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**SECOND SUPPLEMENTAL TRUST INDENTURE**

**by and between**

**SALES TAX SECURITIZATION CORPORATION**

**and**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee**

\_\_\_\_\_  
*Dated as of December 1, 2017*  
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## SECOND SUPPLEMENTAL TRUST INDENTURE

**THIS SECOND SUPPLEMENTAL TRUST INDENTURE**, is entered into as of December 1, 2017, by and between **SALES TAX SECURITIZATION CORPORATION**, a not for profit corporation incorporated under the General Not For Profit Corporation Act of 1986 of the State of Illinois (the “**Corporation**”), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as trustee (the “**Trustee**”), and supplements the Master Trust Indenture, dated as of December 1, 2017, by and between the Corporation and the Trustee (the “**Master Indenture**”).

### W I T N E S S E T H:

**WHEREAS**, the Sales Tax Securitization Corporation has determined that it is desirable at this time to authorize the issuance of \$171,040,000 aggregate principal amount of Sales Tax Securitization Corporation Sales Tax Securitization Bonds, Taxable Series 2017C, the proceeds of which shall be used (i) to purchase from the City of Chicago (the “**City**”) all of the City’s right, title and interest in and to the Sales Tax Revenues pursuant to the Sale Agreement (as hereinafter defined), and (ii) to pay the Costs of Issuance of the Series 2017C Bonds. Such funds will be applied by the City to refund to refund a portion of the City’s outstanding general obligation bonds; and

**WHEREAS**, concurrently with the issuance of the Series 2017C Bonds, the Corporation will issue its Sales Tax Securitization Bonds, Series 2017A and Sales Tax Securitization Bonds, Taxable Series 2017B (collectively, the “**Series 2017AB Bonds**”), pursuant to the First Supplemental Indenture (as hereinafter defined), the proceeds of which will be used to provide funds for the Corporation to purchase the Sales Tax Revenues from the City pursuant to the Sale Agreement and (ii) to pay the Costs of Issuance of the Series 2017AB Bonds; and

**WHEREAS**, this Second Supplemental Indenture is entered into to supplement the Master Indenture to provide for the issuance of the Series 2017C Bonds on a parity with the Series 2017AB Bonds and the Outstanding Bonds hereafter issued; and

**WHEREAS**, the Corporation has taken all necessary action to make the Series 2017C Bonds, when authenticated by the Trustee and issued by the Corporation, valid and binding obligations of the Corporation and to constitute this Second Supplemental Indenture a valid and binding instrument for the authorization of and security for the Series 2017C Bonds.

**NOW, THEREFORE, WITNESSETH** that the Corporation does covenant and agree with the Trustee and with the respective Bondholders, from time to time of the Outstanding Series 2017C Bonds, as follows:

## ARTICLE I.

### DEFINITIONS AND AUTHORITY

**SECTION 1.01. Definitions.** Capitalized terms used herein and not otherwise defined shall have the respective meanings accorded such terms in the Master Indenture. In addition, the following terms shall have the following meanings herein unless the context otherwise requires:

**“Calculation Agent”** has the meaning given to such term in Section 2.11(a) hereof.

**“City”** means the City of Chicago, a home rule municipality under Section 6 of Article VII of the Illinois Constitution of 1970.

**“First Supplemental Indenture”** means the First Supplemental Trust Indenture, dated as of December 1, 2017, by and between the Corporation and the Trustee, which supplements and amends the Master Indenture to authorize the issuance of the Series 2017AB Bonds.

**“Second Supplemental Indenture”** means this Second Supplemental Trust Indenture, which supplements and amends the Master Indenture to authorize the issuance of the Series 2017C Bonds.

**“Indenture”** means the Master Indenture as supplemented by Supplemental Indentures.

**“ISIN Number”** means the unique number assigned to each Bond traded within the Euroclear System and Clearstream, Luxembourg, from and after the date upon which such trading commences.

**“Make Whole Period”** means the number of years, including any fractional portion thereof, calculated on the basis of a 360-day year consisting of twelve 30-day months, between the redemption date and the remaining weighted average life of each Series 2017C Bond to be redeemed.

**“Master Indenture”** shall have the meaning set forth in the first paragraph of this Second Supplemental Indenture.

**“Offering Circular”** means the Offering Circular of the Corporation, dated December 6, 2017, as supplemented on December 7, 2017, relating to the Series 2017 Bonds.

**“Sale Agreement”** means the Assignment, Purchase and Sale Agreement, dated as of December 14, 2017, by and among the City, the Corporation and the Trustee.

**“Series 2017 Bonds”** means, collectively, the Series 2017AB Bonds and the Series 2017C Bonds.

“**Series 2017AB Bonds**” means, collectively, the Corporation’s Sales Tax Securitization Bonds, Series 2017A and the Corporation’s Sales Tax Securitization Bonds, Taxable Series 2017B, authorized by the First Supplemental Indenture.

“**Series 2017C Bonds**” means the Corporation’s Sales Tax Securitization Bonds, Taxable Series 2017C, authorized by this Second Supplemental Indenture.

“**Treasury Rate**” means, as of any redemption date for a Series 2017C Bond, the time-weighted interpolated average yield for a term equal to the Make Whole Period of the yields of the two U.S. Treasury nominal securities at “constant maturity” (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that is publicly available not less than two (2) Business Days (as defined in Section 2.11 hereof) nor more than 30 calendar days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data) maturing immediately preceding and succeeding the Make Whole Period. The Treasury Rate will be determined by the Calculation Agent or an independent accounting firm, investment banking firm, or financial advisor retained and compensated by the Corporation as a Corporation Expense.

**SECTION 1.02. Rules of Construction.** Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies as well as natural persons.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in the Second Supplemental Indenture, refer to this Second Supplemental Indenture.

## ARTICLE II.

### THE SERIES 2017C BONDS

**SECTION 2.01. Authorization, Designation and Series.** The Series 2017C Bonds are hereby authorized to be issued in an aggregate principal amount of \$171,040,000. The Series 2017C Bonds are issued under and secured by the Indenture. Such Series of Bonds shall be designated “Sales Tax Securitization Bonds, Taxable Series 2017C”.

**SECTION 2.02. Purposes.** The purposes for which the Series 2017C Bonds are issued are (i) to pay to, or upon the direction of, the City in accordance with Section 5.03 of the Master Indenture money to provide for the purchase of the City’s right, title and interest in and to the Sales Tax Revenues, and (ii) to pay the Costs of Issuance of the Series 2017C Bonds.

**SECTION 2.03. Maturity Dates, Principal Amounts and Interest Rates.** The Series 2017C Bonds shall bear interest at such rates and shall mature (subject to the right of prior redemption as hereinafter set forth) on January 1 of each year and in the amounts set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$12,000,000	2.596%
2023	17,905,000	2.754
2024	18,400,000	2.854
2025	18,925,000	2.980
2026	19,490,000	3.105
2027	20,090,000	3.180
2028	20,730,000	3.230
2029	21,400,000	3.280
2030	22,100,000	3.330

**SECTION 2.04. Interest Payments.** The Series 2017C Bonds shall bear interest from their dates, payable semiannually on the January 1 and July 1 of each year, commencing on July 1, 2018, at the rates provided above. If the date for payment shall be other than a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

**SECTION 2.05. Serial Bonds and Term Bonds.** The Series 2017C Bonds maturing on and prior to January 1, 2030 shall be Serial Bonds.

**SECTION 2.06. Form, Denominations, Numbers and Letters.** The Series 2017C Bonds shall be issued as fully registered Bonds. The Series 2017C Bonds shall be issued in authorized denominations of \$5,000 or an integral multiple thereof.

Unless the Corporation shall otherwise direct, the Series 2017C Bonds shall be numbered and lettered “17BR—”, followed by the number of the Bond. The Series 2017C Bonds shall be numbered consecutively from one upward.

**SECTION 2.07. Dating of Series 2017C Bonds.** The Series 2017C Bonds issued prior to the first Interest Payment Date shall be dated their date of delivery. Each Series 2017C Bond issued on or after the first Interest Payment Date shall be dated as provided in Section 3.01 of the Master Indenture.

**SECTION 2.08. Place of Payment.** The Series 2017C Bonds shall be payable at the designated corporate trust office of the Trustee. Interest on the Series 2017C Bonds will be payable by the Trustee as provided in Section 3.01 of the Master Indenture, or at the option of any owner of \$1,000,000 or more in aggregate principal amount of the Series 2017C Bonds by wire transfer of immediately available funds to such bank in the continental United States as such owner requests in writing.

**SECTION 2.09. Record Date.** The Record Date for the Series 2017C Bonds shall be the fifteenth (15<sup>th</sup>) day (whether or not a Business Day) of the calendar month next preceding an Interest Payment Date.

**SECTION 2.10. Paying Agent.** The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, is hereby appointed Paying Agent for the Series 2017C Bonds, such appointment to be effective immediately upon the filing of this Supplemental Indenture with the Trustee.

**SECTION 2.11. Redemption Prices and Terms.** The Series 2017C Bonds shall be subject to redemption prior to maturity as provided in this Section 2.11.

(a) *Make Whole Optional Redemption.* The Series 2017C Bonds are subject to redemption prior to maturity, at the election or direction of the Corporation, on any date, in whole or in part, and if in part from such maturities and interest rates as shall be determined by the Corporation on any Business Day (as defined below) at a redemption price equal to the greater of: (A) the principal amount of such Series 2017C Bonds to be redeemed, or (B) the sum of the present values of the remaining scheduled payments of principal and interest on such Series 2017C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date such Series 2017C Bonds are to be redeemed, discounted to the date of redemption of such Series 2017C Bonds to be redeemed on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 15 basis points plus accrued interest on such Series 2017C Bonds being redeemed to the date fixed for redemption. For purposes of this Section 2.11(a), “Business Day” means any day other than a day on which banks in New York, New York, Chicago, Illinois, or the city in which the Trustee maintains its designated office are required or authorized to close.

The make whole optional redemption price of any Series 2017C Bond to be redeemed will be calculated by an independent accounting firm, investment banking firm or financial advisor (the “Calculation Agent”) retained by the Corporation at the Corporation’s expense. The Trustee and the Corporation may rely on the Calculation Agent’s determination of the make whole optional redemption price and will not be liable for such reliance. The Corporation shall confirm and transmit the redemption price as so calculated on such dates and to such parties as shall be necessary to effectuate such redemption.

**SECTION 2.12. Form of Bonds and Certificate of Authentication.** Subject to the provisions of the Master Indenture, the form of the Series 2017C Bonds and of the Trustee’s Certificate of Authentication shall be substantially in the form annexed hereto as Exhibit A.

**SECTION 2.13. Book Entry Bond Procedures.** Notwithstanding any other provision of this Second Supplemental Indenture to the contrary, so long as any Series 2017C Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal, Redemption Price or Purchase Price of and interest on such Series 2017C Bond, and all deliveries to be made and notices to be delivered with respect to such Series 2017C Bond, shall be made and given pursuant to DTC’s rules and procedures then in effect.

**SECTION 2.14. CUSIP and ISIN Numbers.** In addition to CUSIP numbers as required by Section 3.03 of the Master Indenture, the Corporation shall provide for the assignment of ISIN Numbers for each Series 2017C Bond and cause such ISIN Numbers to be printed thereon and the Trustee shall use such numbers, together with the CUSIP numbers, in notices of redemption and on all checks payable to Holders of Series 2017C Bonds as a convenience to such Holders; *provided, however*, that any such notice shall state that no

representation is made as to the correctness of such CUSIP Number or ISIN Number either as printed on such Series 2017C Bond or as contained in any notice of redemption, and that an error in a CUSIP number or ISIN Number as printed on such Series 2017C Bond or as contained in any notice of redemption shall not affect the validity of the proceedings for redemption. Neither the Corporation nor the Trustee shall be liable for any defect or inaccuracy in the CUSIP number or ISIN Number as it appears on any Series 2017C Bond or in any notice of redemption. The Corporation shall promptly notify the Trustee of any change in the CUSIP numbers or ISIN Numbers assigned to any Series 2017C Bond of which the Corporation has knowledge.

### **ARTICLE III.**

#### **DEPOSITS TO FUNDS AND ACCOUNTS**

**SECTION 3.01. Application of Proceeds.** Pursuant to Section 5.03 of the Master Indenture, the Corporation hereby directs that the proceeds of the Series 2017C Bonds be applied as follows:

(a) \$37,235.44 shall be deposited in the Costs of Issuance Account of the Proceeds Fund; and

(b) \$170,303,300.22 shall be deposited in the City Proceeds Account of the Proceeds Fund, to be paid to or upon the direction of the City.

### **ARTICLE IV.**

#### **SPECIAL COVENANTS**

**SECTION 4.01. Agreement of the City.** Pursuant to the Sale Agreement, the Corporation hereby includes, for the benefit of the Bondholders, that the City shall take no action that would in any way materially adversely (A) impair the Corporation's right to receive the Sales Tax Revenues, (B) limit or alter the rights vested in the Corporation to fulfill the terms of its agreements with the Bondholders, or (C) impair the rights and remedies of the Bondholders or the security for the Series 2017C Bonds until the Series 2017C Bonds, together with the interest thereon and all costs and expenses in connection with any action or proceedings by or on behalf of the Bondholders, are fully paid and discharged.

The Corporation hereby acknowledges that the City's pledge and agreement is an important security provision of the Master Indenture and the Series 2017C Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation hereby waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly, assert nor support any assertion or claim made by or on behalf of the State, or by any other person, to the contrary.

**SECTION 4.02. Agreement of the State.** In the Act, the State pledges to and agrees with the City and the Corporation that the State will not limit or alter the rights and powers vested in any State Entity by the Act with respect to the disposition of the Sales Tax Revenues so as to impair the terms of the Sale Agreement or the Master Indenture until all

requirements with respect to the deposit by such State Entity of Sales Tax Revenues have been fully paid and discharged. In addition, in the Act the State pledges to and agrees with the City and the Corporation that the State will not limit or alter the basis on which the Sales Tax Revenues are derived, or the use of the Sales Tax Revenues, so as to impair the terms of the Sale Agreement or the Master Indenture.

The Corporation hereby acknowledges that the State's pledge and agreement is an important security provision of the Master Indenture and the Series 2017C Bonds, and, to the fullest extent permitted by applicable federal or State law, the Corporation hereby waives any right to assert any claim to the contrary and agrees that it will neither, directly or indirectly, assert nor support any assertion or claim made by or on behalf of the City, or by any other person, to the contrary.

## **ARTICLE V.**

### **MISCELLANEOUS**

**SECTION 5.01. Limitation of Rights.** Nothing in this Second Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Corporation, the Trustee, the Paying Agent and the registered owners of the Series 2017C Bonds, any right, remedy or claim under or by reason hereof or of the Master Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Second Supplemental Indenture or the Master Indenture contained by and on behalf of the Corporation shall be for the sole and exclusive benefit of the Corporation, the Trustee, the Paying Agent and the registered owners of the Series 2017C Bonds.

**SECTION 5.02. Successors and Assigns.** This Second Supplemental Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

**SECTION 5.03. Severability.** If any provision of this Second Supplemental Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

**SECTION 5.04. Applicable Law.** This Second Supplemental Indenture shall be governed by the applicable laws of the State.

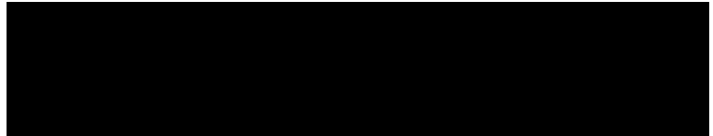
**SECTION 5.05. Counterparts.** This Second Supplemental Indenture may be executed in several counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

**SECTION 5.06. Amendments and Supplements.** This Second Supplemental Indenture may be amended or supplemented in accordance with the provisions of Articles IX and X of the Master Indenture.



**IN WITNESS WHEREOF**, the Corporation and the Trustee have caused this Second Supplemental Indenture to be executed in their respective corporate names by their duly authorized officers, all as of the date first above written.

**SALES TAX SECURITIZATION  
CORPORATION**



**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Trustee**

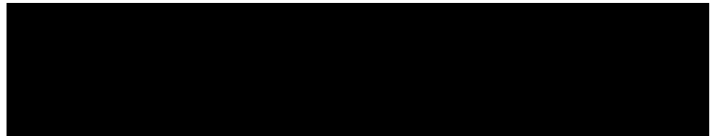


EXHIBIT A  
FORM OF SERIES 2017C BONDS

AS PROVIDED IN THE INDENTURE REFERRED TO HEREIN, UNTIL THE TERMINATION OF REGISTERED OWNERSHIP OF ALL OF THE BONDS THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE INDENTURE, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE INDENTURE TO THE CONTRARY, THE PRINCIPAL AMOUNT OUTSTANDING UNDER THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE TRUSTEE. DTC OR A TRANSFEREE OR ASSIGNEE OF DTC AS OWNER OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND TO BE PAID. THE PRINCIPAL AMOUNT OUTSTANDING AND TO BE PAID ON THIS BOND SHALL FOR ALL PURPOSES BE THE AMOUNT INDICATED ON THE BOOKS OF THE TRUSTEE.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Number: 17CR-\_\_\_\_

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UNITED STATES OF AMERICA  
STATE OF ILLINOIS

SALES TAX SECURITIZATION CORPORATION  
SALES TAX SECURITIZATION BONDS,  
SERIES 2017C

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP NO.</u>
_____%	January 1, 20__	December __, 2017	_____

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

FOR VALUE RECEIVED, SALES TAX SECURITIZATION CORPORATION (the "Corporation"), a not-for-profit corporation organized under the General Not For Profit Corporation Act of 1986 of the State of Illinois (the "State"), as amended, and an instrumentality of the City of Chicago (the "City"), hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the registered owner stated above, or registered assigns, the Principal Amount stated above on the Maturity Date stated above, upon the presentation and surrender hereof at the principal corporate trust office of the Trustee hereinafter mentioned, and to pay to the registered owner interest on such Principal Amount from the Dated Date stated above at the Interest Rate per annum stated above until the Principal Amount is paid, payable on July 1, 2018 and on each January 1 and July 1 thereafter. Principal and Redemption Price of this Bond shall be payable at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, as trustee (together with any successor in such capacity, the "Trustee"), in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Payment of the interest hereon shall be made by check mailed to the person who is the registered owner hereof at the close of business on the Record Date or, at the request of a registered owner, by wire transfer to such registered owner at the wire transfer address in the continental United States to which such registered owner has not later than the Record Date immediately preceding such Interest Payment Date directed the Trustee to wire such interest payment. The Record Date is the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding an Interest Payment Date.

THE INDENTURE (HEREINAFTER DEFINED) PROVIDES THAT THE BONDS, INCLUDING THIS BOND, SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE PROVIDED FOR SUCH PAYMENT, AND SHALL NOT BE A GENERAL OBLIGATION OF THE CORPORATION. THIS BOND IS A SPECIAL OBLIGATION OF THE CORPORATION, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF THE TRUST ESTATE, WHICH PLEDGE SHALL CONSTITUTE A FIRST LIEN THEREON.

This bond does not constitute a debt of the City, the State or any subdivision thereof, and neither the State nor the City is liable thereon. The Corporation does not have the power to pledge the credit, the revenues or the taxing power of the State or the City, and neither the credit, the revenues nor the taxing power of the City, the State or any subdivision thereof is pledged to the payment of any of the Bonds. The Corporation has no taxing power.

This bond is one of a duly authorized issue of bonds of the Corporation designated as "Sales Tax Securitization Bonds, Series 2017C" (herein called the "Series 2017C Bonds"), issued in the aggregate principal amount upon original issuance of \$[\_\_\_\_\_]. The Series 2017C Bonds are issued pursuant to a Master Trust Indenture by and between the Corporation and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of December 1, 2017 (the "Master Indenture"), including by a Second Supplemental Trust Indenture, dated as of December 1, 2017 (the "Second Supplemental Indenture", and together with the Master Indenture, collectively referred to herein as the "Indenture"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Indenture.

The purposes for which the Series 2017C Bonds are issued are (i) to provide funds for the Corporation to purchase all of the City's right, title and interest in and to the Sales Tax Revenues from the City pursuant to the Sale Agreement, and (ii) to pay certain costs of issuance.

The Series 2017C Bonds are all of like tenor, except as to number, dates, denominations, interest rate, and maturity date. Copies of the Indenture are on file at the office of the Corporation in Chicago, Illinois, and at the designated corporate trust office of the Trustee, in Chicago, Illinois, and reference to the Indenture is hereby made for a description of the pledge and covenants securing the Series 2017C Bonds and a statement of the rights, duties, immunities and obligations of the Corporation and of the Trustee and a statement of the rights of the owner hereof. Such pledge and other obligations of the Corporation under the Indenture may be discharged at or prior to the maturity or redemption of the Series 2017C Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Indenture. Additional Bonds may be issued from time to time pursuant to the Master Indenture and additional supplemental indentures in one or more Series and in various principal amounts. Except as provided in the Master Indenture, the aggregate principal amount of bonds which may be issued under the Master Indenture (collectively, the "Bonds") is not limited, and all Bonds issued thereunder will be equally and ratably secured by the pledge and covenants made in the Master Indenture. The Corporation reserves the right to incur Subordinated Indebtedness in furtherance of its corporate purposes secured by a lien on the Trust Estate that is subject to and subordinate to the first priority lien on the Trust Estate granted to Holders of Outstanding Bonds and payable from amounts on deposit in the Subordinated Indebtedness Fund pursuant to the Master Indenture.

The Series 2017C Bonds are subject to redemption prior to maturity, at the election or direction of the Corporation, on any date, in whole or in part, and if in part from such maturities and interest rates as shall be determined by the Corporation on any Business Day (as defined below) at a redemption price equal to the greater of: (A) the principal amount of such Series 2017C Bonds to be redeemed, or (B) the sum of the present values of the remaining scheduled payments of principal and interest on such Series 2017C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date such Series 2017C Bonds are to be redeemed, discounted to the date of redemption of such Series 2017C Bonds to be redeemed on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus \_\_\_ basis points plus accrued interest on such Series 2017C Bonds being redeemed to the date fixed for redemption.

The make whole optional redemption price of any Series 2017C Bond to be redeemed will be calculated by the Calculation Agent retained by the Corporation at the Corporation's expense. The Trustee and the Corporation may rely on the Calculation Agent's determination of the make whole optional redemption price and will not be liable for such reliance. The Corporation shall confirm and transmit the Redemption Price as so calculated on such dates and to such parties as shall be necessary to effectuate such redemption.

The "Treasury Rate" is, as of any redemption date for a Series 2017C Bond, the time-weighted interpolated average yield for a term equal to the Make Whole Period of the yields of the two U.S. Treasury nominal securities at "constant maturity" (as compiled and published in the Federal Reserve Statistical Release H.15 (519) that is publicly available not less than two (2)

Business Days (as defined below) nor more than 30 calendar days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data) maturing immediately preceding and succeeding the Make Whole Period. The Treasury Rate will be determined by the Calculation Agent or an independent accounting firm, investment banking firm, or financial advisor retained and compensated by the Corporation as a Corporation Expense. For purposes of this paragraph, "Business Day" means any day other than a day on which banks in New York, New York, Chicago, Illinois, or the city in which the Trustee maintains its designated office are required or authorized to close. "Make Whole Period" means the number of years, including any fractional portion thereof, calculated on the basis of a 360-day year consisting of twelve 30-day months, between the redemption date and the remaining weighted average life of each Series 2017C Bond to be redeemed.

In the event of redemption of less than all of the Outstanding Series 2017C Bonds of like maturity and tenor, the Trustee shall assign to each Outstanding Series 2017C Bond of the maturity and tenor to be redeemed a distinctive number for each unit of the principal amount of such Bond equal to the lowest denomination in which the Series 2017C Bonds are authorized to be issued and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at such unit amount equal to the lowest denomination in which the Series 2017C Bonds are authorized to be issued for each number, shall equal the principal amount of such Bonds to be redeemed. In making such selections the Trustee may draw the Series 2017C Bonds by lot (i) individually or (ii) by one or more groups, the grouping for the purpose of such drawing to be by serial numbers (or, in the case of Series 2017C Bonds of a denomination of more than the lowest denomination in which the Series 2017C Bonds are authorized to be issued, by the numbers assigned thereto as provided in the Indenture) which end in the same digit or in the same two digits. In case, upon any drawing by groups, the total principal amount of Series 2017C Bonds drawn shall exceed the amount to be redeemed, the excess may be deducted from any group or groups so drawn in such manner as the Trustee may determine. The Trustee may in its discretion assign numbers to aliquot portions of Series 2017C Bonds and select part of any Series 2017C Bond for redemption. The Series 2017C Bonds to be redeemed shall be the Series 2017C Bonds to which were assigned numbers so selected; *provided, however*, that only so much of the principal amount of each such Series 2017C Bond of a denomination of more than the lowest denomination in which the Series 2017C Bonds are authorized to be issued shall be redeemed as shall equal the lowest denomination in which the Series 2017C Bonds are authorized to be issued for each number assigned to it and so selected.

Notice of redemption shall be given by mailing a copy of such notice not less than twenty (20) days nor more than sixty (60) days prior to the redemption date. Such notice shall be sent by first class mail, postage prepaid, to the registered owners of the Series 2017C Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than ten (10) Business Days prior to the date such notice is given. Upon giving such notice, the Trustee shall promptly certify to the Corporation that it has mailed or caused to be mailed such notice to the Holders of the Series 2017C Bonds to be redeemed in the manner provided in the Indenture. Such certificate shall be conclusive evidence that such notice was given in the manner required by the Indenture. The failure of any Holder of a Series 2017C

Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of the Series 2017C Bonds.

If notice of redemption shall have been given as aforesaid and if the conditions, if any, set forth in such notice have been fulfilled, the Series 2017C Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein designated at the applicable Redemption Price, and if, on the redemption date, moneys for the redemption of all the Series 2017C Bonds of like maturity to be redeemed, together with interest thereon to the redemption date, shall be held by the Trustee and Paying Agents so as to be available for such payment on said date, then from and after the redemption date interest on such Series 2017C Bonds so called for redemption shall cease to accrue and become payable.

To the extent and in the respects permitted by the Indenture, the Indenture may be modified or amended by action on behalf of the Corporation taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. The owner of this bond shall have no right to enforce the provisions of the Indenture or to institute an action with respect to an event of default under the Indenture (an "Event of Default") or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

Series 2017C Bonds for which moneys shall have been set aside, shall be held in trust by the Trustee for the payment or redemption thereof (through deposit of moneys for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the Indenture. All Outstanding Series 2017C Bonds or any maturity within the Series 2017C Bonds or a portion of a maturity within such Series shall prior to the maturity date thereof be deemed to have been paid within the meaning and with the effect expressed in the Indenture if (a) in case any of said Series 2017C Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to give as provided in the Indenture notice of redemption on said date of such Series 2017C Bonds, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient in the judgment of a nationally recognized verification agent to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, and interest due and to become due on said Series 2017C Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (c) in the event such Series 2017C Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Corporation shall have given the Trustee, in form satisfactory to it, irrevocable instructions to give, as soon as practicable, by first class mail, postage prepaid, to the Holders of said Series 2017C Bonds at their last known addresses appearing on the registration books, a notice to the Holders of such Series 2017C Bonds that the deposit required by (b) above has been made with the Trustee and that such Series 2017C Bonds are deemed to have been paid in accordance with the Indenture and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Series 2017C Bonds, and (d) in the event of a defeasance of a Tax Exempt Bond, the Corporation shall have delivered to the Trustee an opinion of Transaction

Counsel to the effect that said Series 2017C Bond having been deemed to have been paid as provided in the Indenture would not (A) cause said Series 2017C Bond to be considered to have been “reissued” for purposes of Section 1001 of the Code and (B) adversely affect the exclusion of interest on such Tax Exempt Bond from gross income for purposes of federal income taxation. The Corporation shall give written notice to the Trustee of its selection of the Series and maturity the payment of which is to be made in accordance with the Indenture. The Trustee shall select the Bonds of like Series and maturity payment of which shall be made in accordance with the Indenture. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to the Indenture nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on said Bonds; provided, however, that any moneys received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any income or interest earned by, or increment to, the investment of any such moneys so deposited, shall, to the extent certified by the Trustee to be in excess of the amounts required by the Indenture to pay the principal, Sinking Fund Installments, if any, or Redemption Price, if applicable, of and interest on such Bonds, as realized, be paid by the Trustee in accordance with the Indenture.

Anything in the Indenture to the contrary notwithstanding, any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any of the Series 2017C Bonds or the interest thereon which remain unclaimed for one (1) year after the date when all of the Series 2017C Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or a Paying Agent at such date, or for one (1) year after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after said date when all of the Series 2017C Bonds become due and payable, or one (1) year after the date when the principal or Redemption Price of or interest on the Series 2017C Bonds for which said money is held was due and payable shall at the written request of the Corporation, be repaid by the Trustee or Paying Agent to the Corporation as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Holders of such Series 2017C Bonds shall look only to the Corporation for the payment thereof.

If the Corporation shall pay or cause to be paid to the Holders of this Series 2017C Bond the principal or Redemption Price of and interest thereon, at the times and in the manner stipulated herein, in the Master Indenture and in the Second Supplemental Indenture, then the pledge of the Trust Estate and all other rights granted hereby to this Bond shall be discharged and satisfied.

This bond is transferable, as provided in the Indenture, only upon the books of the Corporation kept for that purpose at the designated corporate trust office of the Trustee, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by



the registered owner or his duly authorized attorney and the payment of a charge sufficient to reimburse the Corporation or the Trustee for any tax, fee or other governmental charge required to be paid with respect to such transfer. Upon such transfer, there shall be issued in the name of the transferee a new registered Series 2017C Bond or Bonds of the same maturity, all as provided in the Indenture and upon the payment of the charges therein prescribed. The Corporation and the Trustee may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest hereon and for all other purposes whatsoever, irrespective of any notice to the contrary.

Neither the Trustee nor any Bondholder shall have any right in or to any proceeds derived from the issuance of the Series 2017C Bonds held in the City Proceeds Account or otherwise paid to the City and no action or proceeding shall be maintained to enforce any claim to any such proceeds. Each Bondholder by purchase of its Series 2017C Bonds waives any right in or to any proceeds derived from the issuance of Series 2017C Bonds held in the City Proceeds Account or otherwise paid to the City or at the direction of the City pursuant to a Direction Letter and the right to maintain any action or proceeding to enforce any claim to any such proceeds.

The Indenture provides that neither the directors of the Corporation nor any person executing Bonds shall be liable personally thereon or be subject to any personal liability solely by reason of the issuance thereof.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as accorded to such words and phrases in the Indenture.

It is hereby certified, recited, and declared that all conditions, acts and things required by the statutes of the State and the Indenture to exist, to have happened or to have been performed precedent to or in connection with the issuance of this bond exist, have happened and have been performed.

This bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, THE SALES TAX SECURITIZATION CORPORATION has caused this bond to be signed in its name and on its behalf by its President and attested by its Secretary-Treasurer (the signatures of said officers may be by facsimile), and said officials by the execution hereof do adopt as and for their own proper signatures the signatures appearing on each of the Series 2017C Bonds, all as of the Dated Date specified above.

SALES TAX SECURITIZATION  
CORPORATION

By: \_\_\_\_\_  
Name: Carole L. Brown  
Title: President

ATTEST:

By: \_\_\_\_\_  
Name: Kelly Flannery  
Title: Secretary-Treasurer

**TRUSTEE AUTHENTICATION**

This bond is one of the Bonds described in the within mentioned Indenture and is one of the Sales Tax Securitization Bonds, Series 2017C, of the Sales Tax Securitization Corporation.

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Trustee

By: \_\_\_\_\_  
Authorized Signatory

Date of authentication: December \_\_, 2017

ASSIGNMENT

FOR VALUE RECEIVED:

\_\_\_\_\_  
(Please print or typewrite name of undersigned transferor)  
hereby sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Please insert Social Security or other tax identifying number of Transferee)  
 \_\_\_\_\_

\_\_\_\_\_  
Please print or typewrite name and address,  
including zip code, of transferee

the within-mentioned Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney-in-fact, to transfer the same on the books of registry in the office of the Trustee, as registrar, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTE: The signature to this assignment must correspond with the name as written on the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:  
\_\_\_\_\_  
\_\_\_\_\_

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