHEREAS,** the Borrower will use the proceeds of the Series 2026 Bonds (1) to finance and refinance, including through reimbursement of costs previously incurred, the design, development, acquisition, construction, and equipping of various master plan projects at the Borrower's residential care retirement community located at 250 Pantops Mountain Road in Albemarle County, Virginia (the "Community"), which projects are expected to be located in and around the existing structures and layout of the Community, including, without limitation, the renovation of the main kitchen and dining facilities, including the Main Lobby, the Marketplace, and other dining venues; interior renovation and modernization of elevators and related facilities; renovation and redesign of interior corridors, public spaces, rooms and finishes; rehabilitation of fire safety components; building envelope repairs; replacement of existing roofs; emergency power system and generator upgrades; renovation of the loading dock; and landscape, paving, and connectivity improvements and (2) to finance other capital projects in and around the Community all within the existing structures or existing parking facilities, landscaping or walkways; design, engineering and other preliminary costs related to capital projects on land at or adjacent to the Community; and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2026 Bonds (collectively (1) and (2), the "Project");

**WHEREAS,** simultaneously with the issuance of the Series 2026 Bonds, the Borrower will execute and deliver to the Authority the Series 2026 Obligation (as defined below);

**WHEREAS,** the Authority is entering into this Bond Indenture for the purpose of authorizing the Series 2026 Bonds and securing the payment thereof by assigning its rights as registered owner of the Series 2026 Obligation and certain of its rights under the Loan Agreement to the Bond Trustee;

**WHEREAS,** the Series 2026 Bonds and the Bond Trustee's certificate of authentication thereon are to be in substantially the form attached hereto as Exhibit A, with appropriate variations, omissions and insertions as permitted or required by this Bond Indenture; and

**WHEREAS,** all things necessary to make the Series 2026 Bonds, when authenticated by the Bond Trustee and issued as provided in this Bond Indenture, valid, binding and legal limited obligations of the Authority and to constitute this Bond Indenture a valid and binding agreement securing the payment of the principal of and premium, if any, and interest on all Series 2026 Bonds issued and to be issued hereunder have been done and performed, and the execution and delivery of this Bond Indenture and the execution and issuance of the Series 2026 Bonds, subject to the terms hereof, have in all respects been duly authorized;

**NOW, THEREFORE, THIS BOND INDENTURE FURTHER WITNESSETH:**

That, as security for payment of the principal of, premium, if any, and interest on the Series 2026 Bonds when due, and for the funds which may be advanced by the Bond Trustee pursuant hereto, the Authority does hereby pledge and assign to, and grant a security interest to the Bond Trustee in, the following described property:

A. The Series 2026 Obligation, and all rights, title and interest of the Authority under, in and to the Loan Agreement, the Series 2026 Obligation, the Master Indenture (as hereinafter defined) and the Deed of Trust (as hereinafter defined), and all revenues and receipts receivable by the Authority therefrom and the security therefor including the Deed of Trust (except the Authority's Unassigned Rights, as hereinafter defined), but excluding the payments made directly to the Authority under Sections 4.1 and 5.6 of the Loan Agreement.

B. The funds, including moneys, investment income and investments therein, held by the Bond Trustee under the terms of this Bond Indenture.

C. All other property of any kind mortgaged, pledged or hypothecated at any time as and for additional security hereunder by the Authority or by anyone properly authorized on its behalf or with its written consent in favor of the Bond Trustee, which is hereby authorized to receive all such property at any time and to hold and apply it subject to the terms hereof.

**TO HAVE AND TO HOLD** all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended to be, to the Bond Trustee and its assigns forever.

**IN TRUST**, however, for the equal and proportionate benefit and security of the holders from time to time of the Series 2026 Bonds issued under and secured by this Bond Indenture, without privilege, priority or distinction as to the lien or otherwise of any of the Series 2026 Bonds over any of the others except as on the terms and conditions hereinafter stated.

The Authority hereby covenants and agrees with the Bond Trustee and with the respective registered owners, from time to time, of the Series 2026 Bonds as follows:

## ARTICLE I

## DEFINITIONS AND RULES OF CONSTRUCTION

**Section 101.** **Definitions**. Unless otherwise required by the context, all words and terms defined in the Loan Agreement and the Master Indenture shall have the same meaning in this Bond Indenture. In addition, the following words and terms shall have the following meanings in this Bond Indenture unless the context otherwise requires:

"Act" means the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended.

"Authority" means the Economic Development Authority of Albemarle County, Virginia, a political subdivision of the Commonwealth of Virginia, including any successors or assigns.

"Authority Representative" means the Chair or Vice Chair of the Authority or any other officer designated by certificate signed by the Chair or Vice Chair of the Authority and the designated officer, which certificate is filed with the Bond Trustee.

"Authorized Representative of the Borrower" means the President and Chief Executive Officer or Chief Financial Officer of the Borrower or any other person or persons designated to act on behalf of the Borrower by certificate signed by the President and Chief Executive Officer or Chief Financial Officer of the Borrower and the designated person, which certificate is filed with the Authority and the Bond Trustee.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized on the subject of municipal bonds and reasonably acceptable to the Bond Trustee and the Authority.

"Bond Fund" means the Series 2026 Bond Fund established by Section 601.

"Bond Indenture" means this Bond Trust Indenture, as the same may be altered, amended, modified, or supplemented from time to time.

"Bond Trustee" means the Bond Trustee at the time serving as such under this Bond Indenture, whether the original or successor trustee.

"Bondholder" means the registered owner of any Series 2026 Bond.

"Borrower" means Westminster-Canterbury of the Blue Ridge, a Virginia nonstock corporation, including any successors or assigns.

"Business Day" means any day other than a Saturday, Sunday or day on which banking institutions are authorized or obligated by law to close in the Commonwealth of Virginia or at the place where the designated corporate trust office of the Bond Trustee is located.

"Capitalized Interest Fund" means the Capitalized Interest Fund established by Section 506.

"Capitalized Interest Period" means the period of time from the date of issuance of the Series 2026 Bonds to _____, 20__.

"Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

"Construction Fund" means the Construction Fund established by Section 502.

"Cost of Issuance Fund" means the Series 2026 Cost of Issuance Fund established by Section 501.

"Costs of Issuance" has the meaning assigned to it in the Tax Agreement.

"Costs of the Project" means:

(a) The cost of acquiring property and interests in property that are or will become part of the Project;

(b) The cost of labor, materials, machinery and equipment as payable to contractors, builders and materialmen in connection with the construction, renovation and equipping of the Project;

(c) Governmental charges levied or assessed during construction of the Project, or on any property acquired therefor, and premiums on insurance in connection with the Project during construction;

(d) Expenses necessary or incident to determining the feasibility or practicability of undertaking the Project (excluding, however, the expense of determining the feasibility of the issuance of the Series 2026 Bonds to finance or refinance the Project), the fees and expenses of architects, engineers and management consultants for making studies, surveys and estimates of costs and of revenues and other estimates, and fees and expenses of architects and engineers for preparation of plans, drawings and specifications and for administration of the construction contract or contracts for the Project, as well as for the performance of all other duties of architects and engineers in relation to the acquisition, construction, renovation and equipping of the Project (but not the issuance of the Series 2026 Bonds);

(e) Expenses of administration, supervision and inspection properly chargeable to the Project, fees and costs of development and marketing of the Project, legal expenses and fees of the Borrower in connection with the acquisition, construction, renovation or equipping of the Project (but not the issuance of the Series 2026 Bonds), cost of abstracts and reports on titles to real estate and owners title insurance premiums, cost of managing investments of moneys deposited in the funds created hereunder and all other items of expense, not elsewhere specified in this section incident to the construction, renovation and placing in operation of the Project;

(f) Interest on the Series 2026 Bonds and interest on obligations of the Borrower incurred to finance the Costs of the Project prior to, during and for up to one year after the completion of the Project;

(g) Bond insurance premiums, if any, and related fees and expenses;

(h) Working capital in connection with the construction and operation of the Project;

(i) Costs of Issuance related to the Series 2026 Bonds provided that no more than 2% of the proceeds of the Series 2026 Bonds may be applied to Costs of Issuance and shall first be paid out of the Cost of Issuance Fund;

(j) Any other cost relating to the Project that is set forth in or permitted by the Act; and

(k) Reimbursement to the Borrower for any of such costs paid by it whether before or after the execution of this Bond Indenture; provided, however, that reimbursement for any expenditures made prior to the execution of this Bond Indenture shall only be permitted for expenditures meeting the requirements of applicable Treasury Regulations, including but not limited to Treasury Regulations Section 1.150-2 or any successor Treasury Regulations.

"Deed of Trust" means the Amended and Restated Deed of Trust and Security Agreement dated as of February 1, 2022, between the Borrower, the Master Trustee and certain deed of trust trustees named therein for the benefit of the Master Trustee, as previously supplemented and amended and as supplemented and amended by the Second Modification to Deed of Trust.

"Defeasance Obligations" means (i) cash; (ii) United States Treasury Certificates, Notes and Bonds (including State and Local Government Series ("SLGS")); (iii) direct obligations of the United States Treasury that have been stripped by the Treasury itself, CATS, TIGRS and similar purchase certificates or other instruments evidencing an undivided ownership in payments of the principal of or interest on direct obligations of the United States Treasury.

"Digital Signature" shall mean a signature provided via DocuSign or such other digital signature provider, as specified in writing by the Authorized Representative of the Borrower, in English.

"DTC" has the meaning assigned to it in Section 212.

"Electronic Means" means the following communications methods: e-mail, facsimile transmission, portable data format, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bond Trustee, or another method or system specified by the Bond Trustee as available for use in connection with its services hereunder.

"Event of Default" means any of the events enumerated in Section 901.

"Facilities" has the meaning assigned to it in the Master Indenture.

"Fitch" means Fitch Ratings or its successors in the business of providing investment rating services, provided that if neither Fitch nor any successor is then in such business, the references to Fitch and ratings thereof shall no longer be requirements of the financing documents for the Series 2026 Bonds.

"Foundation" means Westminster-Canterbury of the Blue Ridge Foundation, a Virginia nonstock corporation, including any successors or assigns.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by the United States of America.

"Instructions" has the meaning assigned to it in Section 1001(o) herein.

"Interest Account" means the Interest Account established in the Bond Fund.

"Interest Payment Date" has the meaning given to it in Section 202 herein.

"Letter of Representations" means the Blanket Letter of Representations dated October 29, 2008, from the Authority to DTC and any amendments thereto or successor agreements between the Authority and any successor of DTC, relating to a book-entry system to be maintained by DTC with respect to the Series 2026 Bonds. Notwithstanding any provision of this Bond Indenture including Article XI regarding amendments, the Bond Trustee may enter into any such amendment or successor agreement without the consent of Bondholders.

"Loan Agreement" means the Loan Agreement dated as of the date hereof, between the Authority and the Borrower, as the same may be altered, amended, modified, or supplemented from time to time.

"Master Indenture" means the Amended and Restated Master Trust Indenture dated as of February 1, 2022, between the Borrower, the Foundation and the Master Trustee, as the same may be altered, amended, modified, or supplemented from time to time.

"Master Trustee" means U.S. Bank Trust Company, National Association, as Master Trustee under the Master Indenture, and successors thereto.

"Members" has the meaning assigned to it in the Master Indenture.

"Moody's" means Moody's Investors Service, Inc. or its successors in the business of providing investment rating services, provided that if neither Moody's nor any successor is then in such business the reference to Moody's and ratings thereof shall no longer be requirements of the financing documents for the Series 2026 Bonds.

"Mortgaged Premises" has the meaning assigned to it in the Master Indenture.

"Obligated Group" has the meaning assigned to it in the Master Indenture.

"Series 2026 Obligation" means the Borrower's Promissory Note Constituting the Series 2026 Obligation in the initial principal amount of $_____ dated the date of delivery, issued under the Master Indenture and delivered to the Authority under the Loan Agreement, as the same may be altered, amended, modified, or supplemented from time to time.

"Opinion of Bond Counsel" means an opinion in writing signed by Bond Counsel.

"Opinion of Counsel" means an opinion or, if the subject matter being addressed is not of a nature as to which counsel may opine under applicable legal opinion standards, an advisory letter, in writing, signed by an attorney or firm of attorneys who may be counsel for the Authority or the Members of the Obligated Group or other counsel.

"Outstanding" means all Series 2026 Bonds that have been authenticated and delivered by the Bond Trustee under this Bond Indenture, except the following:

(a) Series 2026 Bonds canceled or purchased by or delivered to the Bond Trustee for cancellation under the provisions of this Bond Indenture;

(b) Series 2026 Bonds that have become due (at maturity or on redemption, acceleration or otherwise) and for the payment, including interest accrued to the due date, of which sufficient moneys are held by the Bond Trustee;

(c) Series 2026 Bonds deemed paid under Section 801 of this Bond Indenture; and

(d) Series 2026 Bonds that have been authenticated under Section 207 of this Bond Indenture (relating to registration and exchange of Series 2026 Bonds) or Section 210 of this Bond Indenture (relating to mutilated, lost, stolen, destroyed or undelivered Series 2026 Bonds) in lieu of other Series 2026 Bonds.

"Principal Account" means the Principal Account established in the Bond Fund.

"Project" has the meaning assigned to it in the recitals.

"Project Completion Date" means the date on which completion of the Project has been certified under Section 504.

"Requisition" means a requisition in substantially the form of Exhibit B.

"Second Modification to Deed of Trust" means the Second Modification to Amended and Restated Deed of Trust and Security Agreement and Substitution of Deed of Trust Trustees dated as of December 1, 2026 between the Borrower and the Master Trustee.

"Series 2026 Bonds" means the Authority's Residential Care Facility Revenue Bonds (Westminster-Canterbury of the Blue Ridge), Series 2026 in the aggregate principal amount of $_____ authorized to be issued under Section 201, as the same may be altered, amended, modified, or supplemented from time to time.

"S&P" means S&P Global Ratings, or its successors in the business of providing investment rating services, provided that if neither S&P nor any successor is then in such business the references to S&P and ratings thereof shall no longer be requirements of the financing documents for the Series 2026 Bonds.

"Supplemental Indenture for the Series 2026 Obligation" means the Supplemental Indenture for the Series 2026 Obligation dated the date hereof, among the Borrower, the Foundation and the Master Trustee, as altered, amended, modified, or supplemented from time to time.

"Tax Agreement" means the Tax Certificate and Agreement dated December __, 2026, between the Authority and the Borrower.

"Term Bonds" means the Series 2026 Bonds maturing on June 1, 20__, and 20__.

"Unassigned Rights" means the rights of the Authority under the Loan Agreement to payment of fees and expenses, indemnification and receipt of notices.

**Section 102.** **Rules of Construction**. The following rules shall apply to the construction of this Bond Indenture unless the context otherwise requires:

(a) Singular words shall connote the plural number as well as the singular and vice versa.

(b) Words importing the redemption or calling for redemption of Series 2026 Bonds shall not be deemed to refer to or connote the payment of Series 2026 Bonds at their stated maturity.

(c) All references herein to particular articles or sections are references to articles or sections of this Bond Indenture.

(d) The headings and Table of Contents herein are solely for convenience of reference and shall not constitute a part of this Bond Indenture nor shall they affect its meaning, construction or effect.

(e) All references herein to the payment of Series 2026 Bonds are references to payment of principal of, premium, if any, and interest on Series 2026 Bonds.

(f) All accounting terms used herein which are not otherwise expressly defined in this Bond Indenture have the meanings respectively given to them in accordance with accounting principles generally accepted in the United States (GAAP). Except as otherwise expressly provided herein, all financial computations made under this Bond Indenture shall be made in accordance with GAAP and all balance sheets and other financial statements shall be prepared in accordance with GAAP.

(g) Unless otherwise specified, the interest rate applicable to all Series 2026 Bonds shall be a rate per year consisting of 360 days, with computations of interest over any period of less than 360 days to be made on the basis of twelve 30-day months.

## ARTICLE II

## AUTHORIZATION, EXECUTION, AUTHENTICATION, REGISTRATION AND DELIVERY OF SERIES 2026 BONDS

**Section 201.** **Authorization of Series 2026 Bonds**. The Authority hereby authorizes the issuance of its Residential Care Facility Revenue Bonds (Westminster-Canterbury of the Blue Ridge), Series 2026, in the aggregate principal amount of $_____.

**Section 202.** **Details of Series 2026 Bonds**. (a) The Series 2026 Bonds shall be issuable as registered bonds in the denominations of $5,000 and multiples thereof ("Authorized Denominations"), shall be dated the date of their delivery, shall be numbered appropriately, shall bear interest payable semiannually commencing on June 1, 20__, and on each June 1 and December 1 thereafter (each an "Interest Payment Date") at rates, and shall mature on June 1 in years and amounts, as follows:

| Year | Amount | Rate |
|---|---|---|

(b) Each Series 2026 Bond shall bear interest (i) from the date of its delivery if it is authenticated prior to June 1, 2027, and (ii) otherwise from the Interest Payment Date that is, or immediately precedes, the date on which such Series 2026 Bond is authenticated; provided, however, that if at the time of authentication of any Series 2026 Bonds interest is in default, such Series 2026 Bond shall bear interest from the date to which interest has been paid.

Principal of, premium, if any, and interest on the Series 2026 Bonds shall be payable in lawful money of the United States of America, but only from the revenues and receipts derived from the Borrower and the security therefor and pledged to the payment thereof as hereinafter provided. Principal of and premium, if any, on Series 2026 Bonds shall be payable upon presentation and surrender of the Series 2026 Bonds as they become due at the designated corporate trust office of the Bond Trustee; provided that, for so long as Cede & Co. or other nominee of DTC is the sole Bondholder, principal of and premium, if any, on the Series 2026 Bonds shall be payable as provided in the Letter of Representations. Interest on Series 2026 Bonds shall be payable to the registered owners by wire transfer, check or draft mailed to such owners at their addresses as they appear on registration books kept by the Bond Trustee as bond registrar, as of the 15th day of the month preceding the Interest Payment Date.

If any principal of or premium, if any, or interest on any Series 2026 Bond is not paid when due (whether at maturity, upon acceleration or call for redemption or otherwise), then the overdue installments of principal and, to the extent permitted by law, interest shall bear interest until paid at the same rate set forth in such Series 2026 Bond.

Nothing herein shall be construed as prohibiting the Authority from issuing the Series 2026 Bonds as one fully registered bond for the purpose of qualifying the Series 2026 Bonds for book entry registration by a securities depository or any similar arrangement whereby investors may hold a participation interest in such Series 2026 Bonds.

**Section 203.** **Execution of Series 2026 Bonds**. The Series 2026 Bonds shall be signed by the manual or facsimile signature of the Chair or the Vice Chair of the Authority, and a manual or facsimile of its seal shall be printed thereon and attested by the manual or facsimile signature of the Secretary or the

Assistant Secretary of the Authority. In case any officer whose signature or a facsimile of whose signature shall appear on any Series 2026 Bond shall cease to be such officer before the delivery of the Series 2026 Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. Any Series 2026 Bond may bear the facsimile signature of such persons as at the actual time of the execution thereof shall be the proper officers to sign such Series 2026 Bond although at the date of delivery of such Series 2026 Bond such persons may not have been such officers.

**Section 204. Authentication of Series 2026 Bonds**. The Series 2026 Bonds shall bear a certificate of authentication, substantially in the form set forth in Exhibit A, duly executed by the Bond Trustee. The Bond Trustee shall authenticate each Series 2026 Bond with the signature of an authorized representative of the Bond Trustee, but it shall not be necessary for the same representative to authenticate all of the Series 2026 Bonds. Only such authenticated Series 2026 Bonds shall be entitled to any right or benefit under this Bond Indenture, and such certificate on any Series 2026 Bond issued hereunder shall be conclusive evidence that the Series 2026 Bond has been duly issued and is secured by the provisions hereof.

**Section 205. Form of Series 2026 Bonds**. The Series 2026 Bonds shall be substantially in the form set forth in Exhibit A, with such appropriate variations, omissions and insertions as permitted or required by this Bond Indenture.

**Section 206. Delivery of Series 2026 Bonds**. (a) The Bond Trustee shall authenticate and deliver the Series 2026 Bonds when there have been filed with it the following:

(1) A certified copy of a resolution or resolutions of the Authority authorizing (A) the execution and delivery of the Loan Agreement and the assignment of the Series 2026 Obligation, (B) the execution and delivery of this Bond Indenture, and (C) the issuance, sale, execution and delivery of the Series 2026 Bonds.

(2) An original executed counterpart of this Bond Indenture.

(3) An original executed counterpart of the Loan Agreement.

(4) The original executed Series 2026 Obligation, assigned by the Authority, without recourse, to the Bond Trustee.

(5) An original executed counterpart of the Supplemental Indenture for the Series 2026 Obligation;

(6) An original executed counterpart of the Second Modification to the Deed of Trust.

(7) An endorsement to the mortgagee title insurance policy on the Mortgaged Premises, such that the aggregate amount insured is at least in the aggregate amount of the Series 2026 Bonds and the maximum principal amount of the Obligations Outstanding (as that term is defined in the Master Indenture), and designating the Master Trustee as the insured named in Schedule A thereto.

(8) An Opinion of McGuireWoods LLP, Counsel to the Borrower, to the effect that (A) the Borrower is a "501(c)(3) organization" within the meaning of Section 145 of the Code, and (B) the Borrower is not a private foundation within the meaning of Section 509(a) of the Code and also to the effect that (C) the Loan Agreement, the Series 2026 Obligation, the Master Indenture and the Deed of Trust have been duly authorized, executed and delivered by the Borrower and, if a party thereto, the Foundation, and are enforceable against the Borrower and, if a party thereto, the Foundation, subject to bankruptcy and equitable principles.

(9) Internal Revenue Service form 8038 completed by the Authority with respect to the Series 2026 Bonds together with a certificate of the Borrower with respect to the information contained therein.

(10) An opinion of McGuireWoods LLP, Bond Counsel, that the interest on the Series 2026 Bonds is excludable from gross income for federal income tax purposes under existing law and is exempt from taxation by the Commonwealth of Virginia and also to the effect that the issuance of the Series 2026 Bonds has been duly authorized by the Authority.

(11) An opinion of McGuireWoods LLP, Bond Counsel, to the Bond Trustee to the effect that registration of the Series 2026 Bonds under the Securities Act of 1933, as amended, and qualification of this Bond Indenture under the Trust Indenture Act of 1939, as amended, is not required.

(12) A request and direction of the Authority, signed by its Chair or Vice Chair, to the Bond Trustee to authenticate and deliver the Series 2026 Bonds to such person or persons named therein upon payment to the Bond Trustee for the account of the Authority of a specified sum plus accrued interest to the date of delivery.

(b) Simultaneously with the delivery of the Series 2026 Bonds, the Bond Trustee shall apply, or arrange for the application of, the proceeds thereof, in the amount of $_____ (equal to the par amount of the Series 2026 Bonds of $_____ [plus/less] the [net] original issue [premium/discount] of $_____ less the underwriter's discount of $_____) as follows:

(1) $_____ to the Cost of Issuance Fund;

(2) $_____ to the Construction Fund; and

(3) $_____ to the Capitalized Interest Fund.

**Section 207. <u>Exchange of Series 2026 Bonds; Persons Treated as Owners</u>**. The Bond Trustee shall maintain registration books for the registration and exchange of Series 2026 Bonds. Upon surrender of any Series 2026 Bond at the designated corporate trust office of the Bond Trustee, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Bond Trustee, such Series 2026 Bond may be exchanged for an equal aggregate principal amount of Series 2026 Bonds of authorized denominations, of the same series, form and maturity, bearing interest at the same rate as the Series 2026 Bonds surrendered and registered in the name or names requested by the then registered owner. The Authority shall execute and the Bond Trustee shall authenticate any Series 2026 Bonds necessary to provide for exchange of Series 2026 Bonds under this section. The transferor shall also provide or cause to be provided to the Bond Trustee

all information necessary to allow the Bond Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Bond Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Prior to due presentment for registration of transfer of any Series 2026 Bond, the Bond Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person registered on the 15th day of the month preceding the Interest Payment Date as owner on the registration books maintained by the Bond Trustee.

**Section 208.** **Charges for Exchange of Series 2026 Bonds**. Any exchange of Series 2026 Bonds shall be at the expense of the Borrower, except that the Bond Trustee as bond registrar shall make a charge to any Series 2026 Bondholder requesting such exchange in the amount of any tax or other governmental charge required to be paid with respect thereto.

**Section 209.** **Temporary Series 2026 Bonds**. Prior to the preparation of Series 2026 Bonds in definitive form the Authority may issue temporary Series 2026 Bonds in such denominations as the Authority may determine, but otherwise in substantially the form hereinabove set forth with appropriate variations, omissions and insertions. The Authority shall promptly prepare, execute and deliver to the Bond Trustee before the first Interest Payment Date Series 2026 Bonds in definitive form and thereupon, upon presentation and surrender of Series 2026 Bonds in temporary form, the Bond Trustee shall authenticate and deliver in exchange therefor Series 2026 Bonds in definitive form of the same series and maturity for the same aggregate principal amount. Until exchanged for Series 2026 Bonds in definitive form, Series 2026 Bonds in temporary form shall be entitled to the lien and benefit of this Bond Indenture. Notwithstanding the foregoing, so long as the Series 2026 Bonds are held in book-entry-only form they may be typewritten.

**Section 210.** **Mutilated, Lost or Destroyed Series 2026 Bonds**. If any Series 2026 Bond has been mutilated, lost or destroyed, the Authority shall execute, and the Bond Trustee shall authenticate and deliver, a new Series 2026 Bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Series 2026 Bond or in lieu of and in substitution for such lost or destroyed Series 2026 Bond; provided, however, that the Authority and the Bond Trustee shall so execute, authenticate and deliver such new Series 2026 Bond only if the holder has paid the reasonable expenses and charges of the Authority and the Bond Trustee in connection therewith and, in the case of a lost or destroyed Series 2026 Bond, (a) has filed with the Authority and the Bond Trustee evidence satisfactory to them that such Series 2026 Bond was lost or destroyed and that the holder was the owner thereof and (b) has furnished to the Authority and the Bond Trustee indemnity satisfactory to them. If any such Series 2026 Bond has matured, instead of issuing a new Series 2026 Bond the Bond Trustee may pay the same without surrender thereof, upon receipt of the evidence and indemnity described above.

**Section 211.** **Cancellation and Disposition of Series 2026 Bonds**. All Series 2026 Bonds that have been paid (whether at maturity, upon acceleration or call for redemption or otherwise) or delivered to the Bond Trustee by the Borrower for cancellation shall not be reissued, and the Bond Trustee shall, unless otherwise directed by the Authority, cremate, shred or otherwise dispose of such Series 2026 Bonds in accordance with the standard procedures of the Bond Trustee. The Bond Trustee shall deliver to the Authority a certificate of any such cremation, shredding or other disposition.

**Section 212.** **Book Entry Provisions**. (a) The Series 2026 Bonds will be registered in the name of Cede & Co., a nominee of The Depository Trust Company, New York, New York ("DTC"), and immobilized in DTC's custody, or in the custody of the Bond Trustee as "FAST" agent for DTC. One Series 2026 Bond for the original principal amount of each maturity will be registered to Cede & Co. Beneficial owners of the Series 2026 Bonds will not receive physical delivery of the Series 2026 Bonds. Individual purchases of the Series 2026 Bonds may be made in book-entry form only in original principal amounts of $5,000 and integral multiples of $5,000. Payments of principal of and premium, if any, and interest on the Series 2026 Bonds will be made to DTC or its nominee as the sole Series 2026 Bondholder on the applicable payment date.

DTC is responsible for the transfer of the payments of the principal of and premium, if any, and interest on the Series 2026 Bonds to its participants, which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations (the "Participants") and selection of Series 2026 Bonds to be redeemed in the case of a partial redemption. Transfer of the payments of the principal of and premium, if any, and interest on the Series 2026 Bonds to beneficial owners of the Series 2026 Bonds is the responsibility of the Participants and other nominees of such beneficial owners.

Transfer of the beneficial ownership interests in the Series 2026 Bonds shall be made by DTC and its Participants, acting as nominees of the beneficial owners of the Series 2026 Bonds, in accordance with rules specified by DTC and its Participants. Neither the Authority nor the Bond Trustee makes any assurances that DTC, its Participants or other nominees of the beneficial owners of the Series 2026 Bonds will act in accordance with such rules or on a timely basis.

**The Authority and the Bond Trustee disclaim any responsibility or obligation to the Participants or the beneficial owners with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC to any Participant or by any Participant to any beneficial owner of any amount due to any beneficial owner in respect of the principal of and premium, if any, and interest on the Series 2026 Bonds, (iii) the delivery by DTC to any Participant or by any Participant to any beneficial owner of any notice to any beneficial owner which is required or permitted under the terms of this Bond Indenture to be given to Bondholders, (iv) the selection of the beneficial owners to receive payment in any partial redemption of the Series 2026 Bonds, or (v) any other action taken by DTC as Bondholder.**

So long as Cede & Co., as nominee of DTC, is the sole Bondholder, references in this Bond Indenture to the Bondholders or registered owners of the Series 2026 Bonds mean Cede & Co. and not the beneficial owners of the Series 2026 Bonds. Any notice to or consent requested of Bondholders under this Bond Indenture shall be given to or requested of Cede & Co.

(b) Replacement Series 2026 Bonds (the "Replacement Bonds") will be registered in the name of and be issued directly to beneficial owners of the Series 2026 Bonds rather than to DTC, or its nominee, but only if:

(1) DTC determines not to continue to act as securities depository for the Series 2026 Bonds; or

(2) The Bond Trustee or the Authority has advised DTC of the Bond Trustee's or the Authority's determination that DTC is incapable of discharging its duties or that it is otherwise

in the best interests of the beneficial owners of the Series 2026 Bonds to discontinue the book-entry system of transfer.

Upon the occurrence of an event described in clause (1) or (2) (and the Bond Trustee and the Authority undertake no obligation to make any investigation regarding the matters described in clause (2)), the Authority may attempt to locate another qualified securities depository. If the Authority fails to locate another qualified securities depository to replace DTC, the Authority shall execute and the Bond Trustee shall authenticate and deliver to the Participants the Replacement Bonds (substantially in the form set forth in Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Bond Indenture) to which the Participants are entitled for delivery to the beneficial owners of the Series 2026 Bonds. The Bond Trustee shall be entitled to rely on the records provided by DTC as to the Participants entitled to receive Replacement Bonds. The Bondholders of the Replacement Bonds shall be entitled to the lien and benefits of this Bond Indenture.

In connection with any proposed transfer outside DTC's system, the Authority, the Borrower or DTC shall provide or cause to be provided to the Bond Trustee all information necessary to allow the Bond Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Bond Trustee may conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

## ARTICLE III

## REDEMPTION OF SERIES 2026 BONDS

**Section 301. Redemption Dates and Prices**. The Series 2026 Bonds may not be called for redemption by the Authority except as provided below:

(a) Extraordinary Optional Redemption. The Series 2026 Bonds are subject to redemption, in whole or in part, at a redemption price equal to 100% of the principal amount thereof, without premium, plus accrued interest to, but not including, the redemption date, on the earliest date for which notice of redemption can be given at the direction of the Borrower, to the extent the Borrower makes a prepayment on the Series 2026 Obligation under the circumstances permitted by Section 7.1 of the Loan Agreement and Section 3.05 of the Master Indenture. In the circumstance contemplated by Section 7.1(c) of the Loan Agreement, the Series 2026 Bonds shall be subject to extraordinary optional redemption in an amount that bears the same pro rata relationship to the aggregate principal amount of the Series 2026 Bonds then outstanding as that portion of the Mortgaged Premises financed or refinanced with the proceeds of the Series 2026 Bonds (the "Bond Financed Property") with respect to which the insurance proceeds have been received bears to all Bond Financed Property. In the event of a partial extraordinary optional redemption, an Authorized Representative of the Borrower may direct the Bond Trustee to redeem as directed in writing by the Borrower, the Series 2026 Bonds from each maturity then outstanding, to the extent practicable, in the proportion that the principal amount of Series 2026 Bonds of such maturity bears to the total principal amount of all Series 2026 Bonds issued under this Bond Indenture and then outstanding or in inverse order of maturity, and the Bond Trustee shall redeem in accordance with such Instructions.

(b) Optional Redemption. The Series 2026 Bonds will be subject to redemption by the Authority, at the written direction of the Borrower, prior to maturity in whole, or in part by lot, at any time,

on and after June 1, 20__, at the following redemption prices (expressed as a percentage of the principal amount of the Series 2026 Bonds to be redeemed) plus accrued interest thereon, if any, to the redemption date in the event the Borrower exercises its option to prepay all or a portion of the amounts available under the Series 2026 Obligation under Sections 7.2 or 7.3 of the Loan Agreement:

| **Redemption Period:** | **Price** |
|---|---|
| June 1, 20__ through May 31, 20__ | |
| June 1, 20__ through May 31, 20__ | |
| June 1, 20__ through May 31, 20__ | |
| June 1, 20__ and thereafter | |

(c) The Term Bonds are required to be redeemed in part under the terms of the sinking fund requirement provided in Section 303 at a redemption price of 100% of the principal amount thereof plus accrued interest thereon to the redemption date.

(d) Except as provided in paragraph (a), if less than all of the Series 2026 Bonds of any maturity are called for redemption, the Series 2026 Bonds to be redeemed shall be selected by DTC in accordance with its procedures, or if DTC is not the securities depository, then by lot in such manner as the Bond Trustee in its discretion may determine, each portion of $5,000 principal amount being counted as one Series 2026 Bond for such purposes. If a portion of a Series 2026 Bond having a principal amount of more than $5,000 shall be called for redemption, a new registered Series 2026 Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

(e) If the Borrower exercises any option to prepay the Series 2026 Obligation under Article VII of the Loan Agreement or requests any redemption of Series 2026 Bonds permitted hereunder and sufficient amounts are in the funds created herein, the Bond Trustee shall, in the name of the Authority, redeem Series 2026 Bonds as then permitted or required at the earliest practicable date permitted hereunder.

**Section 302.** **Notice of Redemption**. The Bond Trustee, upon being satisfactorily indemnified with respect to expenses, shall cause notice of the call for any such redemption identifying the Series 2026 Bonds to be redeemed to be sent by first class mail not less than 30 nor more than 60 days prior to the redemption date to the owner of each Series 2026 Bond to be redeemed at his address as it appears on the registration books. Failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Series 2026 Bond with respect to which no such failure or defect has occurred.

Any notice of redemption mailed as specified in this section shall be deemed to have been duly given when mailed by the Bond Trustee. Any such notice shall be given in the Authority's name, identify the Series 2026 Bonds to be redeemed by name, certificate number, CUSIP number, interest rate, maturity date and any other descriptive information determined by the Bond Trustee to be needed to identify the Series 2026 Bonds. All such notices shall also state that on the redemption date the Series 2026 Bonds called for redemption will be payable at the Bond Trustee's designated corporate trust office and that from that date interest will cease to accrue.

In the case of an optional redemption under Section 301(b), the notice may state that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Bond Trustee no later than the redemption date.

On or before the date fixed for redemption, funds shall be deposited with the Bond Trustee to pay the principal of, premium, if any, and interest accrued thereon to the redemption date on the Series 2026 Bonds called for redemption. Upon the happening of the above conditions, the Series 2026 Bonds or portions thereof thus called for redemption shall cease to bear interest from and after the redemption date, shall no longer be entitled to the benefits provided by this Bond Indenture and shall not be deemed to be Outstanding under the provisions of this Bond Indenture.

**Section 303.** **Mandatory Sinking Fund**. As a sinking fund, the Bond Trustee shall redeem Series 2026 Bonds maturing on June 1, 20__, on June 1 in years and in principal amounts and at a price of 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest thereon to the redemption date, as follows:

| Year | Amount |
|---|---|

[*] Maturity

As a sinking fund, the Bond Trustee shall redeem Series 2026 Bonds maturing on June 1, 20__, on June 1 in years and in principal amounts and at a price of 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest thereon to the redemption date, as follows:

| Year | Amount |
|---|---|

[*] Maturity

The Authority shall receive a credit against payments required to be made on any mandatory sinking fund redemption date specified by an Authorized Representative of the Borrower for the Series 2026 Bonds of the same series and maturity, in an amount equal to the principal amount of such Series 2026 Bonds that have been redeemed (otherwise than by mandatory sinking fund redemption) before the mandatory sinking fund redemption date or purchased by the Authority or the Borrower and delivered to the Bond Trustee for

cancellation at least sixty (60) days before the mandatory sinking fund redemption date, provided the principal amount of such Series 2026 Bonds has not previously been applied as a credit against any other mandatory sinking fund redemption payment.

**Section 304.** **Purchase in Lieu of Redemption**. The Authority and, by their acceptance of the Series 2026 Bonds, the owners of the Series 2026 Bonds, irrevocably grant to the Borrower the option to purchase, at any time and from time to time, any Series 2026 Bond which has been called for redemption under the provisions of this Bond Indenture at a price equal to the principal amount thereof, plus any applicable premium, and plus the interest accrued on the principal amount to be redeemed to the date fixed for redemption. To exercise such option, the Borrower shall give the Bond Trustee a written request exercising such option as though such written request were a written request of the Authority for redemption, and the Bond Trustee shall thereupon give notice of such purchase in the manner specified herein as though such purchase were a redemption, and the purchase of such Series 2026 Bonds shall be mandatory and enforceable against the owners of any such Series 2026 Bonds. On the date fixed for purchase under any exercise of such option, the Borrower shall pay the purchase price of the Series 2026 Bonds then being purchased to the Bond Trustee in immediately available funds, and the Bond Trustee shall pay the same to the registered owner against delivery thereof. Following such purchase, the Bond Trustee shall cause such Series 2026 Bonds to be registered in the name of the Borrower or its nominee and shall deliver them to the Borrower or its nominee. In the case of the purchase of less than all of the Series 2026 Bonds, the particular Series 2026 Bonds to be purchased shall be selected in accordance with the provisions of Section 301 hereof. No purchase of the Series 2026 Bonds under this provision shall operate to extinguish the indebtedness of the Authority evidenced thereby.

## ARTICLE IV

## GENERAL COVENANTS AND PROVISIONS

**Section 401.** **Payment of Series 2026 Bonds**. The Authority shall promptly pay when due the principal of (whether at maturity, upon acceleration or call for redemption or otherwise) and premium, if any, and interest on the Series 2026 Bonds at the places, on the dates and in the manner provided herein and in the Series 2026 Bonds; provided, however, that such obligations are not general obligations of the Authority but are limited obligations payable solely from the revenues and receipts derived from the trust estate granted in the granting clauses at the beginning of this Bond Indenture, which revenues and receipts are hereby specifically pledged to such purposes in the manner and to the extent provided herein. Neither the directors of the Authority nor any persons executing the Series 2026 Bonds shall be liable personally on the Series 2026 Bonds by reason of the issuance thereof. The Series 2026 Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the County of Albemarle, Virginia. Neither the Commonwealth of Virginia nor any political subdivision thereof, including the Authority and the County of Albemarle, Virginia, shall be liable for the Series 2026 Bonds or obligated to pay the principal, premium, if any, or the interest thereon or other costs incident thereto except from the revenues and receipts pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the County of Albemarle, Virginia, is pledged to the payment of the principal of or the premium, if any, or the interest on the Series 2026 Bonds or other costs incident thereto.

**Section 402.** **Covenants and Representations of Authority**. The Authority shall observe and perform all covenants, conditions and agreements on its part contained in this Bond Indenture, in every Series 2026 Bond executed, authenticated and delivered hereunder and in all its proceedings pertaining thereto; provided, however that the liability of the Authority under any such covenant, condition or agreement for any breach or default by the Authority thereof or thereunder shall be limited solely to the revenues and receipts derived from the trust estate. The Authority represents that it is duly authorized under the Constitution and laws of the Commonwealth of Virginia, including particularly and without limitation the Act, to issue the Series 2026 Bonds authorized hereby and to execute this Bond Indenture, to execute and assign the Loan Agreement, to assign the Series 2026 Obligation and to pledge the revenues, receipts and funds in the manner and to the extent herein set forth; that all action on its part for the issuance of the Series 2026 Bonds and the execution and delivery of this Bond Indenture has been duly and effectively taken; and that the Series 2026 Bonds in the hands of the Bondholders thereof are and will be valid and enforceable obligations of the Authority according to the terms thereof except as limited by bankruptcy laws and usual equity principles.

**Section 403.** **Instruments of Further Assurance**. The Authority shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Bond Trustee may reasonably require for the better assuring, transferring, conveying, pledging and assigning to the Bond Trustee of all the rights assigned hereby and the revenues and receipts pledged hereby to the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds. The Authority shall cooperate with the Bond Trustee and with the Bondholders in protecting the rights and security of the Bondholders.

**Section 404.** **Inspection of Books of Facilities**. All books and documents in the Authority's possession relating to the Loan Agreement and the Series 2026 Obligation and the revenues derived therefrom shall at all reasonable times and after reasonable notice be open to inspection by such agents as the Bond Trustee or the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding may from time to time designate.

**Section 405.** **Rights under Loan Agreement, the Series 2026 Obligation and Deed of Trust**. The Bond Trustee in its own name or in the name of the Authority may enforce all rights of the Authority, except the Authority's Unassigned Rights, and all obligations of the Borrower under the Loan Agreement, the Series 2026 Obligation and the Deed of Trust for and on behalf of the Bondholders, whether or not the Authority is in default hereunder.

**Section 406.** **Prohibited Activities, Arbitrage Covenant, Tax Covenant**. The Authority shall not knowingly engage in any activities or take any action that might result in the income of the Authority derived from the Borrower becoming taxable to it.

The Authority covenants for the benefit of the Bondholders of the Series 2026 Bonds that it will, to the extent within its control, take no action to cause the proceeds of the Series 2026 Bonds, the earnings on those proceeds or any moneys on deposit in any fund or account maintained with respect to the Series 2026 Bonds (whether such moneys were derived from the proceeds of the sale of the Series 2026 Bonds or from other sources) to be used in a manner that will cause the Series 2026 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code (including but not limited to ensuring compliance with the ongoing requirements of Section 148 of the Code concerning the rebate and non-purpose investment rules) all in accordance with the Tax Agreement. This covenant shall survive the defeasance or payment in full of the

Series 2026 Bonds, notwithstanding any other provision of this Bond Indenture until requirements for payment of any rebate amounts pursuant to Section 148(f) of the Code have been satisfied.

The Authority covenants for the benefit of the Bondholders of the Series 2026 Bonds that it will, to the extent within its control, take no action, or permit any action to be taken, that would cause the interest on the Series 2026 Bonds to be includable in gross income for federal income tax purposes. This covenant shall survive the defeasance or payment in full of the Series 2026 Bonds notwithstanding any other provision of this Bond Indenture until the requirements for payment of any rebate amounts pursuant to Section 148(f) of the Code have been fully satisfied.

**Section 407.** **Reports by Bond Trustee**. The Bond Trustee shall make monthly reports to the Borrower of all moneys received and expended by it under this Bond Indenture, and the Bond Trustee shall make annual reports no later than 30 days following the end of each Fiscal Year to the Authority of all moneys received and expended by it under this Bond Indenture. The Bond Trustee shall not be required to provide a report for any month in which there is no activity in any of the funds established under this Bond Indenture.

**Section 408.** **Letter of Representations**. The Authority and the Bond Trustee agree that, so long as Cede & Co. or some other nominee of DTC is the sole Bondholder, they each will give notices, make payments and establish record dates for consents and similar purposes with respect to the Series 2026 Bonds and select Series 2026 Bonds for redemption as set forth in the Letter of Representations.

**Section 409.** **Loan to Finance the Project**. Subject to the provisions of Section 401 and under the Loan Agreement, the Authority shall make a loan to the Borrower with the proceeds of the Series 2026 Bonds so that it can finance the Project. The Authority shall not create or knowingly suffer to be created any lien or security interest in the Mortgaged Premises or the Facilities except Permitted Liens (as defined in the Master Indenture), or any lien on the revenues with respect to the loan to the Borrower, except the pledge made under this Bond Indenture.

## ARTICLE V

## CUSTODY AND APPLICATION OF BOND PROCEEDS

**Section 501.** **Cost of Issuance Fund**. There is hereby established with the Bond Trustee a trust fund designated "Economic Development Authority of Albemarle County, Virginia, Cost of Issuance Fund: Westminster Canterbury Blue Ridge Project, Series 2026."

(a) All investment earnings on amounts held in the Cost of Issuance Fund shall be transferred to the Construction Fund.

(b) The Bond Trustee shall use amounts in the Cost of Issuance Fund at the direction of the Borrower for payment of Costs of Issuance and Costs of the Project.

(c) Before any payment shall be made from the Cost of Issuance Fund there shall be filed with the Bond Trustee a Requisition.

Upon receipt of each such Requisition the Bond Trustee shall, within two Business Days, make payment from the Cost of Issuance Fund in accordance with such Requisition; provided, however, that if

any Event of Default exists, the Bond Trustee shall not be required to make, but may make, such payment if it determines that such payment is in the interest of the Bondholders of the Series 2026 Bonds. All such payments shall be made by check or draft payable either (i) directly to the person, firm or corporation to be paid, (ii) to both the Borrower and such person, firm or corporation, or (iii) upon receipt of evidence that the Borrower has previously paid such amount, to the Borrower.

(d) At the earlier of 180 days after the issuance of the Series 2026 Bonds or when the Bond Trustee shall have received a certificate of the Borrower signed by an Authorized Representative of the Borrower, stating that all Costs of Issuance have been paid, the balance of any moneys remaining in the Cost of Issuance Fund shall be transferred, at the direction of the Borrower, to the Construction Fund.

**Section 502. Construction Fund.** There is hereby established with the Bond Trustee a trust fund designated "Economic Development Authority of Albemarle County, Virginia, Construction Fund: Westminster Canterbury Blue Ridge Project, Series 2026."

**Section 503. Disbursement from Construction Fund**. (a) The Bond Trustee shall disburse moneys in the Construction Fund in accordance with paragraph (e) of this Section solely to pay Costs of the Project. Before the Bond Trustee disburses any money from the Construction Fund, the Borrower shall file with the Bond Trustee a Requisition.

(b) The Requisition shall contain no items representing any amount constituting a Cost of Issuance unless the Requisition is accompanied by an Opinion of Bond Counsel that the payment of the amount in the Requisition will not adversely affect the exemption of interest on the Series 2026 Bonds from federal income tax.

(c) The Bond Trustee shall not be responsible for (i) determining whether the funds on hand in the Construction Fund are sufficient to complete the Project, or (ii) collecting lien waivers (if any).

(d) The Borrower shall retain on file copies of all Requisitions and all attachments thereto.

(e) Upon receipt of each such Requisition (including any required attachments and opinions), the Bond Trustee shall within two Business Days make disbursement from the Construction Fund in accordance with such Requisition; provided, however, that if any default exists hereunder, under the Master Indenture or under the Loan Agreement, the Bond Trustee shall not be required to make but may make such disbursements if it determines that such payment is in the interest of the holders of the Series 2026 Bonds. All such payments shall be made by check or federal funds wire payable either (i) directly to the person, firm or corporation to be paid, (ii) to both the Borrower and such person, firm or corporation or, (iii) upon receipt of evidence that the Borrower has previously paid such amount, to the Borrower.

(f) Notwithstanding the above, to the extent no other funds are available therefor, the Bond Trustee shall use amounts on deposit in the Construction Fund to pay principal of and interest on the Series 2026 Bonds in the event of a default by the Borrower in making payments to the Bond Trustee to pay such principal and interest.

**Section 504. Disposition of Balance in Construction Fund**. When the Project is complete, and the Bond Trustee receives (a) a written direction signed by the Authorized Representative of the

Borrower stating (1) the date of completion of the Project, and (2) where any balance in the Construction Fund should be distributed, and (b) an Opinion of Bond Counsel, the Bond Trustee shall disburse the remaining balance in the Construction Fund in accordance with the written direction referenced above.

**Section 505.** **Limit on Investments**. In any event, beginning on the date of the third anniversary of the issuance of the Series 2026 Bonds, the Bond Trustee shall invest moneys in the Construction Fund or transferred therefrom to any other fund only in accordance with an Opinion of Bond Counsel.

**Section 506.** **Capitalized Interest Fund**. (a) There is hereby established with the Bond Trustee a trust fund designated the "Economic Development Authority of Albemarle County, Virginia, Capitalized Interest Fund: Westminster Canterbury Blue Ridge Project, Series 2026."

(b) During the Capitalized Interest Period, the Bond Trustee shall transfer money from the Capitalized Interest Fund to the Interest Account of the Bond Fund on or before the dates required in Section 602 in the amounts required under Section 602.

(c) Interest earned on and any profit realized from the investment of money in the Capitalized Interest Fund will be retained in the Capitalized Interest Fund and used to make the transfers described in Section 506(b).

(d) If there are amounts remaining in the Capitalized Interest Fund after the end of the Capitalized Interest Period, the Bond Trustee shall transfer such amounts to the Construction Fund.

## ARTICLE VI

## REVENUES AND FUNDS

**Section 601.** **Establishment of Funds**. The following trust fund, to be held by the Bond Trustee, is hereby established under this Bond Indenture:

> "Economic Development Authority of Albemarle County, Virginia, Series 2026 Bond Fund: Westminster-Canterbury of the Blue Ridge Project," in which there shall be established the following subaccounts:
>
> (a) the Interest Account; and
>
> (b) the Principal Account.

**Section 602.** **Funds Received**. (a) The Bond Trustee on the tenth day of the month shall deposit all payments and receipts derived from the Series 2026 Obligation, the Loan Agreement, or the security therefor, or the Capitalized Interest Fund (if during the Capitalized Interest Period) in the following order, subject to credits as provided in this Article VI:

> (1) To the Interest Account of the Bond Fund commencing on January 10, 2027, and continuing on the tenth day of each month thereafter to and including May 10, 2027, an amount equal to one-fifth of the amount of interest due on the Series 2026 Bonds on the next Interest Payment Date, and thereafter to the Interest Account of the Bond Fund commencing June 10, 2027,

and continuing on the tenth day of each month thereafter, an amount equal to one-sixth of the amount of interest due on the Series 2026 Bonds on the next Interest Payment Date (in each case, after first applying as a credit any excess amounts transferred to the Interest Account under Sections 504 and any amount transferred from the Capitalized Interest Fund), or such lesser amount that, together with amounts already on deposit in the Interest Account, but subject to the provisions of Section 603(a), will be sufficient to pay interest on the Series 2026 Bonds to become due on the following Interest Payment Date.

(2) To the Principal Account of the Bond Fund, commencing on [June] 10, 20__, and continuing on the tenth day of each month thereafter an amount equal to one-twelfth of the amount of principal that will become due on the Series 2026 Bonds on the following June 1 or will be payable on such June 1 under Section 303 or such lesser amount that, together with amounts already on deposit in the Principal Account, will be sufficient to pay principal of the Series 2026 Bonds to become due or be paid at redemption on such June 1.

(b) If on the tenth day of any month sufficient funds are not received by the Bond Trustee to make the deposits to the Bond Fund required on such date, the Bond Trustee shall within three Business Days notify the Borrower (with a copy to the Authority) and the Master Trustee of such by telephone or Electronic Means with receipt confirmed in writing, by first class registered or certified mail.

**Section 603. Bond Fund.**

(a) Interest Account. The Bond Trustee shall use moneys in the Interest Account solely to pay interest on the Series 2026 Bonds as the same becomes due. The Bond Trustee shall use amounts deposited in the Interest Account as funded interest on the Series 2026 Bonds to pay each interest payment thereon until such amount is depleted. If the Bond Trustee is purchasing Series 2026 Bonds under Sections 304 or 603(b)(1), amounts in the Interest Account may be used to pay the portion of the purchase price consisting of accrued interest to the date of purchase.

In the event the balance in the Interest Account on the tenth (10th) day of the month next preceding an Interest Payment Date or date upon which the Series 2026 Bonds are to be redeemed is insufficient for the payment of interest becoming due on the Series 2026 Bonds on the next ensuing Interest Payment Date or date upon which the Series 2026 Bonds are to be redeemed, the Bond Trustee shall within three Business Days notify the Borrower of the amount of the deficiency. Upon notification, the Borrower shall immediately deliver to the Bond Trustee an amount sufficient to cure the same.

(b) Principal Account. The Bond Trustee shall use moneys in the Principal Account solely to pay the principal of and premium, if any, on the Series 2026 Bonds whether at maturity, by acceleration, call for redemption or otherwise. The Bond Trustee shall provide for redemption of Series 2026 Bonds in accordance with the mandatory sinking fund redemption schedule set forth in Section 303; provided, however, that on or before the 70th day next preceding any such sinking fund payment date the Authority, or the Authorized Representative of the Borrower on behalf of the Authority, may:

(1) pay to the Bond Trustee for deposit in the Principal Account as an advance payment on the Series 2026 Obligation such amount as the Borrower may determine, accompanied by a certificate signed by an Authorized Representative of the Borrower directing the Bond Trustee to apply such amount on or before such 70$^{th}$ day to the purchase of Series 2026 Bonds required to

be redeemed on such sinking fund payment date, and the Bond Trustee shall thereupon use all reasonable efforts to expend such funds as nearly as may be practicable in the purchase of such Series 2026 Bonds at a price (including accrued interest to the date of settlement) not exceeding the principal amount thereof plus accrued interest to such sinking fund redemption date;

(2) deliver to the Bond Trustee for cancellation Series 2026 Bonds required to be redeemed on such sinking fund payment date in any aggregate principal amount desired; or

(3) instruct the Bond Trustee to apply a credit against the Authority's sinking fund redemption obligation for any such Series 2026 Bonds that previously have been redeemed (other than through the operation of the sinking fund) and cancelled by the Bond Trustee and not previously applied as a credit against any sinking fund redemption obligation.

Each Series 2026 Bond so purchased, delivered or previously redeemed shall be credited by the Bond Trustee at 100% of the principal amount thereof against amounts required to be transferred to the Principal Account on account of such Series 2026 Bonds and the principal amount of Series 2026 Bonds to be redeemed on such sinking fund payment date shall be reduced by the amount of Series 2026 Bonds so purchased, delivered or previously redeemed. Any principal amount of such Series 2026 Bonds in excess of the principal amount required to be redeemed on such sinking fund payment date shall be similarly credited in chronological order against future transfers to the Principal Account and shall similarly reduce the principal amount of Series 2026 Bonds to be redeemed on the next sinking fund payment date.

In the event the balance in the Principal Account on any May 10 is insufficient for the payment of the principal becoming due on the next ensuing June 1, the Bond Trustee shall within three Business Days notify the Borrower of the amount of the deficiency. Upon notification, the Borrower shall immediately deliver to the Bond Trustee an amount sufficient to cure the same.

(c) Investment earnings on amounts in the Interest Account shall be retained in the Interest Account, except that, prior to the Bond Trustee's receipt of the certificate of completion of the Project under Section 504 herein, such earnings shall be transferred to the Construction Fund to be used to pay the Costs of the Project. If the balance in the Interest Account on any Interest Payment Date (before the transfers to be made to such account on such date) shall exceed the amount payable on account of interest payable on the Series 2026 Bonds on such date, the excess shall be retained in the Interest Account and used as a credit against required transfers to the Interest Account during the following months preceding the next Interest Payment Date. Investment earnings on amounts in the Principal Account shall be credited thereto as earned. In the event the balance in the Principal Account on any June 1 (prior to the transfers to be made to such account on such date) shall exceed the amount necessary on such date to pay principal of the Series 2026 Bonds at maturity, the excess shall be retained therein and used to pay principal of the Series 2026 Bonds due and to the extent not so used, credited against required transfers thereto.

(d) When the balances in the Interest Account and Principal Account of the Bond Fund are sufficient to redeem or pay at maturity all Series 2026 Bonds then Outstanding and to pay all interest to accrue thereon prior to redemption or maturity, at the request of the Borrower the balance in the Bond Fund shall be held for redemption or payment of the Series 2026 Bonds at the earliest practicable date and the payment of interest thereon and for no other purpose.

**Section 604.** **Accounts within Funds**. The Bond Trustee shall at the written direction of the Borrower create accounts within any fund established by this Bond Indenture and shall deposit amounts transferred to such fund in accounts therein and invest the same as directed by the Borrower. In making transfers from any such fund, the Bond Trustee shall draw on accounts therein as directed by the Borrower so long as required transfers can be made consistent with such directions.

**Section 605.** **Non-Presentment of Series 2026 Bonds**. If any Series 2026 Bond is not presented for payment when the principal thereof becomes due (whether at maturity, upon acceleration or call for redemption or otherwise), all liability of the Authority to the Bondholder thereof for the payment of such Series 2026 Bond shall forthwith cease, determine and be completely discharged if funds sufficient to pay such Series 2026 Bond and interest due thereon shall be held by the Bond Trustee for the benefit of the Bondholder thereof, and thereupon it shall be the duty of the Bond Trustee to hold such funds, without liability for interest thereon, for the benefit of the Bondholder of such Series 2026 Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Indenture or on, or with respect to, such Series 2026 Bond.

Any moneys that have been set aside by the Bond Trustee for the payment of the principal of and premium, if any, and interest on the Series 2026 Bonds and that shall remain unclaimed by the registered owner of any of the Series 2026 Bonds for a period of four years after the date on which such principal and interest on the Series 2026 Bonds shall have become payable, shall, unless otherwise required by law, be paid to the Borrower, and thereafter the registered owners of such Series 2026 Bonds shall look only to the Borrower as unsecured creditors for the payment thereof and then only to the extent of the amount so received, without any interest thereon, and the Authority and the Bond Trustee shall have no responsibility with respect to such moneys.

**Section 606.** **Bond Trustee's and Authority's Fees, Costs and Expenses**. The initial administrative and acceptance fees and expenses of the Bond Trustee relating to the Series 2026 Bonds, including the reasonable fees and expenses of its legal counsel, shall be paid from the Cost of Issuance Fund as and when the same shall become due, unless such payment would, together with other Costs of Issuance paid from the proceeds of the Series 2026 Bonds, exceed 2% of the proceeds of the Series 2026 Bonds. In such case, such fees and expenses shall be paid by the Borrower from its own funds. All other reasonable fees and expenses of the Bond Trustee (including such reasonable fees and expenses not incurred in the ordinary course of business) and the fees, if any, and reasonable costs and expenses of the Authority directly related to the Series 2026 Bonds and the issuance of the Series 2026 Bonds are to be paid by the Borrower from payments made under Section 4.1(b) of the Loan Agreement.

**Section 607.** **Moneys to Be Held in Trust**. All moneys required to be deposited with or paid to the Bond Trustee for the account of any of the funds created by this Bond Indenture shall be held by the Bond Trustee in trust, and except for moneys deposited with or paid to the Bond Trustee for the redemption of Series 2026 Bonds, notice of the redemption of which has been duly given, shall, while held by the Bond Trustee, constitute part of the trust estate and be subject to the lien hereof.

**Section 608.** **Repayment to the Borrower from Funds**. All amounts remaining in any of the funds created by this Bond Indenture shall be paid to the Borrower after payment in full of the Series 2026 Bonds and the fees, charges and expenses of the Bond Trustee and its agents and counsel, any other paying agent and the deed of trust trustee and other amounts required to be paid hereunder, and the fees,

charges and expenses of the Authority and any other amounts required to be paid by the Borrower under the Series 2026 Obligation or the Loan Agreement.

## ARTICLE VII

## INVESTMENTS

**Section 701.** **Investment of Funds**. The Bond Trustee shall separately invest and reinvest any moneys held in the funds at and in accordance with the written direction of an Authorized Representative of the Borrower in:

(a) Government Obligations;

(b) Obligations of the Federal National Mortgage Association, Government National Mortgage Association, Federal Farm Credit Banks, Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks and Federal Home Loan Banks;

(c) Bonds, notes and other evidences of indebtedness unconditionally guaranteed as to payment of principal and interest by the Commonwealth of Virginia or any city, county or town therein;

(d) Savings accounts, time deposits and certificates of deposit in any bank, including the Bond Trustee, or any affiliate thereof, (1) within the Commonwealth of Virginia, provided that such funds are secured in the manner required by the Virginia Security for Public Deposits Act or any successor provision of law, (2) within or without the Commonwealth of Virginia having a combined capital, surplus and undivided profits of not less than $50,000,000, or (3) demand deposits, including U.S. dollar denominated deposit accounts, interest bearing money market accounts, time deposits, trust funds, trust accounts, overnight bank deposits, interest-bearing deposits, other deposit products, certificates of deposit, including those placed by a third party pursuant to an agreement between the Bond Trustee and the Authority, or bankers acceptances of depository institutions, including the Bond Trustee or any of its affiliates;

(e) Savings accounts and certificates of

(1) savings and loan associations that are under supervision of the Commonwealth of Virginia; and

(2) Federal associations organized under the laws of the United States of America and under federal supervision, but only to the extent that such accounts and certificates are fully insured by the Federal Savings and Loan Insurance Corporation or any successor federal agency;

(f) "Prime quality" commercial paper, with a maturity of 270 days or less, of issuing corporations organized under the laws of the United States, or of any state thereof, including paper issued by banks and bank holding companies. "Prime quality" shall be as rated by Moody's within its ratings of P-1 or P-2 or by S&P within its ratings of A-1 or A-2;

(g) Bankers' acceptances guaranteed by any bank having a combined capital, surplus and undivided profits of not less than $50,000,000;

(h) Investments in money market funds restricted to Government Obligations and funds rated in the highest rating category by either Moody's, S&P or Fitch including any such fund administered by the Bond Trustee or for which the Bond Trustee, its affiliates or subsidiaries provide investment advisory or other management services;

(i) Demand deposits, including interest bearing money market accounts, time deposits, trust funds, trust accounts, overnight bank deposits, interest-bearing deposits, other deposit products, certificates of deposit, including those placed by a third-party pursuant to an agreement between the Bond Trustee and the Borrower, or bankers acceptances of depository institutions, including the Bond Trustee or any of its affiliates;

(j) Investment agreements with any bank, registered broker/dealer, insurance company or any other financial institution or corporation, or any subsidiary thereof, with a senior unsecured credit rating of, or claims paying ability of, at least "Aa3" by Moody's or "AA-" by S&P or "AA-" by Fitch. The credit rating may be at either the parent or subsidiary level; and

(k) Such other investments as may be directed in writing by an Authorized Representative of the Borrower that are permitted by law. The Bond Trustee shall be authorized to conclusively rely on such direction as to the suitability, legality and permissibility of the directed investment.

Any bonds, notes or other evidences of indebtedness listed in subsections (a), (b) and (c) above may be purchased by the Bond Trustee under a repurchase agreement with any bank or investment bank, including an affiliate of the Bond Trustee, within or without the Commonwealth of Virginia having a combined capital, surplus and undivided profits of not less than $50,000,000, provided the obligation of the bank or investment bank to repurchase is within the time limitation established for investments as set forth below. A repurchase agreement for securities described in subsections (a), (b) and (c) above shall be considered a purchase of such securities even if title and/or possession of such securities is not transferred to the Bond Trustee so long as (i) the repurchase obligation of the bank or investment bank is collateralized by the securities themselves, (ii) the securities have on the date of the repurchase agreement a fair market value equal to at least 100% of the amount of the repurchase obligation of the bank or investment bank, (iii) the securities are held by a third party and segregated from securities owned generally by the bank or investment bank, (iv) a perfected security interest in such securities is created for the benefit of the Bondholders of the Series 2026 Bonds, under the Uniform Commercial Code of Virginia or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq., and (v) if the repurchase agreement is with the bank serving as Bond Trustee or any related party, the third party holding such securities holds them as agent for the Bond Trustee as fiduciary for the Bondholders of the Series 2026 Bonds and not as agent for the bank serving as Bond Trustee in its commercial capacity or any other party.

If the Borrower fails to provide investment direction to the Bond Trustee, the Bond Trustee shall hold all moneys on deposit with it in cash, un-invested. All such investments shall be held by or under the control of the Bond Trustee and while so held shall be deemed a part of the fund in which such moneys were originally held, except as otherwise provided herein. The interest accruing from such investment and any profit realized therefrom shall be credited to such funds and any loss resulting from such investments shall be charged to such funds, except as otherwise provided herein. The Bond Trustee shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund is insufficient for the purposes thereof. So long as all investment restrictions applicable to each fund or account created

hereunder are complied with, the Bond Trustee may commingle the funds and accounts held by it hereunder for purposes of investing amounts held therein.

The Bond Trustee shall, to the extent consistent with other provisions of this section, make any investment requested in writing by the Borrower. At the request of the Borrower, but no more than monthly, the Bond Trustee shall provide the Borrower with reports in reasonable detail regarding the investment of the funds held by the Bond Trustee, which reports may be included in the reports required under Section 407. Confirmations of investments made in accordance with this Section are not required to be issued by the Bond Trustee for each month for which a monthly statement is issued. No statement or report under Section 407 or this paragraph need be received for any fund or account if no activity occurred in such fund or account during such month.

Moneys held in the following funds shall be invested in securities and obligations maturing not later than the following dates:

(A) Construction Fund – not later than the dates on which such moneys are expected to be needed to pay the Costs of the Project.

(B) Bond Fund – not later than the dates on which such moneys will be needed to pay principal of (whether at maturity or by mandatory sinking fund redemption) or interest on the Series 2026 Bonds.

For the purposes of this section investments shall be considered as maturing on the date on which they are redeemable without penalty at the option of the Bondholder or the date on which the Bond Trustee may require their repurchase, under a repurchase agreement qualifying as described above.

For the purpose of determining the amount on deposit to the credit of any such fund or account, as reflected by annual accounting statements, obligations purchased as an investment of moneys therein shall be valued at least annually at the cost or market price thereof, whichever is lower, inclusive of accrued interest. Except as provided in Section 603(c), the Bond Trustee shall not be required to calculate the value of investments more frequently than annually.

**Section 702.** **Investments through Bond Trustee's Bond Department**. The Bond Trustee may make investments permitted by Section 701 through its own bond department.

## ARTICLE VIII

## DISCHARGE OF INDENTURE

**Section 801.** **Discharge of Indenture**. The Series 2026 Bonds shall be deemed paid for all purposes of this Bond Indenture when (a) payment of the principal of and the maximum amount of interest that may become due on such Series 2026 Bonds to the due date of such principal and interest (whether at maturity, upon redemption, acceleration or otherwise) either (i) has been made in accordance with the terms of Article III or (ii) has been provided for by depositing with the Bond Trustee (A) moneys sufficient to make such payment which otherwise meet the definition of Defeasance Obligations or (B) noncallable Defeasance Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment without regard to the reinvestment thereof; and (b) all compensation and expenses of the Authority and the Bond Trustee (as well as the fees

and expenses of their counsel) pertaining to each such Series 2026 Bond in respect of which such payment or deposit is made have been paid or provided for to their respective satisfaction. When a Series 2026 Bond is deemed paid, it shall no longer be secured by or entitled to the benefits of this Bond Indenture, except for payment from moneys or Defeasance Obligations under subsection (a) above and except that it may be transferred, exchanged, registered, discharged from registration or replaced as provided in Article II.

Notwithstanding the foregoing, no deposit under subsection (a) above made for the purpose of paying the redemption price of such Series 2026 Bond (as opposed to the final payment thereof upon maturity) will be deemed a payment of such Series 2026 Bond as aforesaid until (x) notice of redemption of such Series 2026 Bond is given in accordance with Article III or, if such Series 2026 Bond is not to be redeemed within the next 60 days, until the Borrower has given the Bond Trustee, in form satisfactory to the Bond Trustee, irrevocable instructions to notify, as soon as practicable, the Bondholder of such Series 2026 Bond, in accordance with Article III, that the deposit required by subsection (a) above has been made with the Bond Trustee and that such Series 2026 Bond is deemed to be paid under this Article and stating the redemption date upon which moneys are to be available for the payment of the principal of such Series 2026 Bond or (y) the maturity of such Series 2026 Bond. Additionally, and while the deposit under subsection (a) above made for the purpose of paying the final payment of a Series 2026 Bond upon its maturity shall be deemed a payment of such Series 2026 Bond as aforesaid, the Bond Trustee shall mail notice to the registered owner of such Series 2026 Bond, as soon as practicable stating that the deposit required by subsection (a) above has been made with the Bond Trustee and that such Series 2026 Bond is deemed to be paid under this Article.

When Series 2026 Bonds are deemed paid under the foregoing provisions of this Section and other sums due hereunder and under the Loan Agreement are paid, the Bond Trustee shall, upon request, acknowledge the discharge of the Authority's obligations under this Bond Indenture with respect to such Series 2026 Bonds, except for obligations under Article II in respect of the transfer, exchange, registration, discharge from registration and replacement of Series 2026 Bonds, and obligations under Section 1002 hereof with respect to the Bond Trustee's compensation and indemnification. Series 2026 Bonds delivered to the Bond Trustee for payment shall be cancelled under Section 211.

An Authorized Representative of the Borrower shall direct the deposit, investment and use of the moneys and securities described in this Section such that no deposit will be made and no use made of any such deposit that would cause any Series 2026 Bonds (including Series 2026 Bonds deemed paid under this section) to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code. Before accepting or using any such deposit, the Bond Trustee may request an Opinion of Bond Counsel as to whether such use or acceptance would cause the Series 2026 Bonds (including Series 2026 Bonds deemed paid under this section) to be so treated and that all conditions hereunder have been satisfied, and the Bond Trustee may conclusively rely on such opinion with regard thereto. Notwithstanding the foregoing, the Bond Trustee shall have no obligation to determine, or request such an Opinion of Bond Counsel determining, if any deposit would cause any Series 2026 Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code.

The Bond Trustee may request and shall be fully protected in relying upon a certificate of an independent certified public accountant or verification agent to the effect that a deposit will be sufficient to defease such Series 2026 Bonds as provided in this Section 801.

## ARTICLE IX

## DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

**Section 901.** **Events of Default**. Each of the following events shall be an Event of Default:

(a) Default in the due and punctual payment of any interest on any Series 2026 Bond;

(b) Default in the due and punctual payment of the principal of any Series 2026 Bond (whether at maturity, upon acceleration or call for redemption or otherwise);

(c) An "Event of Default" under the Loan Agreement or the Master Indenture, and such "Event of Default" shall not have been remedied or waived; or

(d) Subject to the provisions of Section 911, default in the observance or performance of any other covenant, condition or agreement on the part of the Authority under this Bond Indenture or in the Series 2026 Bonds.

**Section 902.** **Acceleration**. If an Event of Default occurs and is continuing, the Bond Trustee may, and if requested by the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding shall, by notice to the Authority, declare the entire unpaid principal of and interest on the Series 2026 Bonds due and payable and, thereupon, the entire unpaid principal of and interest on the Series 2026 Bonds shall forthwith become due and payable. Upon any such declaration the Authority shall forthwith pay to the Bondholders of the Series 2026 Bonds the entire unpaid principal of and accrued interest on the Series 2026 Bonds, but only from the revenues and receipts herein specifically pledged for such purpose. Upon the occurrence of an Event of Default and a declaration of acceleration hereunder the Bond Trustee as assignee of the Authority shall immediately exercise its option under Section 6.2(a) of the Loan Agreement to declare all payments on the Series 2026 Obligation to be immediately due and payable.

**Section 903.** **Other Remedies; Rights of Bondholders.**

(a) Upon the occurrence of an Event of Default, if requested to do so by the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding and if indemnified as provided in Section 1001(k), the Bond Trustee shall exercise such one or more of the rights and powers conferred by this article as the Bond Trustee, upon being advised by counsel, shall deem most expedient in the interests of the Bondholders.

(b) No remedy conferred by this Bond Indenture upon or reserved to the Bond Trustee or to the Bondholders is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Bond Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

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

(d) No waiver of any default or Event of Default hereunder, whether by the Bond Trustee under Section 910 or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

(e) Upon the occurrence of an Event of Default under the Master Indenture, the Bond Trustee shall notify the Master Trustee and request that the Master Trustee direct all Members of the Obligated Group to deliver to the Master Trustee all Pledged Assets (as defined in the Master Indenture).

**Section 904. Right of Bondholders To Direct Proceeding**. Anything in this Bond Indenture to the contrary notwithstanding, the Bondholders of a majority in aggregate principal amount of Series 2026 Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Bond Indenture or any other proceedings hereunder; provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of this Bond Indenture.

**Section 905. Application of Moneys**. All moneys received by the Bond Trustee under any right given or action taken under the provisions of this article, together with all other funds held by the Bond Trustee hereunder, and any funds held by the Master Trustee regarding the Series 2026 Bonds, shall after first payment of the cost and expenses of the proceedings resulting in the collection of such moneys, the expenses, liabilities and advances incurred or made by the Bond Trustee and the Deed of Trust Trustee, the fees of the Bond Trustee and the Deed of Trust Trustee and second, after payment of the expenses of the Authority in carrying out this Bond Indenture or the Loan Agreement, be deposited in the Bond Fund and applied as follows:

(a) Unless the principal of all the Series 2026 Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due on the Series 2026 Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2026 Bonds;

Second - To the payment to the persons entitled thereto of the unpaid principal of any of the Series 2026 Bonds which shall have become due (other than Series 2026 Bonds called for redemption for the payment of which moneys are held under the provisions of this Bond Indenture), in the order of their due dates, with interest on such Series 2026 Bonds at the respective rates specified therein from the respective dates on which they became due and, if the amount available shall not be sufficient to pay in full Series 2026 Bonds due on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of such interest due on such date, and then to the payment of such principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2026 Bonds; and

Third - To the extent permitted by law, to the payment to persons entitled thereto of the unpaid interest on overdue installments of interest ratably, according to the amount of such interest due on such date, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2026 Bonds.

(b) If the principal of all the Series 2026 Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on the Series 2026 Bonds, including, to the extent permitted by law, interest on overdue installments of interest, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2026 Bond over any other Series 2026 Bond, ratably, according to the amounts due respectively for principal and interest to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2026 Bonds.

(c) If the principal of all the Series 2026 Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of this article, then, subject to the provisions of subsection (b) of this section in the event that the principal of all the Series 2026 Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this section.

Whenever moneys are to be applied under the provisions of this section, such moneys shall be applied at such times and from time to time as the Bond Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Bond Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) on which such application is to be made and on such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Bond Trustee shall give such notice to the registered Bondholders of the Series 2026 Bonds by first class mail as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the holder of any Series 2026 Bond until such Series 2026 Bond shall be presented to the Bond Trustee for appropriate endorsement or for cancellation if fully paid.

**Section 906.** **Remedies Vested in Bond Trustee**. All rights of action (including the right to file proof of claims) under this Bond Indenture or under any of the Series 2026 Bonds may be enforced by the Bond Trustee without the possession of any of the Series 2026 Bonds or the production thereof in any trial or other proceeding relating thereto and any such suit or proceeding instituted by the Bond Trustee may be brought in its name as Bond Trustee without the necessity of joining as plaintiffs or defendants any Bondholders of the Series 2026 Bonds, and any recovery of judgment shall be for the equal benefit of the Bondholders of the outstanding Series 2026 Bonds.

**Section 907.** **Limitation on Suits**. Except to enforce the rights given under Sections 902 and 908, no Bondholder of any Series 2026 Bond shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Bond Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (a) a default has occurred and is continuing of which the Bond Trustee has been notified as provided in Section 1001(h), or of which by such section it is deemed to have notice, (b) such default has become an Event of Default and the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding have made written request to the Bond Trustee and offered

it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) they have offered to the Bond Trustee indemnity as provided in Section 1001(k), (d) the Bond Trustee has for 30 days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its, his or their own name or names, (e) no direction inconsistent with such written request has been given to the Bond Trustee during such 30 day period by the Bondholders of a majority in aggregate principal amount of Series 2026 Bonds then Outstanding, and (f) notice of such action, suit or proceeding is given to the Bond Trustee; it being understood and intended that no one or more Bondholders of the Series 2026 Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice this Bond Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the equal benefit of the Bondholders of all Series 2026 Bonds then Outstanding. The notification, request and offer of indemnity set forth above, at the option of the Bond Trustee, shall be conditions precedent to the execution of the powers and trusts of this Bond Indenture and to any action or cause of action for the enforcement of this Bond Indenture or for any other remedy hereunder.

**Section 908.** **Unconditional Right To Receive Principal, Premium and Interest**. Nothing in this Bond Indenture shall, however, affect or impair the right of any Bondholder to enforce, by action at law, payment of the principal of, premium, if any, or interest on any Series 2026 Bond at and after the maturity thereof, or on the date fixed for redemption or (subject to the provisions of Section 902) upon the same being declared due prior to maturity as herein provided, or the obligation of the Authority to pay the principal of, premium, if any, and interest on each of the Series 2026 Bonds issued hereunder to the respective Bondholders thereof at the time, place, from the source and in the manner expressed herein and in the Series 2026 Bonds.

**Section 909.** **Termination of Proceedings**. In case the Bond Trustee shall have proceeded to enforce any right under this Bond Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bond Trustee, then and in every such case the Authority, the Borrower and the Bond Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Bond Trustee shall continue as if no such proceedings had been taken.

**Section 910.** **Waiver of Events of Default**. The Bond Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on the Series 2026 Bonds on the written request of the Bondholders of (a) a majority in aggregate principal amount of Series 2026 Bonds then Outstanding in respect of which default in the payment of principal and/or interest exists, or (b) a majority in aggregate principal amount of Series 2026 Bonds then Outstanding in the case of any other default; provided, however, that

(1) there shall not be waived without the consent of the Bondholders of all Series 2026 Bonds then Outstanding (A) any Event of Default in the payment of the principal of any Outstanding Series 2026 Bonds (whether at maturity or by sinking fund redemption) or (B) any default in the payment when due of the interest on any such Series 2026 Bonds unless, prior to such waiver or rescission,

(i) there shall have been paid or provided for all arrears of interest with interest (to the extent permitted by law) at the rate borne by the Series

2026 Bonds on overdue installments of interest, all arrears of principal and all expenses of the Bond Trustee in connection with such default, and

(ii) in case of any such waiver or rescission or in case of any discontinuance, abandonment or adverse determination of any proceeding taken by the Bond Trustee on account of any such default, the Authority, the Bond Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, and

(2) no declaration of maturity under Section 902 made at the request of the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding shall be rescinded unless requested by the Bondholders of a majority in aggregate principal amount of Series 2026 Bonds then Outstanding.

No such waiver or rescission shall extend to any subsequent or other default or impair any right consequent thereon.

**Section 911. Notice of Defaults; Opportunity of the Borrower To Cure Defaults**. Anything herein to the contrary notwithstanding, no default specified in Section 901(d) on the part of the Authority shall constitute an Event of Default until (a) notice of such default shall be given (1) by the Bond Trustee to the Authority and the Borrower or (2) by the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding to the Bond Trustee, the Authority and the Borrower, and (b) the Authority and the Borrower shall have had 30 days after such notice to correct such default or cause such default to be corrected, and shall not have corrected such default or caused such default to be corrected within such period; provided, however, that if any default specified in Section 901(d) shall be such that it can be corrected but cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the Authority or the Borrower within such period and diligently pursued until such default is corrected, as long as such default is corrected within 90 days.

With regard to any alleged default concerning which notice is given to the Borrower under this section, the Borrower may perform any covenant, condition or agreement the nonperformance of which is alleged in such notice to constitute a default, in the name and stead of the Authority, with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with power of substitution.

## ARTICLE X

## THE BOND TRUSTEE

**Section 1001. Acceptance of Trusts and Obligations**. The Bond Trustee hereby accepts the trusts and obligations imposed upon it by this Bond Indenture and the Loan Agreement and agrees to perform such trusts and obligations, but only upon and subject to the following express terms and conditions and no implied covenants or obligations shall be read into this Bond Indenture or the Loan Agreement against the Bond Trustee:

(a) The Bond Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Bond Indenture and the Loan Agreement. In case an Event of Default has

occurred (which has not been cured or waived) the Bond Trustee shall exercise such rights and powers vested in it by this Bond Indenture, and use the same degree of care and skill in their exercise, as a prudent person ordinarily would exercise and use under the circumstances in the conduct of a person's own affairs.

(b) The Bond Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be answerable for the conduct of the same if appointed with reasonable care, and shall be entitled to consult with and act on the opinion or advice of its counsel concerning all matters of trust hereof and the duties hereunder, and shall be fully protected in acting upon such advice and may in all cases pay reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trust hereof. As a condition to the taking, suffering or omission of any action hereunder, the Bond Trustee may demand and act on an Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance on such Opinion of Counsel.

(c) The Bond Trustee shall not be responsible for any recital herein, recital in the Series 2026 Bonds (except in respect to the certificate of the Bond Trustee endorsed on the Series 2026 Bonds), any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Series 2026 Bonds, except for any information provided by the Bond Trustee, or for compliance with any state or federal securities laws in connection with the Series 2026 Bonds or for the recording, re-recording, other filing or re-filing of any financing or continuation statement or any other document or instrument, or for insuring the Facilities or collecting any insurance moneys, or for the validity of the execution by the Authority of this Bond Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Series 2026 Bonds issued hereunder or intended to be secured hereby, or for the value of or title to the Mortgaged Premises or otherwise as to the maintenance of the security hereof; except that in the event the Bond Trustee takes possession of any part of the Mortgaged Premises under any provision of this Bond Indenture, the Loan Agreement or the Deed of Trust it shall use due diligence in preserving such part, and the Bond Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority or on the part of the Borrower under the Loan Agreement or the Deed of Trust. The Bond Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it in accordance with Section 701 or on account of any failure of the Borrower to provide timely written investment direction to the Bond Trustee.

(d) The Bond Trustee shall not be accountable for the use of any Series 2026 Bonds authenticated or delivered hereunder. The bank or trust company acting as Bond Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in the Series 2026 Bonds and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Bond Trustee. To the extent permitted by law, such bank or trust company may also receive tenders and purchase in good faith Series 2026 Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not the Bond Trustee.

(e) The Bond Trustee shall be protected in acting on any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Bond Trustee under this Bond Indenture on the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Series 2026 Bond shall

be conclusive and binding on all future owners of the same Series 2026 Bond and on Series 2026 Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Bond Trustee shall be entitled to rely on a certificate signed on behalf of the Authority by its Chair or Vice Chair and attested by its Secretary or Assistant Secretary under its seal, or such other person or persons as may be designated for such purposes by resolution of the Authority, as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Bond Trustee has been notified as provided in subsection (h) of this section, or of which by said subsection it is deemed to have notice, may also accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Bond Trustee may accept a certificate of the Secretary or Assistant Secretary of the Authority under its seal to the effect that a resolution in the form therein set forth has been adopted by the Authority as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

(g) The permissive right of the Bond Trustee to do things enumerated in this Bond Indenture shall not be construed as a duty, and the Bond Trustee shall not be answerable for other than its gross negligence or willful misconduct.

(h) The Bond Trustee shall not be required to take notice or be deemed to have notice of any default hereunder, except an Event of Default under Section 901(a) or (b), unless the Bond Trustee shall be notified of such default in writing, by the Authority or by the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding.

(i) The Bond Trustee shall not be required to give any bond or surety with respect to the execution of its rights and obligations hereunder.

(j) Notwithstanding any other provision of this Bond Indenture, the Bond Trustee shall have the right, but shall not be required, to demand, as a condition of any action by the Bond Trustee in respect of the authentication of any Series 2026 Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Bond Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that required by the terms hereof.

(k) Before taking any action under this Bond Indenture or the Loan Agreement, the Bond Trustee may require that indemnity satisfactory to it be furnished to it for the reimbursement of all expenses to which it may be put and to protect it against all liability by reason of any action so taken, including without limitation environmental indemnity except liability that is adjudicated to have resulted from its gross negligence or willful misconduct. No provision of this Bond Indenture shall require the Bond Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

(l) All moneys received by the Bond Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Bond Indenture or law. The Bond

Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(m) The Bond Trustee shall, subject to its receipt of indemnity satisfactory to it, cooperate with the Borrower in the contest, at the expense of the Borrower, of any condemnation proceeding or contest over title with respect to the Mortgaged Premises and so long as no Event of Default has occurred and is continuing of which the Bond Trustee has received notice in accordance with subsection (h), shall, to the extent it may lawfully do so, permit the Borrower to litigate in any such proceeding or contest in the name and on behalf of the Bond Trustee. So long as no Event of Default has occurred and is continuing of which the Bond Trustee has received notice in accordance with subsection (h), in no event shall the Bond Trustee voluntarily settle, or consent to the settlement of, any condemnation proceeding or contest over title with respect to the Mortgaged Premises without the consent of the Borrower.

(n) The Bond Trustee shall not be responsible for the tax-exempt status of the interest on the Series 2026 Bonds.

(o) (1) The Bond Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given under this Bond Indenture and related financing documents and delivered using Electronic Means and/or executed by way of a Digital Signature, except that the Bond Trustee shall only accept Instructions from an Authority Representative or an Authorized Representative of the Borrower (as applicable).

(2) If the Bond Trustee receives Instructions using Electronic Means and/or executed by way of a Digital Signature, and the Bond Trustee in its discretion elects to act upon such Instructions, the Bond Trustee's understanding of such Instructions shall be deemed controlling.

(3) The Authority and the Borrower understand and agree that the Bond Trustee cannot determine the identity of the actual sender of such Instructions and that the Bond Trustee shall conclusively presume that directions that purport to have been sent by an Authority Representative or an Authorized Representative of the Borrower (as applicable) have been sent by such individual.

(4) The Authority and the Borrower shall be responsible for ensuring that only an Authority Representative or an Authorized Representative of the Borrower (as applicable) transmits Instructions to the Bond Trustee and that the Authority and the Borrower are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt.

(5) The Bond Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bond Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written Instruction.

(6) The Authority (to the extent that the Authority may be permitted to do so under applicable law) and the Borrower agree: (i) to assume all risks arising out of the use of Electronic Means and/or Digital Signatures to submit Instructions to the Bond Trustee, including without limitation the risk of the Bond Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks

associated with the various methods of transmitting Instructions to the Bond Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority or the Borrower (as applicable); (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bond Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(p) The Bond Trustee shall have no duty to review, verify or analyze any financial statements of the Borrower and shall hold such financial statements solely as a repository for the benefit of the Bondholders of the Series 2026 Bonds; the Bond Trustee shall not be deemed to have notice of any information contained therein, default or event of default which may be disclosed therein in any manner.

(q) The Bond Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Bond Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Bond Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(r) In no event shall the Bond Trustee be responsible or liable for punitive, special, indirect, or consequential loss or damage of any kind whatsoever irrespective of whether the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of actions.

**Section 1002. Fees, Charges and Expenses of Bond Trustee**. Absent a specific agreement as to payment of the Bond Trustee's fees, charges and expenses, the Bond Trustee and any paying agents shall be entitled to payment and reimbursement for reasonable fees for services rendered hereunder and all advances, counsel fees and disbursements and other expenses reasonably made or incurred by the Bond Trustee in connection with such services, provided that, the trust estate shall not be liable for costs or expenses of the Bond Trustee other than reasonable costs and expenses. Upon an Event of Default, but only upon an Event of Default, the Bond Trustee shall have a first lien with right of payment prior to payment on account of principal of, or premium, if any, and interest on any Series 2026 Bond upon the trust estate created by this Bond Indenture for the foregoing fees, charges and expenses incurred by the Bond Trustee. When the Bond Trustee incurs expenses or renders services after the occurrence of an Event of Default hereunder caused by the occurrence of an "Event of Default" specified in subsections 4.01(e) or 4.01(f) of the Master Indenture, the expenses and the compensation for the services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

**Section 1003. Notice Required of Bond Trustee**. If the Borrower fails to make any payment of principal of (whether at maturity or upon acceleration) and premium, if any, and interest on the Series 2026 Bonds on the day such payment is due and payable, the Bond Trustee shall give notice thereof by telephone or Electronic Means to the Borrower on the next succeeding Business Day and shall promptly confirm such notice in writing by first class registered or certified mail. In the event of (a) the continuance of any such failure to make payment for 30 days after such payment was due, (b) failure of the Authority

to cause any of the payments to be made to the Bond Trustee as required by Section 401, or (c) notification to the Bond Trustee by the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding, of any other Event of Default hereunder, the Bond Trustee shall give notice thereof to the owner of each Series 2026 Bond then outstanding.

**Section 1004. Intervention by Bond Trustee**. In any judicial proceeding to which the Authority is a party and which in the opinion of the Bond Trustee (which may be based on an Opinion of Counsel) has a substantial bearing on the interests of the Bondholders, the Bond Trustee may intervene on behalf of the Bondholders and, subject to Section 1001(k), shall do so if requested by the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then outstanding.

**Section 1005. Merger or Consolidation of Bond Trustee**. Any corporation or association into which the Bond Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party shall be and become successor Bond Trustee hereunder and vested with all the trusts, powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**Section 1006. Resignation by Bond Trustee**. The Bond Trustee may at any time resign from the trusts hereby created by giving 30 days' notice to the Authority, the Borrower and each registered owner of Series 2026 Bonds then Outstanding. Such resignation shall take effect upon the appointment of a successor or temporary Bond Trustee by the Bondholders or the Authority. In the event that no successor or temporary Bond Trustee is appointed within 30 days of the Bond Trustee's giving of notice of its resignation, the Bond Trustee shall have the right to petition any court of competent jurisdiction for such court's appointment of a temporary Bond Trustee provided, however, that nothing in this sentence shall be deemed to authorize appointment of any Bond Trustee other than in accordance with the requirements of Section 1008 hereof.

**Section 1007. Removal of Bond Trustee**. The Bond Trustee may be removed at any time (i) by an instrument or concurrent instruments in writing delivered to the Bond Trustee and to the Authority and signed by the owners of a majority in aggregate principal amount of Series 2026 Bonds then Outstanding, or (ii) by any instrument signed by an Authorized Representative of the Borrower provided no Event of Default has occurred and is continuing. The removal shall take effect upon the appointment of a temporary or successor Bond Trustee by the Bondholders, the Borrower or a court of competent jurisdiction. In the event that no successor or temporary Bond Trustee is appointed within 30 days of the Bond Trustee's removal the Bond Trustee shall have the right to petition any court of competent jurisdiction for such court's appointment of a temporary Bond Trustee provided, however, that nothing in this sentence shall be deemed to authorize appointment of any Bond Trustee other than in accordance with the requirements of Section 1008 hereof.

**Section 1008. Appointment of Successor Bond Trustee; Temporary Bond Trustee**. In case the Bond Trustee hereunder shall resign, be removed, be dissolved, be in course of dissolution or liquidation or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by (a) the owners of a majority in aggregate principal amount of Series 2026 Bonds then Outstanding, by an

instrument or concurrent instruments in writing signed by such owners or (b) so long as no Event of Default has occurred and is continuing, the Borrower by an instrument signed by an Authorized Representative of the Borrower; provided, however, that in case of such vacancy the Authority by an instrument signed by its Chair or Vice Chair may appoint a temporary Bond Trustee to fill such vacancy until a successor Bond Trustee shall be appointed by the Bondholders or the Borrower in the manner provided above; and any such temporary Bond Trustee so appointed shall immediately and without further act be superseded by the Bond Trustee so appointed by such Bondholders or the Borrower. Every such Bond Trustee appointed under this section shall be, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms, (a) a bank or trust company, organized under the laws of the Commonwealth of Virginia or the United States of America, in good standing and having a combined capital, surplus and undivided profits of not less than $50,000,000, or (b) a subsidiary trust company under the Trust Subsidiary Act, Article 3, Chapter 10, Title 6.2, Code of Virginia of 1950, as amended, whose parent Virginia bank or bank holding company has undertaken to be responsible for the acts of such subsidiary trust company pursuant to the provisions of Section 6.2-1056 of the Trust Subsidiary Act, or any successor provision of law, and whose combined capital, surplus and undivided profits, together with that of its parent Virginia bank or bank holding company, as the case may be, is not less than $50,000,000.

**Section 1009.** **Concerning any Successor Bond Trustee**. Every successor Bond Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereafter such successor, without any further act, deed or conveyance, shall become fully vested with all the properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Authority or its successor Bond Trustee, execute and deliver an instrument transferring to such successor Bond Trustee all the properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Bond Trustee shall deliver all securities and moneys held by it as Bond Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Bond Trustee for more fully and certainly vesting in such successor the properties, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. The resignation of any Bond Trustee and the instrument or instruments removing any Bond Trustee and appointing a successor hereunder, together with all other instruments provided for in this article, shall be filed and/or recorded by the successor Bond Trustee in each recording office where this Bond Indenture may have been filed and/or recorded.

**Section 1010.** **Right of Bond Trustee To Pay Taxes and Other Charges**. In case any tax, assessment or governmental or other charge on any part of the property conveyed under the Deed of Trust is not paid as required herein, the Bond Trustee may pay such tax, assessment or governmental charge, without prejudice, however, to any rights of the Bond Trustee or the Bondholders hereunder arising in consequence of such failure. Any amount at any time so paid under this section, with interest thereon from the date of payment at the Prime Rate (as defined in the Loan Agreement), shall become additional indebtedness secured by this Bond Indenture, and such indebtedness shall be given a preference in payment over any of the Series 2026 Bonds, and shall be paid out of the proceeds of revenues and receipts collected from the property herein conveyed, if not otherwise caused to be paid; but the Bond Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the Bondholders of at least 25% in aggregate principal amount of Series 2026 Bonds then Outstanding and shall have been provided with adequate funds for the purpose of such payment.

**Section 1011. Bond Trustee Protected in Relying on Resolutions, Etc**. The resolutions, opinions, certificates and other instruments provided for in this Bond Indenture may be accepted by the Bond Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Bond Trustee for the release of property, the withdrawal of cash hereunder or the taking of any other action by the Bond Trustee as provided hereunder.

**Section 1012. Successor Bond Trustee as Bond Registrar, Custodian of Funds and Paying Agent**. In the event of a change in the office of Bond Trustee the predecessor Bond Trustee which has resigned or been removed shall cease to be bond registrar, custodian of the several funds created under this Bond Indenture and paying agent for principal of and interest on the Series 2026 Bonds and the successor Bond Trustee shall become such bond registrar, custodian and paying agent.

## ARTICLE XI

## SUPPLEMENTAL INDENTURES

**Section 1101. Supplemental Indentures Not Requiring Consent of Bondholders**. The Authority and the Bond Trustee may, without the consent of, or notice to, any of the Bondholders, enter into such indenture or indentures supplemental to this Bond Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Bond Indenture;

(b) To grant to or confer on the Bond Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred on the Bondholders or the Bond Trustee or either of them;

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

(d) To modify, amend or supplement this Bond Indenture in such manner as required to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or any state securities (Blue Sky) law, and, if they so determine, to add to this Bond Indenture such other terms, conditions and provisions as may be required by said Trust Indenture Act of 1939, as amended, or similar federal statute or state securities law;

(e) To modify, amend or supplement this Bond Indenture in such manner as required to prevent this Bond Indenture or any fund, account or deposit created, established or made pursuant hereto from being deemed an "investment company" as such term is defined in Section 3 of the Investment Company Act of 1940, as amended, or otherwise subject to registration under Section 8 of such Act; or

(f) To make any other change herein that, in the opinion of the Bond Trustee, which may be based upon an Opinion of Counsel, shall not prejudice in any material respect the rights of the holders of the Series 2026 Bonds then Outstanding.

**Section 1102. Supplemental Indentures Requiring Consent of Bondholders**. (a) Exclusive of supplemental indentures covered by Section 1101 and subject to the terms and provisions contained in this section, the Bondholders of a majority in aggregate principal amount of Series 2026 Bonds then Outstanding shall have the right from time to time, notwithstanding any other provision of this Bond

Indenture, to consent to and approve the execution by the Authority and the Bond Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Bond Indenture or in any supplemental indenture; provided, however, that nothing in this Bond Indenture shall permit, or be construed as permitting (1) an extension of the maturity of the principal of or the interest on any Series 2026 Bond, or (2) a reduction in the principal amount of any Series 2026 Bond or the rate of interest thereon, or (3) an extension of time or a reduction in amount of any payment required by any sinking fund that may be applicable to any Series 2026 Bond, or (4) a privilege or priority of any Series 2026 Bond or Series 2026 Bonds over any other Series 2026 Bond or Series 2026 Bonds, or (5) a reduction in the aggregate principal amount of Series 2026 Bonds required for consent to such supplemental indenture, without the consent and approval of the holders of all of the Series 2026 Bonds then outstanding.

Notwithstanding the foregoing, during any period of time in which an Event of Default has occurred and is continuing, an amendment of the type described in clauses (1), (2), (3), (4) or (5) above may be made with the consent of the Bondholders of at least eighty percent (80%) in aggregate principal amount of all Outstanding Series 2026 Bonds; provided, however, any such amendment shall not result in a change in preference or priority of any Series 2026 Bond over any other Series 2026 Bond and no such amendment described in clauses (1), (2), (3), (4) or (5) shall result in a disproportionate change, reduction or modification with respect to any Series 2026 Bonds.

Notwithstanding subsections (b) and (c), it shall not be necessary for the Bondholders of Series 2026 Bonds to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Bondholders shall approve the substance thereof.

(b) If at any time the Authority shall request the Bond Trustee to enter into any such supplemental indenture for any of the purposes of this section, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses and receipt of an Opinion of Counsel satisfactory to the Bond Trustee (in its sole discretion), cause notice of the proposed execution of such supplemental indenture to be sent to each registered owner of Series 2026 Bonds then outstanding by registered or certified mail to the address of such Bondholder as it appears on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the designated corporate trust office of the Bond Trustee for inspection by all Bondholders. If, within 60 days or such longer period as shall be prescribed by the Authority following the giving of such notice, the Bondholders of a majority in aggregate principal amount of Series 2026 Bonds then Outstanding shall have consented to and approved the execution thereof as herein provided, no Bondholder of any Series 2026 Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Bond Trustee or the Authority from executing such supplemental indenture or from taking any action under the provisions thereof. Upon the execution of any such supplemental indenture as in this section permitted and provided, this Bond Indenture shall be and be deemed to be modified and amended in accordance therewith.

(c) Series 2026 Bonds owned or held by or for the account of the Authority or the Borrower or any person controlling, controlled by or under common control with either of them shall not be deemed Outstanding for the purpose of consent or any calculation of Outstanding Series 2026 Bonds

provided for in this Article XI or in Article XII (unless all Outstanding Series 2026 Bonds are held by one or more such parties). At the time of any such calculation, the Borrower shall furnish the Bond Trustee a certificate of an Authorized Representative of the Borrower, upon which the Bond Trustee may rely, describing all Series 2026 Bonds so to be excluded.

**Section 1103. Consent of the Borrower Required**. Notwithstanding any other provision of this Bond Indenture, a supplemental indenture under this article that affects any rights of the Borrower shall not become effective until the Borrower shall have consented to the execution and delivery of such supplemental indenture.

**Section 1104. Amendment by Unanimous Consent**. Notwithstanding any other provision in this Bond Indenture, the Authority and the Bond Trustee may enter into any indenture supplemental to this Bond Indenture upon receipt of the consent of the Bondholders of all Series 2026 Bonds then outstanding, the Opinion of Bond Counsel required by Section 1106 and, if required by Section 1103, the consent of the Borrower.

**Section 1105. Amendment without Consent of Authority**. In the event the Authority is unwilling or unable to enter into any supplemental indenture permitted by this Article XI the Bond Trustee may, without the consent of the Authority, amend or supplement this Bond Indenture in any manner otherwise permitted by this Article XI so long as such amendment or supplement does not adversely affect the rights of the Authority.

**Section 1106. Opinion of Counsel Required**. Notwithstanding any other provision of this Bond Indenture, the Bond Trustee (a) shall not execute any supplemental indenture to this Bond Indenture unless there shall have been filed with the Bond Trustee an Opinion of Bond Counsel stating (i) that such supplemental indenture is authorized or permitted by this Bond Indenture and complies with its terms and that upon execution it will be valid and binding on the Authority in accordance with its terms, and (ii) that such supplemental indenture will not have an adverse effect on the exemption of interest on the Series 2026 Bonds from gross income for Federal income tax purposes, and (b) shall not, without the consent of the Borrower, execute any supplemental indenture to this Bond Indenture that will adversely affect any rights of the Borrower and shall in all events give the Borrower at least 15 days' prior notice (which may be waived) of any proposed supplemental indenture.

**Section 1107. Trustee's Obligation Regarding Supplemental Indentures and Amendments of the Series 2026 Obligation, Loan Agreement and Deed of Trust**. The Bond Trustee shall not unreasonably (a) refuse to enter into any supplemental indenture permitted by this Article or (b) withhold its consent to any amendment, change or modification of the Loan Agreement, the Master Indenture, the Series 2026 Obligation, or the Deed of Trust permitted by Article XII; provided, however, that any such refusal or withholding shall not be unreasonable if the Bond Trustee reasonably believes that such supplemental indenture or amendment, change or modification does or may prejudice any right of the holders of Series 2026 Bonds then outstanding or affect adversely the rights and immunities of, or increase the duties of, the Bond Trustee.

## ARTICLE XII

## AMENDMENTS OF LOAN AGREEMENT, MASTER INDENTURE, THE SERIES 2026 OBLIGATION AND DEED OF TRUST

**Section 1201. Amendments of Loan Agreement, Master Indenture, the Series 2026 Obligation and Deed of Trust Not Requiring Consent of Bondholders**. The Authority and the Bond Trustee shall, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Loan Agreement, Master Indenture, the Series 2026 Obligation or the Deed of Trust as may be required:

(a) by the provisions of the Loan Agreement, the Master Indenture, the Series 2026 Obligation, the Deed of Trust or this Bond Indenture;

(b) for the purpose of curing any ambiguity or formal defect or omission therein;

(c) in connection with additional real estate, furnishings, machinery or equipment that is to become part of the Facilities under the Loan Agreement so as to identify the same more precisely; or

(d) in connection with any other change therein that, in the opinion of the Bond Trustee, which may be based upon an Opinion of Counsel, will not prejudice in any material respect the rights of the Bondholders of the Series 2026 Bonds then outstanding.

The Authority and the Bond Trustee shall, without the consent of or notice to the Bondholders, consent to any such amendment, change or modification made in connection with any modification or amendment of, or supplement to, this Bond Indenture under Section 1101(e).

**Section 1202. Amendments of Loan Agreement, Master Indenture, the Series 2026 Obligation and Deed of Trust Requiring Consent of Bondholders**. Except for amendments, changes or modifications as provided in Section 1201 and subject to Sections 1205 and 1206, neither the Authority nor the Bond Trustee shall consent to any amendment, change or modification of the Loan Agreement, the Master Indenture, the Series 2026 Obligation or the Deed of Trust without the written approval or consent of the Bondholders of a majority in aggregate principal amount of Series 2026 Bonds then outstanding, given and procured as provided in Section 1102. If at any time the Authority and the Borrower shall request the consent of the Bond Trustee to any such proposed amendment, change or modification, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 1102 with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that a copy of the instrument embodying the same is on file at the designated corporate trust office of the Bond Trustee for inspection by all Bondholders.

**Section 1203. Limitation on Amendments**. No amendment, change or modification may decrease the obligation of the Borrower under the Loan Agreement, the Master Indenture, the Series 2026 Obligation and the Deed of Trust to pay amounts sufficient to pay principal of, premium, if any, and interest on the Series 2026 Bonds as the same become due.

**Section 1204. Amendment by Unanimous Consent**. Notwithstanding any other provision of this Bond Indenture, the Authority and the Bond Trustee may consent to any amendment, change or

modification of the Loan Agreement, the Master Indenture, the Series 2026 Obligation or the Deed of Trust upon receipt of the consent of the Bondholders of all Series 2026 Bonds then Outstanding and the Opinion of Bond Counsel required by Section 1205.

**Section 1205. Opinion of Counsel Required**. The Bond Trustee shall not consent to any amendment, change or modification of the Loan Agreement, the Master Indenture, the Series 2026 Obligation or the Deed of Trust unless there shall have been filed with the Bond Trustee and the Authority an Opinion of Counsel that such amendment, change or modification is authorized or permitted by this Bond Indenture and complies with its terms and that on execution it will be valid and binding on the party or parties executing it in accordance with its terms, and an Opinion of Bond Counsel stating that such amendment, change or modification will not have an adverse effect on the exemption of interest on the Series 2026 Bonds from gross income for federal income tax purposes.

**Section 1206. Holder's Partial Consent to Amendment of Master Indenture**. Notwithstanding the provisions of Section 1202, if the Bond Trustee, as holder of the Series 2026 Obligation under the Master Indenture, is requested to make or give any request, direction or consent with respect to the Master Indenture and the approval or consent of the Bondholders of a majority in aggregate principal amount of Series 2026 Bonds then outstanding is not obtained, then at the Borrower's request the Bond Trustee shall inform the Master Trustee of the principal amount of Series 2026 Bonds held by Bondholders giving such approval or consent so that the provisions of Section 8.01 of the Master Indenture may be given effect.

## ARTICLE XIII

## MISCELLANEOUS

**Section 1301. Consents of Bondholders**. (a) Any consent, request, direction, approval, objection or other instrument required by this Bond Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument, or of the writing appointing any such agent shall be sufficient for any of the purposes of this Bond Indenture, and shall be conclusive in favor of the Bond Trustee with regard to any action taken under such request or other instrument, if the fact and date of the execution by any person of any such writing is proved by the certification of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

For all purposes of this Bond Indenture and of the proceedings for its enforcement, such person shall be deemed to continue to be the Bondholder of such Series 2026 Bond until the Bond Trustee shall have received notice in writing to the contrary.

(b) Any consent, request, direction, approval, objection or other instrument required by this Bond Indenture to be signed and executed by the Bondholders may be provided by any broker, dealer or municipal securities dealer acting as an underwriter for the Series 2026 Bonds during any period that such broker, dealer or municipal securities dealer holds the Series 2026 Bonds. Proof of the execution of any consent, request, direction, approval, objection or other instrument will be sufficient for any of the purposes of this Bond Indenture, and will be conclusive in favor of the Bond Trustee with regard to any

action taken under the request or other instrument, if the fact and date of the execution by any person of any writing is proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing the writing acknowledged before him or her its execution, or by affidavit of any witness to such execution.

**Section 1302. Limitation of Rights**. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Indenture or the Series 2026 Bonds is intended or shall be construed to give to any person or company other than the parties hereto and the Bondholders of the Series 2026 Bonds any legal or equitable right, remedy or claim under or in respect to this Bond Indenture or any covenants, conditions and agreements herein contained; this Bond Indenture and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Bondholders of the Series 2026 Bonds as herein provided.

**Section 1303. Limitation of Liability of Directors, etc. of Authority**. No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee or agent of the Authority in his individual capacity, and neither the directors of the Authority nor any officer thereof executing the Series 2026 Bonds shall be liable personally on the Series 2026 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No director, officer, employee, agent or adviser of the Authority shall incur any personal liability with respect to any other action taken by him under this Bond Indenture or the Act, provided such director, officer, employee, agent or adviser does not act in bad faith.

**Section 1304. Notices**. Unless otherwise provided herein, all demands, notices, approvals, consents, requests, opinions and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class mail, postage prepaid or by facsimile, and if sent by facsimile confirmed by telephone, addressed as follows:

(a) if to the Borrower, c/o Westminster-Canterbury of the Blue Ridge, 250 Pantops Mountain Road, Charlottesville, Virginia 22911 (Attention: President and Chief Executive Officer);

(b) if to the Authority, at 401 McIntire Road, County Office Building, Charlottesville, Virginia 22902 (Attention: Chair); and

(c) if to the Bond Trustee, at U.S. Bank Trust Company, National Association, 1051 E. Cary Street, Suite 600, Richmond, Virginia 23219 (Attention: U.S. Bank Corporate Trust Services).

A duplicate copy of each demand, notice, approval, request, consent, opinion or other communication given hereunder by either the Authority or the Bond Trustee to the other shall also be given to the Borrower. The Authority, the Borrower and the Bond Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention the same shall be directed. Until so changed, the address for the Bond Trustee provided above will be its designated corporate trust office.

**Section 1305. Payments/Actions Due on Holidays, Etc**. If any date specified herein for the payment of the Series 2026 Bonds or the performance of any act shall not be a Business Day, such payment or performance shall be made on the next succeeding Business Day with the same effect as if made on such date, and in case any payment of the principal or redemption price of or interest on the Series 2026 Bonds shall be due on a date that is not a Business Day, interest on such principal amount shall cease to accrue on

the date on which such payment was due if such payment is made on the immediately succeeding Business Day.

**Section 1306.** **Successors and Assigns**. This Bond Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

**Section 1307.** **Severability**. If any provision of this Bond Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

**Section 1308.** **Applicable Law**. This Bond Indenture shall be governed by the applicable laws of the Commonwealth of Virginia.

**Section 1309.** **Counterparts**. This Bond Indenture may be executed in several counterparts and with Digital Signatures, each of which shall be an original and all of which together shall constitute but one and the same instrument.

**Section 1310.** **U.S.A. Patriot and Freedom Act Requirements of the Bond Trustee**. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Accordingly, the Bond Trustee will require documentation from each non-individual person such as a business entity, a charity, a trust, or other legal entity verifying its formation as a legal entity. The Bond Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the Authority and the Bond Trustee have caused this Bond Indenture to be executed in their respective corporate names as of the date first above written.

**ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA**

By: _____
Name: .
Title: Vice Chairman

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,** as Bond Trustee

By: _____
Name:
Title: Vice President

**EXHIBIT A**

**FORM OF SERIES 2026 BONDS**

**NUMBER** **DOLLARS**

**RA-_____** **$_____**

**UNITED STATES OF AMERICA**

**COMMONWEALTH OF VIRGINIA**

**ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA**
**RESIDENTIAL CARE FACILITY REVENUE BOND**
**(WESTMINSTER-CANTERBURY OF THE BLUE RIDGE)**
**SERIES 2026**

| INTEREST RATE | DATED DATE | MATURITY DATE | CUSIP |
|---|---|---|---|
| _____% | December __, 2026 | _____ __, 20__ | _____ - ___ |

**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL AMOUNT: _____ AND 00/100 DOLLARS ($_____)**

The ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia (as more particularly defined in the below-defined Bond Indenture, the "Authority"), for value received, hereby promises to pay, upon presentation and surrender hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, as trustee, or its successor in trust (the "Bond Trustee"), solely from the sources and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum set forth above on the maturity date set forth above, subject to prior redemption as described below, and to pay, solely from such sources, on June 1, 20__, and on each June 1 and December 1 thereafter (each, an "Interest Payment Date"), interest hereon at the interest rate per year specified above, from the Interest Payment Date next preceding the date on which this Bond is authenticated, unless this Bond is (a) authenticated before the first Interest Payment Date following the initial delivery of this Bond, in which case it shall bear interest from its date, or (b) authenticated upon an Interest Payment Date, in which case it shall bear interest from such Interest Payment Date (unless interest on this Bond is in default at the time of authentication, in which case this Bond shall bear interest from the date to which interest has been paid). Interest hereon shall be paid to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a Business Day (as defined in the Bond Indenture)) of the month next preceding an Interest Payment Date by check or draft mailed to such person at his address as it appears on the registration books kept by the Bond Trustee. Notwithstanding the

foregoing, if and for so long as Cede & Co. or any other nominee of The Depository Trust Company is registered owner of all of the Series 2026 Bonds, the principal of and premium, if any, on this Bond shall be paid to Cede & Co. or such other nominee as provided under the Bond Indenture. Principal, premium, if any, and interest are payable in lawful money of the United States of America.

This Bond and the issue of which it is a part and the premium, if any, and the interest thereon are limited obligations of the Authority and (except to the extent payment with respect to the Series 2026 Bonds shall be made from the proceeds from the sale of the Series 2026 Bonds or the income, if any, derived from the investment thereof) are payable from the revenues and receipts derived from the trust estate which has been pledged and assigned to the Bond Trustee under the Bond Indenture to secure payment of the Series 2026 Bonds.

THE SERIES 2026 BONDS, THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY SUBDIVISION THEREOF. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY OF ALBEMARLE, VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2026 BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND MONIES PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY OF ALBEMARLE, VIRGINIA, IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2026 BONDS OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

This Bond is one of a series of $_____ Economic Development Authority of Albemarle County, Virginia, Residential Care Facility Revenue Bonds (Westminster-Canterbury of the Blue Ridge) Series 2026 (the "Series 2026 Bonds"), of like date and tenor, except as to number, denomination, rate of interest, maturity and privilege of redemption, authorized and issued pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended. The Series 2026 Bonds are issued under and are equally and ratably secured by a Bond Trust Indenture dated as of December 1, 2026 (as altered, amended, modified, or supplemented from time to time, the "Bond Indenture"), between the Authority and the Bond Trustee.

The Authority will issue the Series 2026 Bonds and loan the proceeds thereof to Westminster-Canterbury of the Blue Ridge, a Virginia nonstock corporation (as more particularly defined in the Bond Indenture, the "Borrower") under the terms of a Loan Agreement dated as of December 1, 2026 (as more particularly defined in the Bond Indenture, the "Loan Agreement"), between the Authority and the Borrower.

The Borrower will use the proceeds of the Series 2026 Bonds (1) to finance and refinance, including through reimbursement of costs previously incurred, the design, development, acquisition, construction, and equipping of various master plan projects at the Borrower's residential care retirement community located at 250 Pantops Mountain Road in Albemarle County, Virginia (the "Community"), which projects are expected to be located in and around the existing structures and layout of the Community, including, without limitation, the renovation of the main kitchen and dining facilities, including the Main Lobby, the Marketplace, and other dining venues; interior renovation and modernization of elevators and related facilities; renovation and redesign of interior corridors, public spaces, rooms and finishes; rehabilitation of fire safety components; building envelope repairs; replacement of existing roofs; emergency power system and generator upgrades; renovation of the loading dock; and landscape, paving, and connectivity improvements and (2) to finance other capital projects in and around the Community all within the existing structures or existing parking facilities, landscaping or walkways; design, engineering and other preliminary costs related to capital projects on land at or adjacent to the Community; and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2026 Bonds.

Under the Bond Indenture, the Authority has assigned to the Bond Trustee, as security for the Series 2026 Bonds, a promissory note of the Borrower constituting the Series 2026 Obligation in the principal amount of $_____, dated the date of delivery (as altered, amended, modified, or supplemented, from time to time, the "Series 2026 Obligation"), and certain rights of the Authority under the Loan Agreement. In the Loan Agreement, the Borrower agrees to pay amounts sufficient to pay the principal of and premium, if any, and interest on the Series 2026 Bonds as the same become due. The Series 2026 Obligation is issued as an obligation of the Obligated Group under that certain Amended and Restated Master Trust Indenture dated as of February 1, 2022 (as supplemented and amended, the "Master Indenture"), between the Borrower, Westminster-Canterbury of the Blue Ridge Foundation (the "Foundation") and U.S. Bank Trust Company, National Association, as master trustee (the "Master Trustee"), and a Supplemental Indenture for the Series 2026 Obligation dated as of December 1, 2026 (as altered, amended, modified, or supplemented, from time to time, the "Series 2026 Supplement"), between the Borrower, the Foundation and the Master Trustee.

The Borrower has previously issued other Obligations under the Master Indenture and additional Obligations (as defined in the Master Indenture) of the Borrower and future Members of the Obligated Group may be issued on the terms provided in the Master Indenture. All Obligations of the Obligated Group, including the Series 2026 Obligation, will be equally and ratably secured by the provisions of the Master Indenture. All Obligations of the Obligated Group, including the Series 2026 Obligation, other than those evidencing unsecured indebtedness, are equally and ratably secured by an Amended and Restated Deed of Trust and Security Agreement dated as of February 1, 2022 (as altered, amended, modified, or supplemented from time to time, the "Deed of Trust"), between the Borrower, the individual trustees and the Master Trustee, which creates a lien on and a security interest in the Mortgaged Premises (as defined in the Master Indenture), which lien and security interest are more fully described in the Deed of Trust.

Reference is hereby made to the Bond Indenture, the Loan Agreement, the Master Indenture and the Deed of Trust, and to all amendments and supplements thereto, for a description of the provisions, among others, with respect to the terms on which the Series 2026 Bonds are

issued, the nature and extent of the security for the Series 2026 Bonds, the rights, duties and obligations of the Authority, the Bond Trustee and the Master Trustee, the rights of the holders of the Series 2026 Bonds and the provisions for defeasance of such rights. Capitalized terms used in this Series 2026 Bond and not defined herein have the meanings given to them in the Bond Indenture.

The Series 2026 Bonds may not be called for redemption by the Authority except as provided in the Bond Indenture and as provided below.

As more fully described in Section 301(a) of the Bond Indenture, the Series 2026 Bonds are required to be redeemed by the Authority in whole or in part at any time at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date in the event the Borrower exercises its option to prepay the Series 2026 Obligation, in whole or in part, upon damage to, condemnation of or failure of title to the Mortgaged Premises or certain other extraordinary events.

The Series 2026 Bonds will be subject to redemption by the Authority, at the written direction of the Borrower, prior to maturity in whole, or in part by lot, at any time, on and after June 1, 20__, at the following redemption prices (expressed as a percentage of the principal amount of the Series 2026 Bonds to be redeemed) plus accrued interest thereon, if any, to the redemption date in the event the Borrower exercises its option to prepay all or a portion of the amounts available under the Series 2026 Obligation under Sections 7.2 or 7.3 of the Loan Agreement:

| **Redemption Period:** | **Price** |
|---|---|
| June 1, 20__ through May 31, 20__ | |
| June 1, 20__ through May 31, 20__ | |
| June 1, 20__ through May 31, 20__ | |
| June 1, 20__ and thereafter | |

As a sinking fund, the Bond Trustee shall redeem Series 2026 Bonds maturing on June 1, 20__, on June 1 in years and in principal amounts and at a price of 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest thereon to the redemption date, as follows:

| **Year** | **Amount** |
|---|---|

[*] Maturity

As a sinking fund, the Bond Trustee shall redeem Series 2026 Bonds maturing on June 1, 20__, on June 1 in years and in principal amounts and at a price of 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest thereon to the redemption date, as follows:

| Year | Amount |
|---|---|

[*] Maturity

The Bond Indenture provides for a credit against the sinking fund requirements of the Series 2026 Bonds of the same series and maturity, to the extent the Series 2026 Bonds of such maturity previously have been purchased or redeemed (other than through the operation of the sinking fund) and cancelled or surrendered for cancellation and have not been applied previously as such a credit.

Except as provided in Section 301(a) of the Bond Indenture, if less than all of the Series 2026 Bonds of any maturity are called for redemption, the Series 2026 Bonds to be redeemed shall be selected by DTC in accordance with its procedures, or if DTC is not the securities depository, then by lot in such manner as the Bond Trustee in its discretion may determine, each portion of $5,000 principal amount being counted as one Bond for such purposes. If a portion of this Bond having a principal amount of more than $5,000 shall be called for redemption, a new registered Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender hereof.

If any of the Series 2026 Bonds or portions thereof are called for redemption, the Bond Trustee shall send to the registered owner of each Bond to be redeemed notification thereof by first class mail not less than 30 nor more than 60 days prior to the redemption date, at his address as it appears on the registration books; provided, however, that failure to give any such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Series 2026 Bonds with respect to which no such failure or defect has occurred. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 2026 Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Bond Indenture and shall not be deemed to be outstanding under the provisions of the Bond Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Bond Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Bond Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Bond Indenture. In certain events, on conditions, in the manner and with the effect set forth in the Bond Indenture, the principal of all the Series 2026 Bonds issued under the Bond Indenture and then outstanding may become or may be declared due and payable before their stated maturities, together with accrued interest thereon. Modifications or alterations of the Bond Indenture, the Loan Agreement or the Series 2026 Obligation or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Bond Indenture.

The Series 2026 Bonds are issuable only as registered bonds without coupons in the denomination of $5,000 or any integral multiple thereof. At the designated corporate trust office

of the Bond Trustee, in the manner and subject to the limitations and conditions and upon payment of charges provided in the Bond Indenture, Series 2026 Bonds may be exchanged for an equal aggregate principal amount of Series 2026 Bonds of different authorized denominations as requested by the owner hereof or his duly authorized attorney or legal representative.

The transfer of this Bond may be registered by the registered owner thereof in person or by his duly authorized attorney or legal representative at the designated corporate trust office of the Bond Trustee, but only in the manner and subject to the limitations and conditions provided in the Bond Indenture and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Authority shall execute and the Bond Trustee shall authenticate and deliver in exchange for this Bond a new Bond, registered in the name of the transferee, of authorized denominations. The Bond Trustee, the Authority and the Borrower shall, prior to due presentment for registration of transfer, treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that all payments of interest shall be made to the registered owner as of the 15th day of the month preceding each Interest Payment Date.

Any exchange or registration of transfer shall be without charge except that the Bond Trustee shall make a charge to any Bondholder requesting such exchange or registration in the amount of any tax or other governmental charge required to be paid with respect thereto.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed.

This Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Bond Indenture or be valid until the Bond Trustee shall have executed the Certificate of Authentication appearing hereon.

[Remainder of this page intentionally left blank.]

**IN WITNESS WHEREOF**, the Economic Development Authority of Albemarle County, Virginia, has caused this Bond to be signed by the signature of its Vice Chairman, its seal to be printed hereon and attested by the signature of its Secretary, and this Bond to be dated the date first written above.

**ECONOMIC DEVELOPMENT AUTHORITY OF ALBEMARLE COUNTY, VIRGINIA**

By: _____
Name:
Title: Vice Chairman

[SEAL]

ATTEST:

By: _____
Name:
Title: Secretary/Treasurer

(Form of Certificate of Authentication)

Date of Authentication: December __, 2026

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Series 2026 Bonds described in the within-mentioned Bond Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as Bond Trustee

By: _____
Name: _____
Title: Vice President

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto _____
_____

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

_____
_____

_____

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing _____, to transfer said Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature of Registered Owner)
NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/ Dealer, Credit Union or Savings Association, who is a member of a medallion program approved by the Securities Transfer Association, Inc.

**EXHIBIT B**

**FORM OF REQUISITION**

Requisition No. _____

_____, 20__

U.S. Bank Trust Company, National Association, as trustee

Re: Bond Trust Indenture dated as of December 1, 2026 (the "Bond Indenture"), between the Economic Development Authority of Albemarle County, Virginia (the "Authority") and U.S. Bank Trust Company, National Association, as bond trustee (the "Trustee")

Requisition No._____

The undersigned, as an Authorized Representative of the Borrower, hereby requests that you make the disbursements described below from funds indicated below and held by you, as Trustee. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Bond Indenture. Such disbursements shall be made to pay the invoices attached to this Requisition.

In connection with the above request, the Borrower hereby certifies as follows:

(a) This Requisition is being used to pay _____ Cost of the Project and/or _____ Cost of Issuance [check all that apply]

| | |
|---|---|
| $_____ | $_____ |
| Amount being requisitioned from the Construction Fund established under the Bond Indenture | Amount being requisitioned from the Cost of Issuance Fund established under the Bond Indenture |
| $_____ | $_____ |
| Amount being requisitioned to pay Costs of Issuance | Amount being requisitioned to pay Cost of the Project |

(b) the payment of this Requisition will not result in an amount greater than 2% of the proceeds of the Series 2026 Bonds being expended for "issuance costs" within the contemplation

of Section 147(g) of the Code, including, without limitation, any counsel fees, financial advisor fees, rating agency fees, trustee fees, paying agent and certifying and authenticating agent fees, accountant fees, printing costs and costs incurred in connection with the required public approval of the Series 2026 Bonds;

(c) the payment of this Requisition will not result in any of the proceeds of the Series 2026 Bonds expended or to be expended under such Requisition and all prior Requisitions being used directly or indirectly in the trade or business carried on by a related person within the meaning of Section 144(a) or Section 145(b)(3) of the Code, or by any person who is not a "501(c)(3) organization" within the meaning of Section 145 of the Code;

(d) the obligation stated on this Requisition is a proper charge against the funds in the: [Check as applicable:]

_____ Construction Fund
_____ Cost of Issuance Fund

and the obligation has not been the basis for a prior Requisition that has been paid. No obligation stated on this Requisition has been paid previously from other tax-exempt borrowings of the Borrower;

(e) as of the date of this certification no event or condition has happened or existed or is happening or exists that constitutes, or that with notice or lapse of time or both, would constitute, an Event of Default under the Bond Indenture, or if such an event or condition has happened or existed, or is happening or exists, specifying the nature and period of the event or condition and what action the Borrower has taken, is taking or proposes to take with respect to it;

(f) the representations and warranties of the Borrower in the Loan Agreement are true and correct as of the date hereof (except if they relate to an earlier date).

(g) the work and materials for which funds are herein requested have been performed or are actually in place, and remaining funds after the subject draw are sufficient to pay the remaining costs to complete such work; and

(h) all bills and invoices for the work for which this Requisition is requested are attached hereto. The application for payment from the applicable contractor is also attached hereto. All amounts for labor, material, services and supplies which could constitute or give rise to a mechanics lien if unpaid have been paid, or will be paid out of the funds requested in the current application, and no security interest has been given in connection with any materials, appliances, machinery, fixtures or furnishings installed in the Project.

Executed and certified as of the date first above written.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE**

By: _____
Authorized Representative of the Borrower