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**MARYLAND ECONOMIC DEVELOPMENT CORPORATION**  
**as Issuer**

**and**

**MANUFACTURERS AND TRADERS TRUST COMPANY**  
**as Trustee**

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**SECOND AMENDED AND RESTATED**  
**TRUST INDENTURE**

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**\$45,242,100.28**  
**MARYLAND ECONOMIC DEVELOPMENT CORPORATION**  
**REFUNDING REVENUE BONDS**  
**(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)**  
**SERIES 2008 A, B, C AND D**

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**Dated as of December 1, 2008**

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## SECOND AMENDED AND RESTATED TRUST INDENTURE

**THIS SECOND AMENDED AND RESTATED TRUST INDENTURE** is dated as of December 1, 2008 and is made and entered into by and between the **MARYLAND ECONOMIC DEVELOPMENT CORPORATION**, a body politic and corporate and an instrumentality of the State of Maryland (the "Issuer") and **MANUFACTURERS AND TRADERS TRUST COMPANY**, a New York banking corporation, as Trustee (the "Trustee").

### RECITALS

Pursuant to and in accordance with the Act (hereinafter defined), as previously codified as Sections 5-201 through 5-216, inclusive, of Article 83A of the Annotated Code of Maryland, the Issuer issued and sold the Series 1996 Bonds (hereinafter defined) and used the proceeds thereof to (i) pay a portion of the costs of the acquisition, construction and equipping of an 18-hole golf course and hotel/meeting center and related facilities in Rocky Gap State Park, Allegany County, Maryland (including reimbursement to the Issuer of expenditures previously incurred in connection therewith), (ii) pay the interest expected to accrue on certain of the Series 1996 Bonds through initial operation of the Project, (iii) pay debt service on certain of the Series 1996 Bonds from the issuance and sale thereof through a certain period after the opening of the Project, (iv) establish debt service reserve, operating reserve and working capital and operating expense funds and (v) pay a portion of the costs of the administrative, legal, financing and miscellaneous expenses related to the issuance of the Series 1996 Bonds.

The Issuer issued the Series 1996 Bonds pursuant to a Trust Indenture dated as of April 1, 1996 by and between the Issuer and The First National Bank of Maryland (predecessor-in-interest to Manufacturers and Traders Trust Company), as Trustee (the "Original Indenture"). The Issuer and the Trustee amended and restated the Original Indenture pursuant to an Amended and Restated Trust Indenture dated as of April 1, 2003 by and between the Issuer and the Trustee (as amended and supplemented from time to time, the "First Restated Indenture").

The First Restated Indenture provides that the Issuer may from time to time issue Additional Bonds (as defined in the First Restated Indenture) for the purpose, *inter alia*, of refunding any Outstanding Bonds (as defined in the First Restated Indenture), all in accordance with the terms and conditions set forth therein. The Issuer intends to issue the Series 2008 Bonds (hereinafter defined) as Additional Bonds in order to refund the Series 1996 Bonds. In connection with the issuance of the Series 2008 Bonds, the Issuer desires to amend and restate the First Restated Indenture and has requested the Trustee to enter into this Indenture.

This Indenture shall constitute a trust agreement securing the Series 2008 Bonds and any Additional Bonds (hereinafter defined) (collectively, the "Bonds") to the extent and as provided herein.

The Trustee has power to enter into this Indenture and to execute the trusts hereby created and has accepted the trusts so created and in evidence thereof has joined in the execution hereof.

All things necessary to make the Series 2008 Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid, binding and legal limited obligations of the

Issuer according to the terms thereof, and to constitute this Indenture a valid assignment and pledge of the Revenues for the payment of the principal and Redemption Price (hereinafter defined) of and interest on, the Series 2008 Bonds, and the creation, execution and delivery of this Indenture, and the creation, execution and issuance of the Series 2008 Bonds, subject to the terms hereof, have in all respects been duly authorized.

THE BONDS AND INTEREST THEREON AND THE PURCHASE PRICE AND THE REDEMPTION PRICE THEREOF ARE LIMITED OBLIGATIONS OF THE ISSUER, THE PRINCIPAL AND REDEMPTION PRICE OF AND INTEREST ON WHICH ARE PAYABLE SOLELY FROM THE TRUST ESTATE (HEREINAFTER DEFINED). NEITHER THE BONDS NOR THE INTEREST THEREON NOR THE REDEMPTION PRICE THEREOF NOR THE PURCHASE PRICE THEREOF IS A DEBT, LIABILITY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT OF THE STATE. THE ISSUANCE OF THE BONDS IS NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT THEREOF TO LEVY OR PLEDGE ANY TAX OR TO MAKE ANY APPROPRIATION TO PAY THE BONDS.

#### **GRANTING CLAUSES**

The Issuer, in consideration of the acceptance by the Trustee of the trusts created thereby, and of the purchase and acceptance of the Bonds by the holders thereof, and for other good and valuable consideration, the receipt and sufficiency of which was thereby acknowledged, in order to secure (i) to the extent provided herein, the payment of the principal or Redemption Price (defined herein) of and interest on the Series 2008 Bonds according to their tenor and effect, (ii) to the extent provided herein and in any Supplemental Indenture, the payment of the principal or redemption price of, or interest on any Additional Bonds, and (iii) the performance and observance by the Issuer of all the covenants expressed or implied herein and in any Bonds, subject only to the provisions of this Indenture permitting the application thereof on the terms and conditions set forth herein, grants, bargains, sells, conveys, assigns and pledges to the Trustee and to its respective successors in trust and assigns forever and (b) grants to the Trustee and unto its respective successors in trust and assigns forever a security interest in, the following (the "Trust Estate"):

#### **GRANTING CLAUSE FIRST**

All of the right, title and interest of the Issuer in and to the proceeds of the Bonds.

#### **GRANTING CLAUSE SECOND**

All of the right, title and interest of the Issuer in and to the Revenues, any moneys and securities from time to time on deposit in the Revenue Fund, the Insurance and Condemnation Award Fund, the Redemption Fund, the Surplus Fund, the Excess Cash Flow Fund, the Renewal and Replacement Fund, the Operating Expense Fund, the Operating Reserve Fund and any and all accounts and subaccounts in any of the foregoing and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the Issuer or by anyone on its behalf, or with its written consent, to the Trustee,

which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Indenture.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in trust and assigns forever upon the terms and trusts herein set forth, first, for the equal and ratable benefit, security and protection of all present and future holders of the Series 2008 A Bonds (and any Additional Bonds issued to refund the Series 2008 A Bonds) to the extent provided herein; second, for the benefit, security and protection of all present and future holders of the Series 2008 B Bonds (and any Additional Bonds issued to refund the Series 2008 B Bonds) to the extent provided herein; third for the benefit, security and protection of all present and future holders of the Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds) to the extent provided herein; fourth for the benefit, security and protection of all present and future holders of the Series 2008 D Bonds (and any Additional Bonds issued to refund the Series 2008 D Bonds) to the extent provided herein; and fifth, for the benefit, security and protection of all future holders of any Additional Bonds other than Additional Bonds issued to refund the Series 2008 Bonds, but otherwise without privilege, priority or distinction as to the lien or otherwise of any Bonds over any other Bonds, except as otherwise expressly provided in this Indenture and in any Supplemental Indenture authorizing the issuance of any Additional Bonds.

PROVIDED, HOWEVER, if the Issuer shall pay, or cause to be paid, the principal or Redemption Price of and interest on, and the purchase price of, all Bonds, according to the intent and meaning thereof or shall provide for the payment thereof as provided by Article XI, and shall perform and observe all the covenants and conditions of this Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then, upon compliance with Article XI, the lien of this Indenture shall be discharged and satisfied and shall be null and void; otherwise, this Indenture is to be and shall remain in full force and effect.

AND IT IS EXPRESSLY DECLARED that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all such property, rights and interests, including (without limitation) the amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as expressed herein, and the Issuer has agreed and covenanted, and does hereby agree and covenant with the Trustee and the respective holders of the Bonds as follows (subject, however, to the provisions of Sections 2.13 and 12.05):

## **ARTICLE I DEFINITIONS AND CONSTRUCTION**

Section 1.01. Definitions. Terms used in this Indenture shall have the meaning set forth below, unless a different meaning clearly appears from the context.

“Act” means Sections 10-101 through 10-131, inclusive, of the Economic Development Article of the Annotated Code of Maryland and all future acts supplemental thereto or amendatory thereof.

“Additional Bonds” means Indebtedness of the Issuer issued pursuant to Section 2.07.

“Additional Projects” means any improvement, addition or betterment to or any construction, replacement, remodeling or equipping of the Property that is financed or refinanced pursuant to the Act and this Indenture by the Issuer by the issuance of Additional Bonds, including (without limitation) land, easements, rights-of-way, leaseholds and other interests in real property.

“Administrative Expenditures” means any costs, fees or expenses incurred by the Issuer that (i) are reasonably necessary to preserve and protect the Property and (ii) have not been paid from the Operating Expense Fund, the reasonable fees and expenses of the Trustee (whether as Trustee, Paying Agent or Registrar for the Bonds), reasonable fees of the Individual Trustees to the extent that they are not employees of the Trustee and expenses of the Individual Trustees, including, without limitation, reasonable legal, financing and administrative expenses and expenses incurred by the Trustee to compel full and punctual performance of the provisions of this Indenture and the Deeds of Trust in accordance with their respective terms.

“Authorized Baltimore Newspaper” means a daily newspaper printed in the English language and having a general circulation in the Baltimore Metropolitan Area.

“Authorized Denomination” means (i) for the Series 2008 Bonds (except the Series 2008 C Bonds), \$100,000 and any integral multiple of \$5,000 in excess of \$100,000 and (ii) for the Series 2008 C Bonds, any principal amount of \$100,000 or more held at any time by a holder of the Series C Bonds.

“Authorized New York Newspaper” means a daily newspaper printed in the English language and having a general circulation in the Borough of Manhattan, City and State of New York, or a financial journal printed in the English language and having a general circulation in the Borough of Manhattan, City and State of New York.

“Authorized Officer of the Issuer” means the Executive Director of the Issuer or any other person at the time designated to act on behalf of the Issuer by a certificate signed by the Executive Director and delivered to the Trustee.

“Board” means the Board of Directors of the Issuer.

“Bond” or “Bonds” means the Series 2008 Bonds and any Additional Bonds, collectively.

“Bond Counsel” means Miles & Stockbridge P.C., or any other law firm approved by the Issuer having a national reputation in the field of municipal law, whose legal opinions are generally accepted by purchasers of municipal bonds.

“Bondholder” or “Holder” or “holder” or “Owner” or “owner” or any similar term means the registered owner of a Bond.

“Book-Entry Form” or “Book-Entry System” means a form or system, as applicable, under which (i) the ownership of beneficial interests in a Series of Bonds may be transferred only through a book-entry and (ii) physical bond certificates in fully registered form are registered

only in the name of a Depository or its nominee as holder, with the physical bond certificates “immobilized” in the custody of the Depository.

“Budget” means the annual budget required to be prepared by the Issuer pursuant to Section 7.08, as amended from time to time in accordance with such Section, including, without limitation, any Revised Budget unless the context indicates otherwise.

“Business Day” means any day other than a Saturday, Sunday or legal holiday observed as such by the Trustee.

“Cash Flow Sharing Agreement” means the Cash Flow Sharing Agreement dated the Closing Date by and among DNR, DBED, the Issuer, the Trustee and the County, together with any and all supplements and amendments thereto.

“Capital Improvements” means any Additional Projects or any capital project in connection with the Property undertaken by the Issuer.

“Closing Date” means December 1, 2008, the date of issuance and delivery of fully executed and authenticated Series 2008 Bonds.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or any successor federal income tax statute or code, and the applicable regulations thereunder.

“Completion Certificate” means the certificate described in Section 4.04, the form of which is attached hereto as Appendix F.

“Completion Date” means, when used with respect to any Additional Project, any date on which a Completion Certificate required by Section 4.04 is filed with the Trustee certifying the completion of the construction of such Additional Project.

“Construction Contract” means any contract providing for the construction of any Additional Project.

“Costs” means the costs of construction and acquisition of all lands, structures, property (real or personal), rights, rights-of-way, franchises, easements and interests acquired by the Issuer for any Additional Projects; the cost of demolishing or removing any buildings or structures on land so acquired; the cost of all labor, materials, machinery, equipment, fixtures, furnishings and furniture, financing charges, interest prior to and during construction and for a limited period after completion of such construction, interest and reserves for principal and interest and for operations, extensions, enlargements, additions, improvements and betterments; the cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of costs and of revenues, and administrative expenses necessary or incidental to determining the feasibility or practicability of constructing any Additional Projects; and such other expenses as may be necessary or incidental to the acquisition, construction and equipping of any Additional Projects, the financing or refinancing of such acquisition, construction and equipping and the placing of any Additional Projects in operation.

“County” means County Commissioners of Allegany County, a political subdivision of the State.

“DBED” means the Department of Business and Economic Development, a principal department of the State and its successors.

“Deeds of Trust” mean the four leasehold deeds of trust dated as of December 1, 2008 pertaining to the Property, executed and delivered by the Issuer to the Individual Trustees and approved by the Board of Public Works of the State and any other deeds of trust amendatory thereof or supplemental thereto, including (without limitation) any supplement or amendment thereto and any separate or additional instrument executed and delivered by the Issuer in order to effect, record or perfect the interest of the Individual Trustees in any portion of the Property.

“Depository” means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of beneficial interests in municipal bonds, and to effect transfers of municipal bonds, in Book-Entry Form, and includes and means initially The Depository Trust Company, New York, New York.

“Determination of Taxability” means a determination that the interest income on any Series 2008 B Bond does not qualify as interest which is excludible from the gross income of the Owner thereof for purposes of federal income taxation (“exempt interest”) under Section 103 of the Code, which determination shall be deemed to have been made upon the occurrence of the first to occur of the following events:

(a) the date on which the Trustee receives written notice from the Internal Revenue Service, the Issuer or any Owner of a Series 2008 B Bond that the Internal Revenue Service has determined that the interest income thereon does not qualify as exempt interest; or

(b) the date on which the Trustee receives written notice from the Internal Revenue Service, the Issuer or any Owner of a Series 2008 B Bond that any change in law or regulation has become effective to the effect that the interest income thereon does not qualify as exempt interest; or

(c) the date on which the Trustee receives notice from the Internal Revenue Service or any Owner of a Series 2008 B Bond that the Issuer has taken any action inconsistent with, or has failed to act consistently with, the tax-exempt status thereof; or

(d) the date on which the Trustee receives written notice from an Owner of a Series 2008 B Bond that such Owner has determined that the interest income thereon does not qualify as exempt interest, if such determination is supported by an opinion of Bond Counsel to that effect.

“DNR” means the Department of Natural Resources, a principal department of the State and its successors.

“Equipment Collateral” has the meaning given to that term in the Deeds of Trust.

“Event of Default,” when used in this Indenture, means any event of default specified in Section 9.01, and when used in or with respect to the Deeds of Trust, means any event of default specified in Section 4.01 of the Deeds of Trust.

“Expenses” means all of the Issuer’s costs and expenses incurred in the ownership, operation or leasing of any portion of the Property.

“Fiscal Year” means the period of 12 consecutive months beginning on July 1 in any calendar year and ending on June 30 of the following calendar year, or such other fiscal year as the Issuer, with prior written notice to the Trustee and the prior written consent of the Required Holders (which consent shall not be unreasonably withheld), shall establish as the fiscal year of the Issuer with respect to the Property.

“General Contractor” means any general contractor for any Additional Projects.

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

“Ground Lease” means the Ground Lease dated May 9, 1996 by and between the State of Maryland to the use of DNR and the Issuer, together with any and all supplements, amendments and/or modifications thereof.

“Hotel Rental Tax” means the hotel rental tax authorized under Subtitle 3 of Article 24 of the Annotated Code of Maryland, as amended, and imposed by the County as permitted thereunder.

“Hotel Rental Tax Revenue” means 50% of the proceeds of the Hotel Rental Tax assessed against the Property and collected within the 2-year period following the Closing Date.

“Indenture” means this Second Amended and Restated Trust Indenture, as amended, modified or supplemented from time to time by Supplemental Indentures.

“Independent Architect” means an Independent Person (i) authorized to engage in the practice of architecture by the laws of the State and (ii) employed by the Issuer from time to time to pass upon those matters required by this Indenture or the Deeds of Trust to be passed upon by an Independent Architect.

“Independent Counsel” means any attorney duly admitted to practice law before the highest court of any state who has regularly engaged in the practice of law as a primary occupation for at least five years and who is not an officer or employee of the Issuer or the Trustee.

“Independent Engineer” means an Independent Person (i) authorized to engage in the profession of engineering by the State and (ii) employed by the Issuer from time to time to pass

upon those matters required by this Indenture or the Deeds of Trust to be passed upon by an Independent Engineer.

“Independent Insurance Consultant” means an Independent Person regularly employed as an insurance consultant and employed by the Issuer pursuant to Section 6.07.

“Independent Person” means a person designated by the Issuer and not an employee of the Issuer.

“Independent Public Accountant” means an Independent Person (i) engaged in the accounting profession, either entitled to practice, or having members or officers entitled to practice, as a certified public accountant under the laws of the State and (ii) employed by the Issuer from time to time to pass upon those matters required by this Indenture to be passed upon by an Independent Public Accountant.

“Individual Trustees” means the individual trustees acting as trustees under the Deeds of Trust, or their successors in trust who may be acting under and pursuant to the Deeds of Trust from time to time.

“Investment Obligations” means:

- (a) Government Obligations;
- (b) obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America:
  - (1) U.S. Export-Import Bank (Eximbank)
  - (2) Rural Economic Community Development Administration
  - (3) Federal Financing Bank
  - (4) General Services Administration
  - (5) U.S. Maritime Administration
  - (6) U.S. Department of Housing and Urban Development
  - (7) Small Business Administration
  - (8) Government National Mortgage Association (GNMA)
  - (9) Federal Housing Administration
  - (10) Farm Credit System Financial Assistance Corporation;
- (c) negotiable or nonnegotiable certificates of deposit issued by, and time deposits with, commercial banks, trust companies or savings and loan associations (including the Trustee) which have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category of at least two of the Rating Agencies, and secured, for the benefit of the Trustee, by lodging with a bank or trust company, acting as agent for the Trustee, as collateral security, Government Obligations having a market value not less than the amount of such deposit;
- (d) repurchase agreements for Government Obligations or for such securities as are described in clause (b) above or clause (e) below, which are entered into by the Trustee

with (i) banks, trust companies or dealers in government bonds which report to, trade with and are recognized as primary dealers by a Federal Reserve Bank, or (ii) financial institutions, insurance companies, or financial services firms, and in either such case, (A) are rated within the two highest rating categories (without regard to qualification, numerical or otherwise) of at least two of the Rating Agencies at the time of entry into such repurchase agreements, or (B) whose payment obligations under such repurchase agreements are guaranteed by parent entities or other third parties which are rated within the two highest rating categories (without regard to qualification, numerical or otherwise) of at least two of the Rating Agencies; which Government Obligations or securities described in clause (b) above or in clause (e) below: (i) have a fair market value equal to at least 102% of the amount of the related repurchase obligations, and (ii) are transferred to the Trustee by physical delivery, or to a third party custodian acceptable to the Trustee by physical delivery, or by an entry made on the records of the issuer of such Government Obligations or such securities;

(e) direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

(1) Senior debt obligations rated in the highest long-term rating category (without regard to qualification, numerical or otherwise) by at least two Rating Agencies issued by the Federal Home Loan Mortgage Corporation (FHLMC); and

(2) Senior debt obligations of the Federal Home Loan Bank System;

(f) commercial paper which is rated at the time of purchase in the highest short-term rating category (without regard to qualification, numerical or otherwise) of at least two Rating Agencies and which matures not more than 270 days after the date of purchase;

(g) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which either (a) have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category (without regard to qualification, numerical or otherwise) of at least two Rating Agencies, or (b) are collateralized with direct obligations of the United States of America at 102% valued daily. All such certificates must mature no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(h) investments in (i) money market funds subject to SEC Rule 2a-7 and rated in the highest short-term rating category (without regard to qualification, numerical or otherwise) of at least two Rating Agencies and (ii) public sector investment pools operated pursuant to SEC Rule 2a-7 in which the Issuer's deposit shall not exceed 5% of the aggregate pool balance at any time and such pool is rated in the highest short-term rating category (without regard to qualification, numerical or otherwise) of at least two Rating Agencies, including any fund for which the Trustee or an affiliate of the Trustee serves as an investment advisor, administrator, shareholder servicing agent, custodian or subcustodian, notwithstanding that (A) the Trustee or an affiliate of the Trustee charges and collects fees and expenses from such funds for services rendered (provided that such charges, fees and expenses are on terms consistent with terms negotiated at arm's length) and (B) the Trustee charges and collects fees and expenses for services rendered, pursuant to this Indenture;

(i) pre-refunded municipal obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice:

(1) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest long-term rating category (without regard to qualification, numerical or otherwise) of a Rating Agency; or

(2) (x) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash and/or direct obligations of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and

(y) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant or verification agent, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

(j) general obligations of states with a short-term rating in the highest rating category (without regard to qualification, numerical or otherwise) and a long-term rating in one of the two highest rating categories (without regard to qualification, numerical or otherwise) of at least two Rating Agencies. In the event such obligations are variable rate obligations, the interest rate on such obligations must be reset not less frequently than annually;

(k) investment agreements, the provider of which is rated in one of the two highest rating categories (without regard to qualification, numerical or otherwise) by two Rating Agencies under which the provider agrees to periodically deliver, on a delivery versus payment basis, such securities as are described in clauses (a), (b) and (e) above; and

(l) investment agreements issued by any financial institution, insurance company or financial services firm (the "Investment Provider") (i) that maintains a rating in one of the two highest rating categories (without regard to qualification, numerical or otherwise) from a Rating Agency, or (ii) whose payment obligations under such investment agreements are guaranteed by parent entities or other third parties that maintain a rating in one of the two highest rating categories (without regard to qualification, numerical or otherwise) from a Rating Agency, or (iii) whose obligations under such investment agreements are collateralized by obligations described in clauses (a), (b), (c), (d), (f) or (j) above and which are delivered to the Trustee, or registered in the name of the Trustee, or are supported by a safekeeping receipt issued by a depository satisfactory to the Trustee, or are held (including by book entries) by a third party custodian acceptable to the Trustee, provided that such investment agreements described in this clause (iii) must provide that the value of such obligations collateralizing such investment agreements shall be maintained at a current market value (determined not more frequently than

weekly) of not less than 102% of the aggregate amount of the obligations of the Investment Provider; provided, however, that any investment agreement, at the time it is entered into, must meet and comply with the requirements of either clause (i) or clause (ii) above. Any investment agreement shall provide that if any long-term unsecured credit rating of the Investment Provider has been downgraded to the third highest rating category (without regard to qualification, numerical or otherwise) of any of the Rating Agencies, the Investment Provider shall, within 10 business days of such downgrade, (i) assign the investment agreement to a provider that maintains a rating in one of the two highest rating categories (without regard to qualification, numerical or otherwise) from a Rating Agency and is acceptable to the Issuer, (ii) obtain a guaranty of its obligations under the investment agreement from an entity that maintains a rating in one of the two highest rating categories (without regard to qualification, numerical or otherwise) from a Rating Agency and is acceptable to the Issuer, or (iii) collateralize its obligations at no less than 102% of the amount thereof with obligations described in (a), (b), (c), (d), (f) or (j) above. The Investment Provider shall deliver notice of such downgrade to the Issuer and the Trustee in writing within 5 business days after the occurrence thereof. If the Investment Provider fails to take any action within 10 business days of the occurrence of such downgrade, the Trustee (acting on behalf of and at the direction of the Issuer) may terminate the Investment Agreement upon one business day's prior written notice to the Investment Provider. If any long-term unsecured credit rating of the Investment Provider has been suspended, withdrawn or downgraded below the third highest rating category (without regard to qualification, numerical or otherwise) of any of the Rating Agencies, the Investment Provider shall, within 10 business days of such action by a Rating Agency, either (i) assign the investment agreement to a provider that maintains a rating in one of the two highest rating categories (without regard to qualification, numerical or otherwise) from a Rating Agency and is acceptable to the Issuer or (ii) obtain a guaranty of its obligations hereunder from an entity that maintains a rating in one of the two highest rating categories (without regard to qualification, numerical or otherwise) from a Rating Agency and is acceptable to the Issuer. The Investment Provider shall deliver notice of such action by a Rating Agency to the Issuer and the Trustee in writing within 5 business days after the occurrence thereof. If the Investment Provider fails to take any action within 10 business days of the occurrence of suspension, withdrawal or downgrade, the Trustee (acting on behalf of and at the direction of the Issuer) may terminate the investment agreement upon one business day's prior written notice to the Investment Provider.

"Issuer" means the Maryland Economic Development Corporation, a body politic and corporate and an instrumentality of the State.

"Issuer's Tax Certificate" means the Tax Certificate and Compliance Agreement executed and delivered by the Issuer upon the issuance and sale of the Series 2008 Bonds, as amended and supplemented.

"Land" means the parcel of land containing approximately 260 acres located in Rocky Gap State Park, Allegany County, Maryland and more particularly described in Exhibit A to the Deeds of Trust.

"Management Agreement" means the agreement between the Issuer and the Management Company pursuant to which the Management Company manages and operates the Project, including, without limitation, the Management Agreement dated April 14, 2002 between the

Issuer and Crestline Hotels & Resorts, Inc., together with all modifications, supplements and amendments thereto.

“Management Company” means the manager of the Property under a Management Agreement. The Management Company is currently Crestline Hotels & Resorts, Inc.

“Management Consultant” means an Independent Person that is a professional management consultant having a favorable national reputation for skill and experience in consulting work relating to hotel/meeting center facilities or golf courses or both (as appropriate), who may be (without limitation) an Independent Public Accountant if such Independent Public Accountant otherwise meets the criteria set forth in this definition.

“MIDFA” means the Maryland Industrial Development Financing Authority, a body politic and corporate and an instrumentality of the State and its successors.

“National Information Services” means Financial Information, Inc.’s Financial Daily Called Bond Service, Interactive Data Issuer’s Bond Service, Kenny Information Service’s Called Bond Service, Moody’s Municipal and Government Called Bond Record, and Standard and Poor’s Called Bond Record.

“Operating Expenses” means current cash operating expenses of the Property classified as such under generally accepted accounting principles.

“Operating Reserve Fund Requirement” means an amount equal to \$500,000.

“Operating Year” means the calendar year or such other operating year as the Issuer, with prior written notice to the Trustee, shall establish as the operating year of the Issuer for the Property.

“Original Indenture” has the meaning given to that term in the Recitals hereto.

“Outstanding” means, as of any particular date, all Bonds authenticated and delivered under this Indenture except (i) any Bond cancelled by the Trustee (or delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for the payment of the principal or Redemption Price of and interest on which provision shall have been made as provided in Section 11.01, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Article II or Section 10.03.

“Paying Agent” means the Trustee, or any successor paying agent appointed under this Indenture.

“Permitted Encumbrance” means:

(a) any lien on the Revenues arising by reason of any good faith deposit with the Issuer in connection with any bid or contract (other than any contract for the payment of money), any deposit of Revenues by the Issuer to secure any public or statutory obligation, or to secure, or in lieu of, any surety, tax or appeal bond, and any deposit of Revenues as security for the payment of taxes or assessments or other similar charges;

(b) any lien on the Revenues arising by reason of any deposit with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulation for any purpose at any time as required by law or governmental regulation as a condition to the transaction of any business relating to the Project;

(c) any judgment lien against the Revenues or the Property, so long as such judgment is being contested in good faith and is fully bonded, fully covered by a letter of credit or other surety, or covered by insurance in favor of the holder of the judgment lien or otherwise as a court may direct;

(d) any right reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law affecting the Property; any lien on the Property for taxes, assessments, levies, fees, water and sewer rents or charges and other governmental and similar charges and any lien of any mechanic, materialman, laborer, supplier or vendor for work or services performed or materials furnished in connection with such property that is not due and payable or that is not delinquent or the amount or validity of which is being contested and execution thereon stayed;

(e) this Indenture, the Deeds of Trust and any lien, encumbrance, restriction or restrictive covenant disclosed in the title insurance policy delivered in connection with the issuance of the Series 2008 Bonds;

(f) any lien on the Issuer's interest in the Property that is junior to the Deeds of Trust and is granted by the Issuer with the approval of the Board of Public Works of the State, DBED and DNR to secure Additional Bonds other than Additional Bonds issued to refund all of the Series 2008 Bonds;

(g) any lease permitted under the terms of this Indenture;

(h) any lien placed upon any fixtures or tangible personal property being acquired by the Issuer to secure all or a portion of the purchase price thereof;

(i) such easements, rights-of-way, servitudes and restrictions with regard to which the provisions of Section 3.14 of the Deeds of Trust are satisfied; and

(j) such easements, servitudes, restrictions, licenses, restrictive covenants, rights-of-way (including the dedication of public highways or public or private utility easements) as may be required by governmental authorities or utility providers in connection with the construction of, or the furnishing of utilities to, the Project as contemplated in the plans and specifications therefor.

“Person” or “person” means any natural person, firm, association, corporation, company, trust, partnership, public body or other entity.

“Prime Rate” means the prime rate of interest established and declared from time to time by the Trustee as a commercial lending institution. Any adjustment in the Prime Rate shall be made effective as of the date of any adjustment in the prime rate so established and declared.

“Private Investors” means Davidson Kempner Capital Management LLC and Calvert Funds and their successors and assigns.

“Project” means (a) the hotel/meeting center (the “Hotel/Meeting Center”) and 18-hole golf course (the “Golf Course”) constructed on the Land and (b) certain furnishings, fixtures, furniture, and the equipment and machinery necessary or useful for the foregoing.

“Promissory Note” means any promissory note given by the Issuer to evidence a loan to the Issuer in order to pay Operating Expenses of the Property.

“Property” means the real property and all buildings, structures and improvements thereon, including, without limitation, the Project, the Land and all other items of property described in the Granting Clauses of the Deeds of Trust and included in the term “Property” as used and defined in the Deeds of Trust.

“Rating Agency” means Fitch, Inc., Moody’s Investors Service, Inc. or Standard and Poor’s Ratings Services, a Division of The McGraw-Hill Companies, Inc., or any other securities rating agency that, at the request of the Issuer, shall have assigned a rating that is then in effect with respect to any Bonds, and their successors and assigns, and “Rating Agencies” means each such Rating Agency, collectively. Whenever the term “Rating Agency” or “Rating Agencies” is used herein, it shall mean or include, the Rating Agency, if any, that is then maintaining a rating on the Bonds.

“Rebate Amount” shall have the meaning given to that term in the Issuer’s Tax Certificate.

“Redemption Price” means the principal amount of a Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to this Indenture.

“Registered Depositories” means:

- (a) The Depository Trust Company  
711 Stewart Avenue  
Garden City, New York 11530  
Telecopier Number: (516) 227-4039 or (516) 227-4190
- (b) Midwest Securities Trust Company  
Capital Structures - Call Notification  
440 South LaSalle  
Chicago, Illinois 60605  
Telecopier Number: (312) 663-2343
- (c) Pacific Securities Depository Trust Company  
Pacific and Company  
P.O. Box 7041  
San Francisco, California 94120  
Telecopier Number: (415) 393-4128

(d) Philadelphia Depository Trust Company  
Reorganization Division  
1900 Market Street  
Philadelphia, Pennsylvania 19103  
Attention: Bond Department  
Telecopier Number: (215) 496-5058

“Registrar” means the Trustee in its capacity as bond registrar under this Indenture.

“Release Date” means the earlier of (i) any Business Day within 20 days of receipt by the Trustee of the audited financial statements of the Issuer relating to the Property (or such later date as is designated in writing by the Required Holders to the Trustee and the Issuer) or (ii) 140 days following the end of the Fiscal Year.

“Renewal and Replacement Fund Requirement” means for each Fiscal Year an amount equal to 5% of Revenues as shown on the most recent audited annual financial statements filed with the Trustee as required by this Indenture. In determining the Renewal and Replacement Fund Requirement, any amounts remaining in the Renewal and Replacement Fund from prior deposits shall not be taken into account; provided, however, that interest earned and profits realized as a result of the investment of amounts representing prior deposits shall be credited against the subsequent Renewal and Replacement Fund Requirement.

“Replacement Bonds” means Bonds that are issued upon the discontinuance of the maintenance of the Series 2008 Bonds in Book-Entry Form or the appointment of a replacement Depository in accordance with Section 2.12.

“Required Holders” means (i) while any Series 2008 B Bonds remain outstanding, a majority of the Holders of the Series 2008 B Bonds Outstanding, (ii) after payment in full of the Series 2008 B Bonds, a majority of the Holders of the Series 2008 C Bonds Outstanding and (iii) after payment in full of the Series 2008 C Bonds, a majority of the Holders of the Series 2008 A Bonds and the Series 2008 D Bonds Outstanding.

“Resolution” means the Resolution adopted by the Board on August 18, 2008 pertaining to the Project.

“Revenues” means all of the Issuer’s receipts, revenues, rentals, fees, income, insurance proceeds, condemnation awards and other moneys derived from the ownership, operation or leasing of any portion of the Property and all rights to receive the same, whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, including, without limitation, payments to the Issuer in the form of ground rent or other consideration paid to it for the placement of video lottery terminals on the Land or any other revenues of the Issuer from the video lottery terminals, however derived including, without limitation, any revenue derived from placement of video lottery terminals on land other than the Land; provided, however, that the term “Revenues” shall not include (i) any and all receipts generated through the imposition of any sales, room or amusement tax (other than the Hotel Rental Tax Revenue), or (ii) any and all Surcharge Revenue.

“Revised Budget” shall have the meaning given to that term in Section 7.08 hereof.

“Senior Bonds” means (i) so long as at least 10% of the original principal amount of the Series 2008 B Bonds Outstanding, the Series 2008 B Bonds, (ii) if less than 10% of the original principal amount of the Series 2008 B Bonds are outstanding, the Series 2008 C Bonds; and (iii) if no Series 2008 C Bonds are Outstanding, the Series 2008 A Bonds and the Series 2008 D Bonds.

“Series” means any series of Bonds authorized by this Indenture.

“Series 1996 Bonds” means the Maryland Economic Development Corporation Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project), Series 1996 A and B, dated April 1, 1996, authorized by Section 2.02 of the Original Indenture.

“Series 2008 Bonds” means the Maryland Economic Development Corporation Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project), Series 2008 A, B, C and D, authorized by Section 2.02.

“Series 2008 A Bonds” means the Issuer’s Taxable First Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 A.

“Series 2008 B Bonds” means the Issuer’s Tax-Exempt Second Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 B.

“Series 2008 C Bonds” means the Issuer’s Taxable Third Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 C.

“Series 2008 D Bonds” means the Issuer’s Taxable Fourth Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 D.

“State” means the State of Maryland.

“Subordinated Debt” shall have the meaning given to that term in the Subordination Agreement.

“Subordination Agreement” means any and all subordination agreements of even date herewith by the Trustee and any one or more of DNR, DBED, the County and the Issuer with regard to amounts owed to the same from Revenues.

“Supplemental Indenture” means any indenture of the Issuer amending, modifying or supplementing this Indenture, any Supplemental Indenture, the Deeds of Trust or any Bond, adopted and becoming effective in accordance with the terms of this Indenture.

“Surcharge Revenue” shall have the meaning given to that term in the Ground Lease.

“Tax-Exempt Bonds” means the Series 2008 B Bonds and any Additional Bonds with respect to which there shall have been delivered to the Issuer an opinion of Bond Counsel to the effect that the interest on such Bonds is excludable from gross income for federal income tax purposes.

“Taxes” means all taxes, water rents, sewer rents, assessments and other governmental or municipal or public or private dues, charges and levies and any prior liens (including federal tax liens) for the Taxes which are or may be levied, imposed or assessed upon the Property or any part thereof, or any leases pertaining thereto, or upon the rents, issues, income or profits thereof, whether any or all of the aforementioned be levied directly or indirectly or as excise taxes or as income taxes.

“Trust Estate” has the meaning given to that term in the Granting Clauses hereof.

“Trustee” means the bank, trust company or national banking association appointed pursuant to Section 8.01 as trustee for the Bonds and any other corporation that may at any time be substituted in its place pursuant to this Indenture, and their successors.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Indenture:

(a) Words importing the singular number include the plural number and words importing the plural number include the singular number.

(b) Words of the masculine gender include correlative words of the feminine and neuter genders.

(c) The headings and the table of contents set forth in this Indenture are solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

(d) Words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(e) Any reference to a particular percentage or proportion of the holders of Bonds shall mean the holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Bonds then Outstanding under this Indenture.

(f) Any reference to the Revenue Fund, the Surplus Fund, the Excess Cash Flow Fund, the Renewal and Replacement Fund, the Operating Expense Fund, the Operating Reserve Fund, the Construction Fund, the Redemption Fund, the Insurance and Condemnation Award Fund or the Rebate Fund shall be to the fund or account so designated that is created under Section 4.01.

(g) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall otherwise require.

Section 1.03. Accounting Terms. Unless specifically provided otherwise, all accounting terms used herein shall have the definitions given them in accordance with generally accepted accounting principles as applied to the Issuer on a consistent basis by its accountants in the preparation of its previous annual financial statements.

**ARTICLE II**  
**AUTHORIZATION OF REFUNDING;**  
**AUTHORIZATION AND DETAILS OF THE BONDS;**  
**ADDITIONAL BONDS; NONRECOURSE**

Section 2.01. Refunding Authorized. The refunding of the Series 1996 Bonds with the proceeds of the Series 2008 Bonds is hereby authorized.

Section 2.02. Series 2008 Bonds Authorized; Subordination. There is hereby authorized the issuance of Forty-Five Million Two Hundred Twelve Thousand One Hundred Dollars and 28/100 (\$45,242,100.28) aggregate principal amount of bonds, which shall be designated “Maryland Economic Development Corporation Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project), Series 2008 A, B, C and D,” and comprised of (i) “Maryland Economic Development Corporation Taxable First Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 A,” (ii) “Maryland Economic Development Corporation Tax-Exempt Second Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 B,” (iii) “Maryland Economic Development Corporation Taxable Third Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 C” and (iv) “Maryland Economic Development Corporation Taxable Fourth Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 D.”

Notwithstanding the foregoing, the outstanding principal amount of the Series 2008 C Bonds may be increased as provided herein.

Section 2.03. Details of Bonds; Increase in Principal Sum of Series 2008 C Bonds; Issuance of Additional Series 2008 C Bonds; Form of Bonds and Certificate of Authentication. The Series 2008 Bonds are issued in Authorized Denominations as fully registered bonds without coupons. The Series 2008 Bonds bear interest at the rates of interest per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on July 1, 2009 and annually thereafter on July 1 in each year) set forth below and shall mature on July 1 of the years and in amounts as follows:

**SERIES 2008 A BONDS**

<b><u>Due (July 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>
2048	\$8,000,000*	6%

\*Maximum original aggregate principal amount

**SERIES 2008 B BONDS**

<b><u>Due (July 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>
2048	\$17,000,000*	6%

\*Maximum original aggregate principal amount

**SERIES 2008 C BONDS**

<b><u>Due (July 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>
2048	\$17,772,100.28*	0%

\*Initial aggregate principal amount

**SERIES 2008 D BONDS**

<b><u>Due (July 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>
2048	\$3,470,000	8%

Notwithstanding anything to the contrary contained herein, the original aggregate principal amounts of the Series 2008 A Bonds and the Series 2008 B Bonds shall not exceed \$24,000,000 and shall be determined by a written order of the Authorized Officer of the Issuer to the Trustee on or before the Closing Date.

There shall be added to the principal amount of the Series 2008 C Bonds the amount of any accrued interest that is not paid when due on the Series 2008 B Bonds; provided, however, that if no Series 2008 C Bonds are then held by DBED or its nominee, additional Series 2008 C Bonds in the amount of the unpaid interest on the Series 2008 B Bonds held by DBED or its nominee shall be issued by the Issuer, authenticated by the Trustee and delivered to DBED or its nominee. Any amount of accrued but unpaid interest on the Series 2008 B Bonds when added to the principal amount of the Series 2008 C Bonds shall cease to be due and payable on the Series 2008 B Bonds. The amount of any increase to the principal amount of the Series 2008 C Bonds shall be allocated among the holders of the Series 2008 C Bonds by the Trustee ratably based on

the principal amount of ownership immediately prior to such allocation; provided, however, that only that amount of unpaid interest on the Series 2008 B Bonds held by the Private Investors shall be allocated to the Series 2008 C Bonds held by the Private Investors and only that amount of unpaid interest on the Series 2008 B Bonds held by DBED or its nominee shall be allocated to the Series 2008 C Bonds held by DBED or its nominee. The Trustee shall notify each holder of a Series 2008 C Bond of the amount of any increase to the principal amount thereof promptly upon the failure to pay accrued interest on the applicable Series 2008 B Bonds when due.

The Series 2008 Bonds are subject to mandatory, extraordinary and optional redemption prior to maturity, and otherwise have the terms, tenor, denominations, details and specifications as set forth in the forms of Series 2008 Bonds attached hereto as Appendices A, B, C and D with such insertions, omissions and variations as may be deemed necessary or appropriate by the Authorized Officer of the Issuer executing the same and as shall be permitted by the Act.

The Bonds of any Series of Additional Bonds shall bear interest, be subject to mandatory, extraordinary and optional redemption prior to maturity and mature and shall have the terms, tenor, denominations, details, specifications and form set forth in Section 2.07 and in the Supplemental Indenture authorizing the issuance of such Additional Bonds.

The Bonds may contain, or have endorsed thereon, any notations, legends or endorsements not inconsistent with the provisions of this Indenture or of any Supplemental Indenture authorizing the same as may be necessary or desirable and as may be determined by an Authorized Officer of the Issuer prior to the authentication and delivery of such Bonds. The execution and delivery of the Bonds by the Issuer in accordance with this Indenture shall be conclusive evidence of the approval of the form of the Bonds by the Issuer, including any insertions, omissions, variations, notations, legends or endorsements authorized by this Indenture.

The Bonds shall be numbered in the manner determined by the Trustee. Before authenticating and delivering any Bond, the Registrar shall complete the form of such Bond to show the registered owner, principal amount, interest rate, maturity date, number and authentication date of such Bond.

The Bonds of a Series may have printed on the reverse side thereof or attached thereto the opinion of Bond Counsel for such Series of Bonds. The printing of CUSIP numbers on the Bonds shall have no legal effect and shall not affect the enforceability of any Bond.

Section 2.04. RESERVED.

Section 2.05. Conditions Precedent to Delivery of the Series 2008 Bonds. The Series 2008 Bonds shall be executed by the Issuer and delivered to the Trustee, whereupon the Trustee shall authenticate the Series 2008 Bonds and, upon receipt of the Series 1996 Bonds in the amounts specified in the written order described in (d) below or satisfactory evidence of the cancellation thereof, shall deliver the Series 2008 Bonds as directed in writing by the Issuer, but only upon delivery to the Trustee of:

- (a) a copy of the Resolution certified by an Authorized Officer of the Issuer;

- (b) a counterpart of this Indenture executed by the Issuer and the Trustee;
- (c) the written order of the Issuer directing the authentication and delivery of the Series 2008 Bonds, signed by an Authorized Officer of the Issuer;
- (d) an opinion of Bond Counsel to the effect that (i) this Indenture, the Deeds of Trust, the Cash Flow Sharing Agreement, the Subordination Agreement and the First Amendment to Ground Lease dated December 1, 2008 by and between the Issuer and DNR (the "First Amendment to Ground Lease") have been duly and lawfully executed and delivered by the Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their respective terms, (ii) as provided by the Act, this Indenture creates the valid pledge of the Revenues, (iii) the Series 2008 Bonds have been duly and validly authorized and issued by the Issuer and constitute valid and binding limited obligations of the Issuer enforceable against the Issuer in accordance with their terms, and (iv) (based upon assumptions stated therein) the interest payable on the Series 2008 B Bonds is not includible in the gross income of the Holders thereof for purposes of federal income taxation pursuant to Section 103 of the Code;
- (e) counterparts of the Deed of Trusts executed by the Issuer;
- (f) copies of the financing statement naming the Issuer as debtor;
- (g) copies of the fully executed First Amendment to Ground Lease, Cash Flow Sharing Agreement and Subordination Agreement; and
- (h) a title insurance policy or such other documentation to evidence that the Issuer has obtained, and there is then in effect, a policy of insurance with respect to the interest of the Issuer in the real property conveyed by the Deeds of Trust insuring against title losses in an amount equal to the aggregate principal amount of the Series 2008 Bonds, issued by a company licensed to conduct a title insurance business in the State.

Section 2.06. Refunding Bonds. The Issuer may issue refunding bonds pursuant to and limited by the provisions of this Indenture or any other indenture of the Issuer authorizing such refunding bonds.

Section 2.07. Authorization of Additional Bonds; Conditions Precedent to Delivery of Additional Bonds. In addition to the Series 2008 Bonds, the Issuer may issue from time to time Additional Bonds under and secured by this Indenture, subject to the conditions hereinafter provided in this Section, solely for the following purposes: (i) refunding or advance refunding any Outstanding Bonds; and (ii) obtaining funds to finance the costs of acquisition, construction, equipping and completion of Additional Projects. The Issuer may issue Additional Bonds only upon the consent of the Required Holders and DBED. No Additional Bonds shall be issued during the continuance of an Event of Default without the prior written consent of the Required Holders and DBED. The costs to be incurred by the Issuer in connection with the issuance and sale of any such Additional Bonds, the establishment of necessary reserves and the payment of interest prior to and during construction and for a limited period after the completion of any such

Additional Projects, shall be included within each of the foregoing authorized purposes. The issuance of Additional Bonds shall be authorized by a Supplemental Indenture of the Issuer.

Each Series of Additional Bonds issued to refund the Series 2008 A Bonds shall be on a parity with, and shall be entitled to the same benefit and security of this Indenture, including (without limitation) the pledge of the Revenues made hereby, as the Series 2008 A Bonds. Each Series of Additional Bonds issued to refund the Series 2008 B Bonds shall be on a parity with, and shall be entitled to the same benefit and security of this Indenture, including (without limitation) the pledge of the Revenues made hereby, as the Series 2008 B Bonds. Each Series of Additional Bonds issued to refund the Series 2008 C Bonds shall be on a parity with, and shall be entitled to the same benefit and security of this Indenture, including (without limitation) the pledge of the Revenues made hereby, as the Series 2008 C Bonds. Each Series of Additional Bonds issued to refund the Series 2008 D Bonds shall be on a parity with, and shall be entitled to the same benefit and security of this Indenture, including (without limitation) the pledge of the Revenues made hereby, as the Series 2008 D Bonds. Each Series of Additional Bonds other than Additional Bonds issued to refund the Series 2008 Bonds shall be junior and subordinate to the Series 2008 Bonds.

Section 2.08. Execution and Authentication. The Bonds shall be executed in the name and on behalf of the Issuer by the manual or facsimile signature of the Executive Director of the Issuer and sealed with its corporate seal (or a facsimile thereof). In case any officer whose manual or facsimile signature appears on the Bonds shall cease to be such officer before delivery of such Bonds, such signature, nevertheless, shall be valid and sufficient for all purposes as if he had remained in office until such delivery, and the Issuer, by resolution, may adopt and use for the execution of Bonds the manual or the facsimile signature of any person who shall have been at the time the proper officer to execute such Bonds, notwithstanding the fact that he may not have been such officer on the date of such Bonds or that he may have ceased to be such officer at the time when such Bonds shall be authenticated and delivered.

No Bonds shall be valid or obligatory for any purpose or entitled to any right or benefit hereunder unless there shall be endorsed on such Bonds a certificate of authentication substantially in the form set forth in Appendices A, B, C and D hereto or in the Supplemental Indenture authorizing the issuance of such Bond (as the case may be), duly executed by the Trustee, and such certificate of the Trustee upon any Bond executed on behalf of the Issuer shall be conclusive evidence and the only evidence required that the Bond so authenticated has been duly issued hereunder and that the holder thereof is entitled to the benefits of this Indenture. The certificate of the Trustee may be executed by any authorized signatory of the Trustee.

The Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, any showings, certificates, opinions, or other information, or corporate action or evidence thereof, as a condition of authentication by the Trustee, which the Trustee deems desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds.

Section 2.09. Registration and Exchange of Bonds. The Bonds shall be negotiable instruments for all purposes and shall be transferable by delivery, subject only to the provisions for registration and registration of transfer endorsed on the Bonds.

The Issuer shall cause books for registration and the registration of transfer of the Bonds to be prepared. The registration books shall be maintained by the Registrar. The holder of any Bond may register such Bond only upon such books.

If any Bond is surrendered to the Trustee at its principal corporate trust office for transfer or exchange in accordance with the provisions of such Bond, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds of the same Series, in Authorized Denominations, bearing interest at the same rate and having the same stated maturity date, in aggregate principal amount equal to the principal amount of the Bond so surrendered, upon reimbursement to the Issuer or the Trustee of an amount equal to any tax or other governmental charge required to be paid with respect to such exchange.

Neither the Issuer nor the Trustee nor the Registrar shall be required to register the transfer of any Bond or make any such exchange of any Bond after such Bond or any portion thereof has been selected for redemption.

Section 2.10. Bonds Mutilated, Destroyed, Lost or Stolen. If any temporary or definitive Bond shall become mutilated or be destroyed, lost or stolen, the Issuer in its discretion may execute, and upon its request the Trustee shall authenticate and deliver, a new Bond in exchange for the mutilated Bond or in lieu of and substitution for the Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the Issuer and to the Trustee (i) evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Bond and of the ownership thereof and (ii) in the case of any destroyed, lost or stolen Bond, such security or indemnity as may be required by them to save each of them harmless from all risks, however remote. The Trustee may authenticate any Bond issued upon such exchange or substitution and deliver such Bond upon the written request or authorization of an Authorized Officer of the Issuer. Upon the issuance of any Bond upon such exchange or substitution, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees, of the Issuer or the Trustee.

If any Bond that has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, instead of issuing a Bond in exchange or substitution therefor, the Issuer may pay or authorize the payment of such Bond (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Issuer and to the Trustee evidence to the satisfaction of the Issuer and the Trustee of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof and, in the case of any destroyed, lost or stolen Bond, such security or indemnity as they may require to save them harmless.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond that is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the Issuer, whether or not the destroyed, lost or stolen Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued under this Indenture. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or

hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Section 2.11. Cancellation and Disposition of Bonds. All mutilated Bonds, all Bonds surrendered for exchange or transfer, all Bonds that have been paid at maturity or upon prior redemption and all Bonds surrendered to the Trustee by the Issuer for cancellation or purchased by the Trustee with amounts on deposit in the Principal Account or the Redemption Fund shall be cancelled by the Trustee and cremated or destroyed by other means. Upon written request from the Issuer, the Trustee shall deliver to the Issuer a certificate of any such cremation or other destruction of any Bond, identifying the Bond so cancelled and cremated or otherwise destroyed.

SECTION 2.12. Book-Entry Registration of Series 2008 Bonds. The provisions of this Section shall apply to any Series of the Series 2008 Bonds during any period of time in which all of the Series 2008 Bonds of such Series are maintained in Book-Entry Form with a Depository, any other provisions of this Indenture to the contrary notwithstanding.

Upon the request of 100% of the holders of the Series 2008 Bonds, the Issuer shall establish a system for registration of the Series 2008 Bonds in Book-Entry Form.

(a) The principal or Redemption Price of and interest on the Series 2008 Bonds shall be payable to the Depository, or registered assigns, as the registered owner of the Series 2008 Bonds, in next day funds on each date on which the principal or Redemption Price of or interest on the Series 2008 Bonds is due as set forth in this Indenture and in the Series 2008 Bonds. Such payments shall be made to the offices of the Depository specified by the Depository to the Trustee in writing. Without notice to or the consent of the holders of the Series 2008 Bonds, the Issuer, the Trustee and the Depository may agree in writing to make payments of principal and interest in a manner different from that set out herein. Neither the Issuer nor the Trustee shall have any obligation with respect to the transfer or crediting of the appropriate principal and interest payments to the direct or indirect participants of the Depository (the "Participants") or the beneficial owners of the Series 2008 Bonds or heir nominees.

(b) The Issuer may, and upon the request of the Required Holders, the Issuer shall, replace any Depository as the Depository for the Series 2008 Bonds with another Depository or discontinue the maintenance of the Series 2008 Bonds with any Depository if (i) the Issuer, in its sole discretion, or the Required Holders of the Series 2008 Bonds determine that (A) any such Depository is incapable of discharging its duties with respect to the Series 2008 Bonds, or (B) the interests of the beneficial owners of the Series 2008 Bonds might be adversely affected by the continuation of the Book-Entry System with such Depository as the Depository for the Series 2008 Bonds, or (ii) such Depository determines not to continue to act as a securities depository for the Series 2008 Bonds or is no longer permitted to act as such Depository. Notice of any determination pursuant to clause (i) shall be given to such Depository at least 30 days prior to any such determination (or such fewer number of days as shall be acceptable to such Depository). Neither the Issuer nor the Trustee nor the holders of the Series 2008 Bonds will have any obligation to make any investigation to determine the occurrence of any events that would permit the Issuer or the holders of Series 2008 Bonds to make any determination described in this paragraph.

(c) If, following a determination or event specified in paragraph (b) above, the Issuer discontinues the maintenance of the Series 2008 Bonds in Book-Entry Form, the Issuer will issue Replacement Bonds directly to the Participants as shown on the records of the Depository or, to the extent requested by any Participant, to the beneficial owners of Series 2008 Bonds as further described in this Section. The Trustee shall mail an appropriate notice to the Depository that the Issuer will issue Replacement Bonds directly to the Participants shown on the records of the Depository or, to the extent requested by any Participant, to beneficial owners of Series 2008 Bonds shown on the records of such Participant, as of a date set forth in such notice, which shall be a date at least 10 days after receipt of such notice by the Depository (or such fewer number of days as shall be acceptable to the Depository).

If Replacement Bonds are to be issued to Participants or to beneficial owners of the Series 2008 Bonds, the Issuer shall cause to be prepared, and the Trustee shall promptly authenticate, Replacement Bonds registered in the names of such Participants as shown on the records of the Depository or, if requested by such Participants, in the names of the beneficial owners of the Series 2008 Bonds, as shown on the records of such Participants as of the date set forth in the notice delivered in accordance with the immediately preceding paragraph. Replacement Bonds issued to Participants or to beneficial owners shall be in the Authorized Denomination, be payable as to principal and interest on the same dates as the Series 2008 Bonds by check or draft mailed to each registered owner at the address of such owner as it appears on the bond register maintained by the Registrar and be in fully registered form.

Replacement Bonds issued to a Depository shall have the same terms, form and content as the Series 2008 Bonds initially registered in the name of the Depository to be replaced or its nominee except for the name of the record owner.

(d) The Depository and its Participants and the beneficial owners of the Series 2008 Bonds, by their acceptance of the Series 2008 Bonds, agree that neither the Issuer nor the Trustee shall have any liability for the failure of such Depository to perform its obligations to the Participants and the beneficial owners of the Series 2008 Bonds, nor shall the Issuer or the Trustee be liable for the failure of any Participant or other nominee of the beneficial owners to perform any obligation the Participant may incur to a beneficial owner of the Series 2008 Bonds.

The Issuer is hereby authorized to make such modifications to the forms of the Series 2008 Bonds as may be appropriate to conform to any standard specifications for registered municipal securities that may be promulgated by any body generally recognized in the municipal securities industry (including, without limitation, the American National Standards Institute) in order to facilitate computer or other mechanical processing methods for registration of municipal bonds. Notwithstanding the foregoing, the Issuer shall not promulgate any change in the form of the Series 2008 A Bonds or the Series 2008 B Bonds, unless the Issuer shall have received an opinion of Bond Counsel to the effect that such change in the form of the Series 2008 A Bonds or the Series 2008 B Bonds will not adversely affect the exclusion of the interest payable thereon from the gross income of the Holders thereof for purposes of federal income taxation pursuant to Section 103 of the Code.

Upon the written request of holders of 100% of the beneficial interests in a Series of the Series 2008 Bonds, the Issuer shall terminate any Book-Entry System then in effect with respect

thereto and Replacement Bonds shall be issued and delivered as provided above. The Issuer shall promptly give notice of such request to the Trustee.

Section 2.13. Limited Obligations of Issuer; Non-Recourse. The Bonds are limited obligations of the Issuer payable solely from the Trust Estate and shall be a valid claim of the respective Owners thereof only against the Trust Estate.

THE BONDS AND INTEREST THEREON AND THE PURCHASE PRICE AND THE REDEMPTION PRICE THEREOF ARE LIMITED OBLIGATIONS OF THE ISSUER, THE PRINCIPAL AND REDEMPTION PRICE OF AND INTEREST ON WHICH ARE PAYABLE SOLELY FROM THE TRUST ESTATE (HEREINAFTER DEFINED). NEITHER THE BONDS NOR THE INTEREST THEREON NOR THE REDEMPTION PRICE THEREOF NOR THE PURCHASE PRICE THEREOF IS A DEBT, LIABILITY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT OF THE STATE. THE ISSUANCE OF THE BONDS IS NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT THEREOF TO LEVY OR PLEDGE ANY TAX OR TO MAKE ANY APPROPRIATION TO PAY THE BONDS. THE PECUNIARY LIABILITY OF THE ISSUER FOR THE PRINCIPAL OF AND PREMIUM (IF ANY) AND INTEREST ON, AND THE REDEMPTION PRICE OF, THE BONDS IS LIMITED SOLELY TO THE TRUST ESTATE.

NOTWITHSTANDING ANYTHING HEREIN CONTAINED TO THE CONTRARY (EXCEPT (A) AS SPECIFICALLY PROVIDED IN SECTION 9.13 AND (B) FOR THE FRAUD OR WILLFUL MISCONDUCT OF THE ISSUER), ANY CLAIM BASED ON OR IN RESPECT OF ANY LIABILITY OF THE ISSUER FOR (I) THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON, OR THE REDEMPTION PRICE OF, THE BONDS, OR (II) THE PERFORMANCE OF ANY OTHER COVENANT, AGREEMENT, TERM OR CONDITION CONTAINED IN THIS INDENTURE, THE BONDS, THE DEEDS OF TRUST OR ANY OTHER DOCUMENT EXECUTED AND DELIVERED IN CONNECTION WITH THE BONDS SHALL BE ENFORCED ONLY AGAINST THE TRUST ESTATE AND, IN EITHER CASE, NOT AGAINST ANY OTHER ASSETS, PROPERTIES OR FUNDS OF THE ISSUER OR AGAINST ANY ASSETS, PROPERTIES OR FUNDS OF ANY DIRECTOR, OFFICER, EMPLOYEE, SUCCESSOR, ASSIGN OR AGENT OF THE ISSUER.

Neither the Issuer nor the State nor any political subdivision thereof shall in any event be liable for the payment of the principal or Redemption Price of or interest on the Bonds from any source other than the Trust Estate. Neither the Bonds nor any pledge, mortgage, obligation or agreement of the Issuer under this Indenture, the Bonds or the Deeds of Trust shall be construed to constitute an obligation of the State or any political subdivision thereof or a debt of the State or any political subdivision thereof within the meaning of any constitutional or statutory provision whatsoever, or as a pledge of the general credit, full faith or taxing power of the State or any political subdivision thereof.

Section 2.14. Arbitrage and Tax Covenants. The Issuer intends that the interest on the Tax-Exempt Bonds be and remain excludable from gross income for federal income tax purposes. The Issuer covenants with the Trustee and each of the Holders of any Tax-Exempt

Bonds that (i) it shall take all action necessary to maintain the excludability from gross income for federal income tax purposes of the interest on all Tax-Exempt Bonds, (ii) it shall not perform any act, or use or permit the use of the Property or any portion thereof in a manner that shall have the effect of terminating the excludability from gross income for federal income tax purposes of the interest paid on any Tax-Exempt Bonds, (iii) it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the proceeds of Bonds that would cause any Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code, and (iv) that it will comply with those provisions of Section 148 of the Code that are applicable to any Tax-Exempt Bonds and with those provisions of Section 148 of the Code that may subsequently be lawfully made applicable to such Bonds.

If, at any time, Bond Counsel advises the Issuer that it is necessary to restrict or limit the yield on the investment of any moneys, securities or other obligations paid to or held by the Trustee hereunder in order to prevent any of the Tax-Exempt Bonds from being considered an “arbitrage bond” within the meaning of Section 148 of the Code, the Issuer will direct the Trustee in writing to take such action with respect to the purchase or sale of specified investments as is deemed necessary by Bond Counsel to restrict or limit the yield on such investment so as to comply with Section 148 of the Code.

Section 2.15. Payment of Principal, Premium (if any) and Interest on the Bonds. Subject to Sections 2.13 and 12.05, the Issuer shall pay or cause to be paid the principal or Redemption Price of and interest on every Bond on the date, at the place and in the manner provided herein and in the Bonds according to the intent and meaning hereof and thereof.

### **ARTICLE III REDEMPTION OF BONDS**

#### Section 3.01. Redemption of the Series 2008 Bonds; Selection.

(a) The Series 2008 Bonds shall be subject to mandatory (including, without limitation, mandatory redemption upon a Determination of Taxability), extraordinary and optional redemption prior to maturity as set forth in the forms of Series 2008 Bonds attached hereto as Appendices A, B, C and D.

(b) The Trustee shall select the particular Series 2008 Bonds or portions thereof to be redeemed by lot or in such manner as the Trustee, in its discretion, may deem appropriate and fair.

Section 3.02. Notice of Redemption. (a) At the written direction of the Issuer, the Trustee shall redeem Series 2008 Bonds pursuant to Section 5(a) of the Series 2008 Bonds; provided, however, that no written direction shall be required for any optional redemption that results from the application of moneys thereto on any Release Date pursuant to Section 4.06(b). Such direction, if required, shall be given at least 60 days prior to the redemption date of such Bonds, or such fewer number of days as shall be acceptable to the Trustee. Upon the transfer of any amount from the Insurance and Condemnation Award Fund to the Redemption Fund, the Trustee shall redeem Series 2008 Bonds pursuant to Section 5(b) thereof. Upon receipt of such direction,

if required, upon such transfer or otherwise as provided in Section 4.06, the Trustee shall cause such Bonds to be redeemed pursuant to Section 5(a) or 5(b) of the Series 2008 Bonds.

(b) RESERVED.

(c) RESERVED.

(d) Upon condemnation of all or substantially all of the Project by the State or any political subdivision or instrumentality of the State, the Trustee shall redeem all Series 2008 Bonds Outstanding pursuant to Section 5(c) thereof.

(e) Upon notice of a Determination of Taxability, the Trustee shall redeem all Tax-Exempt Bonds Outstanding pursuant to the provisions thereof.

(f) Each notice of redemption shall set forth (i) the maturities of the Bonds to be redeemed, (ii) the date fixed for redemption, (iii) the CUSIP numbers of the Bonds or portions thereof to be redeemed, (iv) the Redemption Price to be paid, (v) that such Bonds will be redeemed at the principal corporate trust office of the Trustee, (vi) if fewer than all of the Bonds of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of the Bonds to be redeemed, (vii) in the case of Bonds to be redeemed in part only the portion of the principal amount thereof to be redeemed, and (viii) that on the redemption date, there shall become due and payable upon all Bonds to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. If any Bond is to be redeemed in part only, the notice of redemption that relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond to the Trustee at its principal corporate trust office, a new Bond or Bonds of the same Series of Bonds and maturity, bearing interest at the same rate and of any denomination authorized by this Indenture will be issued in aggregate principal amount equal to the unredeemed portion of such Bond.

(g) The Trustee shall mail notice of the call for any redemption at least 30 days (15 days in the event of an optional redemption resulting from the application of moneys thereto on any Release Date pursuant to Section 4.06(b)) before the redemption date to the registered owners of the Bonds to be redeemed, the Registered Depositories and at least two of the National Information Services to be randomly selected by the Trustee. The failure to mail any such notice to any registered owner of Bonds to be redeemed, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bonds. The failure to mail notice to at least two National Information Services or to the Registered Depositories, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds. If for any reason it is impossible or impractical to mail such notice of redemption, then the Trustee shall give notice of the call for any redemption by publication at least once in an Authorized New York Newspaper and at least once in an Authorized Baltimore Newspaper, which notice shall be published at least 30 days before the redemption date. If notice is published as provided above, the mailing of notice to the registered owners of Bonds to be redeemed shall not be a condition precedent to redemption and the failure so to mail any such notice to any such registered owners shall not affect the validity of the proceedings for the redemption of Bonds.

(h) In no event shall the Trustee give notice of any redemption of Bonds made pursuant to Section 5(b) and 5(c) of the Series 2008 Bonds or Section 5(a) of the Series 2008 Bonds (if such redemption pursuant to Section 5(a) is at the written direction of the Issuer) until an amount of moneys, or Government Obligations the principal of and earnings on which are, sufficient to pay the Redemption Price of all Bonds to be redeemed is on deposit in the Redemption Fund.

Section 3.03. Redemption of Portion of Bond. If part but not all of an Outstanding Bond shall be selected for redemption, upon the presentation and surrender of such Bond to the Paying Agent for payment of the principal amount thereof so called for redemption in accordance with such Bond, the Issuer shall execute and the Trustee shall authenticate and deliver to or upon the order of the registered owner of such Bond or his attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same Series of Bonds and maturity, bearing interest at the same rate and of any denomination authorized by this Indenture, in aggregate principal amount equal to the unredeemed portion of such Bond.

Other than the Series 2008 C Bond, Bonds or portions thereof redeemed pursuant hereto shall be redeemed in denominations of \$5,000 or any integral multiple thereof; provided, however, that no partial redemption shall result in a Bond in a denomination of less than \$100,000.

Section 3.04. Effect of Call for Redemption. On the date designated for redemption, notice having been given as provided above, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds or such portions thereof on such date and, if moneys for the payment of the redemption price and accrued interest are held by the Trustee as provided in this Indenture, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under this Indenture, and the registered owners thereof shall have no rights in respect of such Bonds or such portions thereof so called for redemption except to receive payment of the Redemption Price thereof and the accrued interest thereon so held by the Trustee.

Section 3.05. No Partial Redemption After Default. Anything in this Indenture to the contrary notwithstanding, if there shall have occurred and be continuing an Event of Default, there shall be no redemption of fewer than all of the Bonds at the time Outstanding without the prior written consent of the Required Holders and DBED, provided, however, that after an Event of Default, Bonds shall be paid pursuant to Section 9.15 and for such purposes all outstanding principal of the Bonds shall be deemed due and payable in applying the provisions of Section 9.15(a) whether or not the Bonds have been declared due and payable. If an Event of Default occurs and is continuing after notice of redemption has been given in accordance with Article III, such redemption shall be nullified and the Trustee shall give notice of such nullification in the same manner as the notice of redemption.

Section 3.06. Redemption in Accordance with Procedures of Depository. Notwithstanding any provisions contained herein, during any period in which the Bonds are

maintained pursuant to a Book-Entry System, redemption of the Bonds shall occur in accordance with the Depository's standard procedures for redemption of obligations such as the Bonds.

#### **ARTICLE IV REVENUES AND FUNDS**

Section 4.01. Creation of Funds; Rebate Fund. (a) The following funds and separate accounts within funds are hereby created by the Issuer and shall be held and maintained by the Trustee in accordance with the provisions of this Indenture:

Revenue Fund  
Construction Fund  
Operating Expense Fund  
Operating Reserve Fund  
Renewal and Replacement Fund  
Surplus Fund  
Redemption Fund  
Insurance and Condemnation Award Fund  
Excess Cash Flow Fund

(b) The Rebate Fund was created under the Original Indenture to secure the obligations of the Issuer pursuant to Section 4.15 and shall continue to be held and maintained by the Trustee in accordance with the provisions of this Indenture. The Rebate Fund is not pledged to the payment of any Bonds.

(c) For the purposes of internal accounting, the funds and accounts held and maintained by the Trustee pursuant to this Section may contain one or more accounts and sub-accounts, as the Issuer shall direct in writing.

Section 4.02. Initial Deposits. (a) All moneys on deposit in the funds and accounts established under the First Restated Indenture in the aggregate amount of \$209,908.59 shall be withdrawn therefrom and deposited on the Closing Date in the Operating Expense Fund.

(b) The Trustee shall receive on the Closing Date the sum of \$1,000,000 from the State and/or the Issuer, which shall be deposited as follows:

- (i) \$600,000 shall be deposited in the Renewal and Replacement Fund; and
- (ii) \$400,000 shall be deposited in the Operating Reserve Fund.

Section 4.03. Construction Fund. There shall be deposited to the Construction Fund the proceeds of any Additional Bonds pursuant to the Supplemental Indenture authorizing the issuance thereof. Any provisions regarding the Construction Fund, including, without limitation, accounts therein and disbursements therefrom, shall be set forth in such Supplemental Indenture.

Section 4.04. Completion of Additional Projects. Completion of the acquisition, construction and equipping of any Additional Projects shall be determined by Completion Certificates delivered by the Issuer to the Trustee and DBED in the form attached hereto as Appendix F signed by an Authorized Officer of the Issuer and the Architect.

Section 4.05. Deposit of Revenues and Certain Proceeds. (a) Not later than 1:00 p.m. on each Business Day, the Issuer will deposit, or cause to be deposited, with the Trustee all Revenues from the Property received between the close of business of the Project on the second preceding Business Day and the close of business of the Project on the preceding calendar day.

(b) Except as provided in subsection (h) below, the Revenues and any other moneys that are required to be deposited in the Revenue Fund shall be promptly deposited by the Trustee in the Revenue Fund.

(c) The Trustee shall transfer moneys in the Revenue Fund on a weekly basis (or more frequently if requested by the Issuer) as follows and in the following order of priority:

**FIRST:** until the Promissory Note has been paid in full, to make all payments then due and payable on the Promissory Note.

**SECOND:** to the Rebate Fund, promptly after receipt of written certification from the Issuer pursuant to Section 4.15(e), until the estimated Rebate Amount set forth in such certification is established.

**THIRD:** to the Operating Expense Fund, until an amount equal to one-half of the monthly budgeted amount for Operating Expenses for such month as shown on the Budget has been deposited; provided, however, that with respect to any month, the Trustee shall not deposit in the Operating Expense Fund an amount in excess of the budgeted amount for Operating Expenses for such month.

**FOURTH:** to the Operating Reserve Fund, until the amount on deposit equals the Operating Reserve Fund Requirement.

**FIFTH:** to the Renewal and Replacement Fund, until an amount equal to the Renewal and Replacement Fund Requirement for the then current Fiscal Year has been deposited; provided, however, there shall be credited against the deposit required hereby any Hotel Rental Tax Revenue deposited in the Renewal and Replacement Fund pursuant to (h) below.

**SIXTH:** to the Surplus Fund, any balance remaining in the Revenue Fund after the payments and deposits required by clauses **FIRST** through **FIFTH** have been made.

(d) The Trustee shall deposit into the Redemption Fund any voluntary payments made by the Issuer as designated as such in writing to the Trustee for the redemption of Bonds.

(e) The Trustee shall deposit in the Redemption Fund any moneys paid by the Issuer in accordance with Section 6.03.

(f) The Trustee shall deposit in the Construction Fund any moneys constituting proceeds of any surety bond delivered in connection with the construction or equipping of any Additional Projects financed with the proceeds of Additional Bonds.

(g) Notwithstanding anything to the contrary herein contained, the Trustee shall pay out of the Revenue Fund any and all Administrative Expenditures that are due and payable before it makes any transfer from the Revenue Fund required by (c) above. The Administrative Expenditures of the Issuer shall be evidenced to the Trustee by a certificate of an Authorized Officer of the Issuer setting forth such Administrative Expenditures.

(h) The Hotel Rental Tax Revenue shall be paid over to the Trustee for deposit into the Renewal and Replacement Fund.

(i) The Trustee shall deposit any moneys paid by the Issuer pursuant to Section 6.10(c) to the Surplus Fund to the extent of the amount of such proceeds that represents debt service payable on the Series 2008 Bonds for the period covered by such payment.

Section 4.06. Surplus Fund and Excess Cash Flow Fund: Application of Moneys.

(a) On June 30 of each year (or if any June 30 is not a Business Day, on the Business Day immediately preceding such June 30), the Trustee shall transfer the balance on deposit in the Surplus Fund to the Excess Cash Flow Fund.

(b) Moneys on deposit in the Excess Cash Flow Fund shall be applied on each Release Date in the following order of priority:

(i) While any Series 2008 B Bonds remain outstanding:

**FIRST:** to the payment of interest due on the Series 2008 B Bonds as of the Fiscal Year end immediately preceding the Release Date; and

**SECOND:** to the outstanding principal balance of the Series 2008 B Bonds pursuant to an optional redemption thereof; provided, however, that any payment in full of the Series 2008 B Bonds shall be accompanied by interest accruing to the Release Date;

provided, however, that if moneys on deposit in the Excess Cash Flow Fund are not sufficient for the full payment required by clause **FIRST** or for the redemption of all Outstanding Series 2008 B Bonds pursuant to clause **SECOND**, the Trustee shall apply such moneys pro rata (based on the principal amount of ownership) pursuant to such clause in the stated order of priority.

(ii) After payment in full of the Series 2008 B Bonds and while any Series 2008 C Bonds remain outstanding, to the payment of the outstanding principal balance of the Series 2008 C Bonds pro rata basis (based on the principal amount of ownership) pursuant to an optional redemption.

(iii) After payment in full of the Series 2008 C Bonds and the Series 2008 B Bonds and while any Series 2008 A Bonds remain outstanding:

**FIRST**: to the payment of interest due on the Series 2008 A Bonds as of the Fiscal Year end immediately preceding the Release Date; and

**SECOND**: to the outstanding principal balance of the Series 2008 A Bonds pursuant to an optional redemption thereof; provided, however, that any payment in full of the Series 2008 A Bonds shall be accompanied by interest accruing to the Release Date;

provided, however, that if moneys on deposit in the Excess Cash Flow Fund are not sufficient for the full payment required by clause **FIRST** or for the redemption of all Outstanding Series 2008 A Bonds pursuant to clause **SECOND**, the Trustee shall apply such moneys pro rata (based on the principal amount of ownership) pursuant to such clause in the stated order of priority.

(iv) After the payment in full of the Series 2008 B Bonds, the Series 2008 C Bonds and the Series 2008 A Bonds, to the Trustee to be distributed pursuant to the Cash Flow Sharing Agreement.

(c) The Trustee shall make the above-described payments on any Release Date but only in an aggregate amount equal to the sum of (i) the amount transferred from the Surplus Fund to the Excess Cash Flow Fund on the June 30 immediately preceding such Release Date pursuant to (a) above and (ii) any available earnings from the investment of funds on deposit in the Excess Cash Flow Fund. Notwithstanding anything to the contrary herein contained, any investment earnings on funds on deposit in the Excess Cash Flow Fund credited thereto after a Release Date shall be transferred to the Surplus Fund.

(d) Notwithstanding anything to the contrary herein contained, the insufficiency of Revenues to cause there to be moneys available in the Excess Cash Flow Fund to make any payments described in (b) above shall not constitute an Event of Default hereunder.

(e) (i) Notwithstanding anything to the contrary herein contained, moneys on deposit in the Surplus Fund may be applied at any time to the Operating Expenses or expenses of maintenance and repair of the Property upon a written direction of the Issuer, but only if moneys on deposit in the Operating Expense Fund and the Operating Reserve Fund are not sufficient to pay for such Operating Expenses and moneys on deposit in the Renewal and Replacement Fund are not sufficient to pay such expenses of maintenance and repair. In connection with any direction to pay expenses of maintenance and repair, the Issuer shall also provide a requisition therefor meeting the requirements of Section 4.10 and provide copies thereof to DBED, DNR and the holders of the Series 2008 B Bonds and the Series 2008 C Bonds. No funds may be disbursed from the Surplus Fund in order to pay for an expansion of the physical plant of the Project without the prior written consent of DBED and the Required Holders.

(ii) The Trustee shall not honor any such written direction or requisition of the Issuer, nor withdraw any funds on deposit in the Surplus Fund, on any June 30 (or if such June 30 is not a Business Day, the Business Day immediately preceding such June 30) other than to

transfer funds on deposit in the Surplus Funds to the Excess Cash Flow Fund pursuant to subsection (a) above.

Section 4.07. RESERVED.

Section 4.08. Operating Reserve Fund: Application of Moneys; Deficiencies. Moneys in the Operating Reserve Fund shall be disbursed by the Trustee to or for the account of the Issuer at any time upon the written requisition of an Authorized Officer of the Issuer (a copy of which the Issuer shall forward to DNR and DBED) to be applied to the payment of Operating Expenses of the Project or maintenance or repair of the Property of an extraordinary and non-recurring nature. The written requisition submitted hereunder shall contain a list of all the items for which payment is requested and a certification that the Issuer does not have other funds available on deposit in the Operating Expense Fund for the payment of such expenses. Promptly upon any withdrawal of moneys from the Operating Reserve Fund, the Trustee shall notify the Holders of the Series 2008 Bonds of the date and amount of such withdrawal.

Interest earned and profits realized on investments in the Operating Reserve Fund shall be applied as provided in Section 4.13.

For the purposes of the Operating Reserve Fund, a “deficiency” shall mean that the value of the assets of the Operating Reserve Fund, determined in accordance with Section 4.13, is less than the Operating Reserve Fund Requirement.

The Trustee shall determine the value of the assets of the Operating Reserve Fund in the manner provided by Section 4.13 as of the close of business (i) on September 1 in each Fiscal Year and (ii) on the date of any withdrawal from the Operating Reserve Fund and on the last Business Day of each month thereafter until such determination discloses that a deficiency no longer exists in the Operating Reserve Fund.

As promptly as practicable after making such determination, the Trustee shall notify the Issuer of the result of such determination and of the amount of any deficiency determined to exist in the Operating Reserve Fund. Such notice shall state whether any such deficiency (i) results from a decline in the value of the assets in the Operating Reserve Fund or (ii) results from any withdrawal from the Operating Reserve Fund.

The Trustee shall promptly notify the Issuer, DBED and the holders of the Series 2008 B Bonds and the Series 2008 C Bonds if the balance of the Operating Reserve Fund falls below one half of the Operating Reserve Fund Requirement for a period of three consecutive months (as measured on the last day of the month).

Failure to maintain the Operating Reserve Fund at the Operating Reserve Fund Requirement shall not constitute an Event of Default provided that the Issuer is in compliance with the other provisions of this Section 4.08.

Section 4.09. Operating Expense Fund: Application of Moneys. Moneys in the Operating Expense Fund shall be disbursed by the Trustee to or for the account of the Issuer at any time upon the written requisition of an Authorized Officer of the Issuer to be applied to the Operating

Expenses of the Property. The written requisition submitted hereunder shall contain a list of all the items for which payment is requested.

Section 4.10. Renewal and Replacement Fund: Application of Moneys. Moneys in the Renewal and Replacement Fund shall be disbursed by the Trustee to or for the account of the Issuer at any time upon the written requisition of an Authorized Officer of the Issuer (a copy of which the Issuer shall forward to DNR and DBED) to be applied to the payment of the repair, renewal and replacement of furnishings, fixtures, mechanical, structural and computer systems and any other major components of the Property. The written requisition submitted hereunder shall contain (i) a list of all the items for which payment is requested, (ii) the quantity and price of each item purchased, if specific pieces of equipment are purchased, (iii) the price of all materials (grouped by type or category) and (iv) the cost of all labor or other services contracted for, if any.

Failure to deposit within any Fiscal Year an amount equal to the Renewal and Replacement Fund Requirement for such Fiscal Year shall not constitute an Event of Default.

Section 4.11. Redemption Fund: Application of Moneys.

(a) Subject to the provisions of paragraphs (b) and (c) of this Section, moneys in the Redemption Fund shall be applied by the Trustee to the purchase or redemption of first, the Series 2008 B Bonds, second, the Series 2008 C Bonds, third, the Series 2008 A Bonds and fourth, to be distributed pursuant to the Cash Flow Sharing Agreement. At the written direction of the Authorized Officer of the Issuer, the Trustee shall purchase such Bonds, but no such purchase shall be made by the Trustee (i) within the period of 45 days immediately preceding any interest payment date on which such Bonds are subject to call for redemption under the provisions of this Indenture or (ii) at a price, including any brokerage or other charges, greater than the Redemption Price of such Bonds on the next interest payment date on which such Bonds are subject to redemption and accrued interest to the date of purchase of such Bonds.

(b) Notwithstanding the foregoing provisions of this Section, to the extent provided in any Supplemental Indenture authorizing the issuance of any Series of Additional Bonds (i) moneys available for the redemption or purchase of Bonds on any date shall be allocated among all Series of Bonds in proportion (as nearly as practicable) to the aggregate principal amount of Bonds of each such Series subject to redemption from such moneys on such date and (ii) the Bonds of such Series of Additional Bonds to be purchased or redeemed on any date shall be selected in accordance with the provisions of such Supplemental Indenture.

(c) So long as no Event of Default has occurred and is continuing, the Trustee shall set aside any amount on deposit in the Redemption Fund for the redemption of particular Bonds upon receipt of irrevocable written instructions (including a certification that no Event of Default has occurred and is continuing) of the Issuer to the Trustee directing the Trustee to set aside such amount for such purpose, in which event all of the provisions of Sections 11.01 and 12.04 shall be applicable to such Bonds and the amounts set aside for the payment of such Bonds. Amounts set aside for the redemption of Bonds and investment earnings on such amounts shall be applied to the payment of the interest due on such Bonds on or prior to the redemption date of such Bonds to the extent provided in such instructions. The Trustee shall be entitled to

conclusively assume the absence of any such Event of Default unless it has notice thereof within the meaning of Section 8.14.

Section 4.12. Insurance and Condemnation Award Fund: Application of Moneys. The Trustee shall deposit into the Insurance and Condemnation Award Fund moneys paid by the Issuer pursuant to Section 6.10 (other than the proceeds of any use and occupancy insurance policy, which are to be deposited by the Trustee into the Surplus Fund pursuant to Section 4.05(i)) and apply the same in accordance with Section 6.10.

If such moneys are to be used to pay the costs of repair or replacement of lost, damaged, destroyed or taken property, such moneys shall be disbursed by the Trustee from time to time upon requisitions substantially in the form of Appendix E hereto signed by an Authorized Officer of the Issuer and in the case of payments under any construction contract relating to such property, signed by the Independent Architect (if any), as if such requisition were from the Insurance and Condemnation Award Fund.

If such moneys are to be applied to the redemption of Bonds, such moneys shall be transferred by the Trustee to the Redemption Fund to be applied to the redemption of first, the Series 2008 B Bonds, second, to the Series 2008 C Bonds, third, to the Series 2008 A Bonds, and fourth, to be distributed pursuant to the Cash Flow Sharing Agreement.

Section 4.13. Investment of Moneys; Application of Earnings. Any moneys in any of such funds or accounts that are held by the Trustee shall be invested by the Trustee, as shall be directed by an Authorized Officer of the Issuer, but only as follows:

(a) moneys in the Operating Reserve Fund, the Renewal and Replacement Fund, the Redemption Fund and the Insurance and Condemnation Award Fund shall be invested only in Investment Obligations maturing or redeemable at the option of the Trustee not later than one year following the date of their purchase;

(b) moneys in the Construction Fund shall be invested only in Investment Obligations maturing or redeemable by the Trustee not later than 30 months following the date of their purchase;

(c) moneys in the Rebate Fund shall be invested in accordance with Section 4.15(d) hereof; and

(d) moneys in the Revenue Fund, the Operating Expense Fund, the Surplus Fund and the Excess Cash Flow Fund shall be invested only in Investment Obligations maturing or redeemable at the option of the Trustee in such amounts and on such dates as may be necessary to provide moneys to meet the payments from such funds.

The Issuer shall be responsible for directing the investment of moneys held by the Trustee under this Indenture in accordance with the provisions hereof. In directing the investment of such moneys, the Issuer shall certify to the Trustee that any such investments constitute Investment Obligations, are permitted by applicable law and do not violate the covenants set forth in Section

2.14. The Trustee shall not be responsible for determining whether any investment made by it in accordance with this Section is authorized under any applicable law.

Subject to the further provisions of this Section, interest earned, profits realized and losses suffered by reason of any investment of the funds and accounts created by this Indenture shall be credited or charged, as the case may be, to the fund or account for which such investment shall have been made, unless the Supplemental Indenture authorizing the issuance of any Additional Bonds shall otherwise provide.

Interest earned, profits realized and losses suffered by reason of any investment of the Operating Reserve Fund shall be determined by the Trustee on each date on which the Trustee is required to determine the value of the assets therein in accordance with Section 4.08. If the value of the assets of the applicable fund exceeds the Operating Reserve Fund Requirement, such excess, to the extent it consists of realized interest earnings and/or profits, shall be paid by the Trustee from time to time to the Revenue Fund.

The Trustee may sell or redeem any obligations in which moneys shall have been invested as in this Section provided to the extent necessary to provide cash in the respective funds or accounts to make any payments required to be made therefrom or to facilitate the transfer of moneys between various funds and accounts as may be required or permitted from time to time pursuant to the provisions of this Indenture. The proceeds from the sale of any investment shall be paid into the fund or account for which the sale thereof was made.

In determining the value of the assets of the funds and accounts created by this Indenture, investments and accrued interest thereon shall be deemed a part thereof. Investments of the Revenue Fund, the Redemption Fund, the Operating Reserve Fund, the Surplus Fund, the Excess Cash Flow Fund, the Operating Expense Fund, the Renewal and Replacement Fund and the Rebate Fund shall be valued at amortized cost or current market value, whichever is the lower, or at the redemption price thereof, if then redeemable at the option of the holder. Investments of the Insurance and Condemnation Award Fund and the Construction Fund shall be valued at amortized cost or the face value thereof, whichever is lower.

The Trustee shall not be liable for any depreciation in the value of any obligations in which moneys of the funds or accounts created by this Indenture shall be invested as set forth above or for any loss arising from any Investment Obligations.

Any moneys remaining in the Construction Fund following the Trustee's receipt of a Completion Certificate pursuant to Section 4.04 hereof shall be invested in such manner as, in the opinion of Bond Counsel delivered to the Trustee, is necessary to preserve the exclusion of the interest on the Bonds from the gross income of the Holders for purposes of federal income taxation pursuant to Section 103 of the Code, subject to the receipt by the Trustee of written direction from the Authorized Officer of the Issuer as to the specific investments to be made.

As long as no Event of Default shall have occurred and be continuing (as evidenced by a certificate of the Authorized Officer to such effect), the Authorized Officer of the Issuer shall designate the investments to be sold and shall otherwise direct the Trustee in the sale or conversion to cash of the investments made with the moneys attributable to the Bonds in the

funds and accounts established by Section 4.01; provided that the Trustee shall be entitled to conclusively assume the absence of any such Event of Default unless it has notice thereof within the meaning of Section 8.14.

The Trustee may make any and all investments permitted under this Section through its own bond or investment department.

All investments made under this Section shall be made strictly in accordance with this Indenture.

Section 4.14. Application of Moneys in Certain Funds for Retirement of Bonds. Notwithstanding any other provision of this Indenture, if at any time the Issuer shall determine to provide for the payment of all outstanding Bonds in accordance with Article XI, upon the written request of the Issuer, the Trustee shall apply any moneys on deposit in the funds and accounts created by this Indenture available for the payment of the principal or Redemption Price of and interest on the Bonds to the payment or redemption of such Bonds in the manner provided by Article XI.

Section 4.15. Rebate Fund; Rebate Amount.

(a) The Issuer covenants that there shall be paid from time to time all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Bonds from time to time. This covenant shall survive payment in full or defeasance of the Bonds. The Issuer specifically covenants to pay or cause to be paid the Rebate Amount in accordance with the Issuer's Tax Certificate.

(b) The Issuer shall determine, or cause to be determined, the Rebate Amount in accordance with the Issuer's Tax Certificate and the Rebate Amount shall be paid at such times and in such installments as provided therein. The Issuer shall be responsible for paying the Rebate Amount.

(c) The Trustee's obligation to pay any portion of the Rebate Amount is limited to funds on deposit in the Rebate Fund. The Trustee shall, at the written direction of the Issuer, disburse moneys from the Rebate Fund to pay the Rebate Amount to the United States of America. In addition, the Trustee shall not have any responsibility with respect to the calculation of the Rebate Amount.

(d) Any moneys held in the Rebate Fund and not immediately required to be paid to the United States pursuant to the Issuer's Tax Certificate shall be invested or reinvested by the Trustee, at the direction of the Issuer, in Government Obligations having maturities consonant with the need for moneys as estimated by the Issuer.

(e) The Issuer is required to (i) perform a rebate calculation every five years with respect to the Rebate Amount and either (ii) (a) certify, promptly upon such determination, to the Trustee in writing the Rebate Amount and pay to the Trustee for deposit into the Rebate Fund before payment of the Rebate Amount is required by the Code, an amount of money equal

to the difference, if any, between the Rebate Amount and the amount accumulated in the Rebate Fund, or (b) provide the Trustee with written notice (signed by the Issuer and the rebate analyst) that (1) no deposit is required or (2) the amount in the Rebate Fund is in excess of the amount required to be on deposit as determined by the most recent rebate calculation, in which case the Trustee shall transfer such excess to the Revenue Fund or to the Issuer if the Issuer has paid such moneys into the Rebate Fund from sources other than the Revenues. If the Trustee does not receive either of the items required in (ii)(a) or (ii)(b) above within 30 days of each anniversary of the end of the fifth Bond Year and each fifth anniversary thereafter of the issuance and sale of the Bonds, the Trustee shall notify the Issuer. Rebate calculations shall be performed at the end of the fifth Bond Year and on each fifth anniversary thereafter.

Amounts in the Rebate Fund are not pledged to the payment of the principal or Redemption Price of or interest on the Bonds.

Section 4.16. Security Interest in Revenues. (a) As security for all of its obligations under this Indenture and the Deeds of Trust, including, without limitation, its obligation to make timely payment of all amounts due under this Indenture, the Issuer grants to the Trustee a lien and claim on and a security interest in all of the Revenues, subject only to Permitted Encumbrances.

(b) The lien, claim and security interest described above shall continuously apply for the entire term of this Indenture to all rights to receive Revenues.

Section 4.17. Deposit by Trustee of Moneys Other than Revenues. The Trustee shall deposit moneys other than Revenues into any fund or account established under Section 4.01 that is specified by the provider of such moneys.

Section 4.18. Promissory Note. The Issuer may issue from time to time its Promissory Note in order to evidence a loan or line of credit to pay Operating Expenses of the Property. The amount outstanding under the Promissory Note must be reduced to \$0 for a period of at least 30 consecutive days in each Operating Year. The amount outstanding under the Promissory Note shall not exceed the greater of (i) \$1,000,000 or (ii) 7.5% of the Revenues for the most recent Fiscal Year for which audited financial statements have been filed with the Trustee pursuant to Section 7.05(a).

## **ARTICLE V REPRESENTATIONS OF THE ISSUER; CONSTRUCTION AND ACQUISITION OF THE PROJECT AND ADDITIONAL PROJECTS**

Section 5.01. Representations of the Issuer. The Issuer makes the following affirmative representations:

(a) Authority. The Issuer is a body politic and corporate and an instrumentality of the State. Under the provisions of the Act, the Issuer has the power and authority to enter into this Indenture and the transactions contemplated hereunder, to carry out its obligations hereunder and under the Deeds of Trust and to issue the Series 2008 Bonds. By proper action, the Issuer has duly authorized the execution and delivery of this Indenture, the

Deeds of Trust and the Series 2008 Bonds. The Issuer is not in default under any of the provisions of the laws of the State which would affect its existence or its powers referred to in this subsection (a).

(b) Binding Agreements. This Indenture, the Series 2008 Bonds and the Deeds of Trust have been duly and properly executed by the Issuer, constitute the valid and legally binding limited obligations of the Issuer and are fully enforceable against the Issuer in accordance with their terms, except to the extent that enforceability may be affected by any bankruptcy or insolvency proceeding filed by or against the Issuer and subject to the exercise of judicial discretion in accordance with general principles of equity.

(c) Litigation. There is no litigation or proceeding pending or, so far as the Issuer knows, threatened before any court or administrative agency which, in the opinion of the Issuer, will materially adversely affect the financial condition or operations of the Issuer, or adversely affect (i) the authority of the Issuer to issue and sell the Series 2008 Bonds or to enter into this Indenture or the Deeds of Trust or (ii) the validity or enforceability of the Series 2008 Bonds, this Indenture or the Deeds of Trust.

(d) No Conflicting Agreements, Laws, etc. There is (i) no provision of any existing mortgage, indenture, contract or agreement binding on the Issuer or affecting any of the Issuer's property and (ii) to the knowledge of the Issuer, no provision of law or order of court binding upon the Issuer or affecting any of the Issuer's property, which would conflict with or in any way prevent the execution, delivery, or performance of the terms of this Indenture or the Deeds of Trust, or which would be in default or violated as a result of such execution, delivery or performance, or for which adequate consents or waivers have not been obtained.

(e) Compliance with Law. The Issuer (i) is in compliance with all laws, ordinances, and governmental rules and regulations to which it is subject, the failure to comply with which could materially adversely affect the ability of the Issuer to conduct its activities or the condition (financial or otherwise) of the Issuer, and (ii) has obtained all licenses, permits, franchises, certifications and other governmental authorizations necessary to the ownership of the leasehold interest in the Property or to the conduct of its activities which, if not obtained, could materially adversely affect the ability of the Issuer to conduct its activities as contemplated by this Indenture or the condition (financial or otherwise) of the Issuer.

(f) Full Disclosure. Neither this Indenture nor any certificate, report or statement furnished by the Issuer in connection herewith, contains any untrue statement of a material fact or, when this Indenture, such statements, reports and certificates are taken in their entirety, omits to state a material fact necessary to make the statements contained therein or herein not misleading as of the Closing Date. There is no fact of which the Issuer has actual or constructive knowledge which the Issuer has not disclosed to the Holders of the Series 2008 Bonds in writing prior to the date of this Indenture with respect to the transactions contemplated by this Indenture, which materially and adversely affects, or in the future could, in the reasonable opinion of the Issuer, materially adversely affect, the condition, financial or otherwise, of the Issuer.

(g) Liens or Security Interests. Except for liens granted in favor of the Trustee, there exist no liens or security interests on or with respect to the Revenues or the Property other than Permitted Encumbrances and the Issuer has made no contract or agreement of any kind, the performance of which by the other party thereto would give rise to any lien on the Revenues or the Property other than Permitted Encumbrances.

(h) RESERVED.

(i) Utilities. All utility services necessary for the operation of the Project for its intended purposes are available at the boundaries of the Land, including water, storm and sanitary sewer facilities of adequate capacities, electric and telephone facilities. The Issuer has procured, or hereby agrees to use its best efforts to procure, from the appropriate state, subdivision, municipal, and other authorities and corporations, connection and discharge arrangements for the supply of water, electricity and other utilities and sewage and waste disposal for the operation of the Project.

(j) Licenses, Permits, Approvals, Consents, etc. The Issuer has obtained, and there are currently in full force and effect, all consents, permits, licenses, accreditations, certifications, orders and other approvals (governmental or otherwise) that would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the Issuer of its obligations under this Indenture, the Deeds of Trust and any other agreement or instrument to which the Issuer is a party and which is to be used or contemplated for use in the consummation of the transactions contemplated by such documents.

Section 5.02. Acquisition and Construction of Additional Projects; Employment of Architect. The Issuer shall employ an Independent Architect responsible for the acquisition and construction of any Additional Projects, if required by the original purchasers of the Additional Bonds issued to finance such Additional Projects. The Independent Architect's duties shall include such duties as this Indenture or any Supplemental Indenture may impose upon the Independent Architect.

The Issuer shall provide or cause to be provided a payment and performance bond with a responsible bonding company qualified and licensed to do business in the State in an amount not less than 100% of the guaranteed maximum price under the Construction Contract for any Additional Projects unpaid on the date of delivery of any Additional Bonds issued to finance such Additional Projects (exclusive of the price of major movable equipment and the amount allocable to consultants' fees), if required by the original purchasers of the Additional Bonds issued to finance such Additional Projects.

In connection with the acquisition, construction and equipping of any Additional Projects, the Issuer shall require each contractor to carry such workers' compensation or employers' liability insurance as may be required by law. The Issuer shall further require each contractor to procure and maintain such comprehensive general liability insurance (with Broad Form Comprehensive General Liability Insurance Endorsement), Owner's Protective Liability Insurance, Builder's Risk "All Risk" Insurance (unless maintained by the Issuer) and other liability or property insurance customarily obtained in similar circumstances protecting the Issuer and the Trustee in such amounts as are required by Section 6.07. The Issuer shall require each

contractor to agree to defend, indemnify and hold harmless the Issuer, the Trustee, and their agents and employees from and against all claims, damages, losses and expenses arising from the construction of any Additional Projects, and attributable in whole or in part to the negligent act or omission of such contractor or its employees, agents, or subcontractors including (without limitation) claims, damages, losses and expenses resulting from bodily injury, sickness, disease or death, or injury to or destruction of tangible property, including (without limitation) the loss of use thereof.

Beginning on the date on which construction of any Additional Projects or Capital Improvements is commenced and ending upon the completion thereof, the Issuer shall procure and maintain, or cause to be procured and maintained, Builder's Risk "All Risk" Insurance issued under a form approved for issuance in the State and covering all risks of direct physical loss to the Project and such Additional Projects or Capital Improvements, other than those customarily excluded therefrom under policies customarily obtained by persons in similar circumstances with respect to projects of comparable size and scope. Such Builder's Risk "All Risk" Insurance shall be issued on a "completed value" basis and the "provisional amount" of such insurance at all times during construction of such Additional Projects or Capital Improvements (as the case may be) shall be no less than the greater of (i) the full replacement value of such Additional Projects or Capital Improvements (as the case may be) as completed and (ii) an amount sufficient to prevent the Issuer from becoming a co-insurer at any time under the applicable terms of the policy. Such policy of insurance shall specifically name the Trustee as mortgagee, contain a standard non-contributing mortgagee clause, provide that the insurer give at least 30 days' notice in writing to the Issuer and the Trustee of cancellation, termination or modification of such policy and provide that the Trustee shall have sole right to receive the proceeds of such policy.

Section 5.03. Compliance with Applicable Governmental Standards and Requirements. The Issuer and the Property shall at all times comply in all material respects with all governmental standards and requirements applicable to the Issuer and the Property. The Issuer shall not recommend, agree to or permit any changes, revisions or modifications to the Property or the operation thereof or any Additional Projects that would in any way adversely affect compliance by the Issuer with such standards and requirements. The Issuer shall take any and all action necessary within a reasonable time of promulgation of any such standards or requirements hereafter imposed by the appropriate governmental body to ensure compliance with all such standards and requirements; provided, however, the Issuer shall have the right to contest the validity of such standards or requirements in good faith, so long as neither the security of the Deeds of Trust nor the ability of the Issuer to comply with the provisions of this Indenture or the Deeds of Trust is adversely affected thereby.

Section 5.04. RESERVED.

Section 5.05. Amendment of Additional Projects. Any Additional Projects may be amended, in order to increase or decrease the scope thereof or to make changes within such Additional Projects as originally designed and planned; provided, however, that (i) any amendment is within the authority of the Issuer, (ii) any Additional Projects will not cease to be an economically feasible or functional facility as a result of any decrease in scope, (iii) prior to the implementation of any amendment, any additional moneys required to pay any Costs of any

Additional Projects resulting from such amendment are made available by or to the Issuer in accordance with this Section, (iv) all applicable governmental approvals are obtained by the Issuer and (v) if such amendment changes the scope or use of any Additional Projects, the Trustee receives an opinion of Bond Counsel to the effect that such amendment will not adversely affect the excludability from gross income, for federal income tax purposes, of interest paid on any Tax-Exempt Bonds theretofore issued.

Section 5.06. Contracts Assigned to Trustee. Pursuant to the Deeds of Trust, the Issuer has assigned to the Trustee all plans and specifications for the Property, all licenses, permits and other governmental approvals with respect to the Project and the Property and all of its rights and benefits under the construction contracts, management agreements, any contracts between the Issuer and any architect relating to the Property, and any other contracts heretofore or hereafter made by the Issuer to acquire, construct or equip the improvements on the Land. The Trustee may only enforce in its own name the rights and benefits thereunder upon the occurrence and continuance of an Event of Default. The Issuer shall assign to the Trustee its rights and benefits under any contracts made by the Issuer to acquire, construct or equip any Additional Projects. Each such assignment shall permit the Trustee to enforce in its own name the rights and benefits thereunder upon the occurrence and continuance of an Event of Default. The Trustee, as assignee, shall be obligated to make payments pursuant to any assigned contract only upon receipt of a requisition and to the extent that moneys are available therefor in the Construction Fund.

**ARTICLE VI**  
**OPERATION OF PROPERTY; INSURANCE;**  
**APPLICATION OF PROCEEDS OF CONDEMNATION AND INSURANCE**

Section 6.01. Operation and Maintenance of Property. The Issuer shall operate the Property, or cause the Property to be operated, in a sound, economical and commercially reasonable manner and shall maintain, preserve and keep the Property, or cause the Property to be maintained, preserved and kept, in good condition and repair. The Issuer shall make, or cause to be made, all necessary and proper repairs, replacements and renewals so as to conduct the operation of the Property in accordance with all applicable governmental operating standards. The Issuer shall operate the Property and any Additional Projects financed with the proceeds of Bonds as facilities permitted to be financed and refinanced under the Act and/or any applicable federal law.

Section 6.02. Restrictions on Leases and Contracts. The Issuer shall not lease as lessor or sublease as sublessor any part of the Property, license as licensor or except as provided in Section 7.09, contract with a third party for the operation of the Property or any part thereof, without having obtained the prior written consent of DBED and the Required Holders.

Subject to the provisions of Section 2.14, the Issuer may enter into one or more of the following leases, contracts and licenses without the consent of DBED and the Required Holders: (i) leases for equipment or machinery for the Project, (ii) leases and contracts for professional or supportive services necessary or desirable for proper and economic operation of the Property as a golf course and hotel/meeting center facility, or (iii) recurring licenses in the ordinary course of business.

Any such lease, license or contract entered into with respect to any portion of the Property specifically by its terms shall be subordinate to the Deeds of Trust and shall permit the Trustee upon the initiation of foreclosure of the Deeds of Trust to terminate such lease, license or contract upon 30 days' notice at any time with or without cause. Each lease, license or contract shall be subject to the terms of this Indenture and shall not relieve the Issuer of any of its obligations under this Indenture.

Section 6.03. Limitations on Alteration of Property; Disposition of Equipment Collateral.

(a) The Issuer shall not make any change, alteration, demolition or removal to any portion of the Property if (i) an Event of Default shall have occurred and be continuing, (ii) such change, alteration, demolition or removal adversely affects the value or the operating efficiency of the Property or materially impairs the structural soundness of any portion of the Property or (iii) the cost of such change, alteration, demolition or removal exceeds \$1,000,000, without the prior written consent of the Required Holders and DBED. With respect to any disposition, alteration or removal the cost of which exceeds \$1,000,000, the Trustee shall have received opinions of counsel that the security of the Deeds of Trust and the Trustee's ability to foreclose upon the remaining property shall not be impaired as a result of such disposition, removal or alteration and the replacement or substitute property has been subjected to the lien of the Deeds of Trust.

(b) Notwithstanding anything to the contrary herein contained, the Issuer may remove and dispose of, free from the lien and security interest of the Deeds of Trust, such of the Equipment Collateral as from time to time may become worn out or obsolete or the disposition of which does not materially and adversely affect the value or the operating efficiency of the Property, provided that either (A) simultaneously with or prior to such removal any such Equipment Collateral is replaced with other equipment of value at least equal to that of the replaced Equipment Collateral and free from the lien or security interest of any title retention or security agreement or other encumbrance, and by such removal and replacement the Issuer shall be deemed to have subjected such equipment to the lien and security interest of the Deeds of Trust or (B) such Equipment Collateral is sold at fair market value, if any, for cash and the net cash proceeds received from such disposition are paid over promptly to the Trustee for deposit into the Redemption Fund.

(c) The net proceeds, if any, of any disposition, removal or alteration shall constitute Revenues. Any net proceeds in the form of cash, marketable securities or other liquid assets received by the Issuer from any disposition, removal or alteration shall be promptly paid over to the Trustee by the Issuer for deposit into the Redemption Fund.

Section 6.04. Expenses of Upkeep. The Issuer shall pay solely from the Revenues made available to the Issuer pursuant to Section 4.05 and Section 4.06(d), all expenses, including without limitation, all extraordinary expenses, of maintaining, repairing and replacing the Property to the extent necessary to permit the Issuer to make the payments required by this Indenture and to perform its obligations hereunder, except insofar as funds are available from insurance proceeds to pay such expenses in accordance with Section 6.10.

Section 6.05. Surrender in Proper Condition. Upon the taking of possession of all or any portion of the Property by the Trustee pursuant to this Indenture or the Deeds of Trust upon the occurrence of any Event of Default, the Issuer shall give to the Trustee or an agent designated by

the Trustee possession of the Property in proper condition, ordinary wear and tear and damage by casualty excepted. While the Trustee is in possession of the Property, to the extent that funds are available to the Trustee for such purpose, the Trustee shall maintain the Property in good condition, ordinary wear and tear and damage by casualty excepted.

Section 6.06. Trustee, DBED and Certain Holders of Bonds May Enter and Examine the Property; Access to Books and Records. Each of the Trustee, DBED and any holder of at least \$3,000,000 of Bonds shall have the right, upon reasonable notice to the Issuer, to enter upon, inspect and examine the Property, at any time during regular business hours in such manner as not to interfere with or disturb the normal operations of the Property. Representatives of the Issuer may accompany the employees or representatives of the Trustee, DBED and such holder on the premises. In addition, all books and documents in the possession of the Issuer relating to the Project and the Revenues shall at all reasonable times be open to inspection by such accountants or other agencies as the Trustee, DBED and such holder may from time to time designate.

Section 6.07. Required Insurance; Independent Insurance Consultant.

(a) The Issuer shall keep the Property insured at all times and shall maintain with responsible insurers with respect to the facilities and operations of the Property insurance of such types, in such amounts and against such risks as are customarily maintained for facilities of a comparable type and size and offering comparable services, including (without limitation) the following insurance to the extent that such insurance is customarily maintained: (i) full fire and extended coverage insurance on the Property providing for not less than full recovery of the insurable value (less reasonable deductibles and exclusions) of any damaged property; (ii) public liability and property damage insurance, including (without limitation) business automobile liability insurance and professional liability insurance in amounts estimated to fully indemnify (less reasonable deductibles and exclusions) the Issuer and the Trustee against the estimated loss or damage; and (iii) fidelity, comprehensive dishonesty, disappearance and destruction insurance. In addition, the Issuer shall obtain and maintain “use and occupancy” insurance or “business interruption” insurance covering the loss of revenues by reason of the total or partial suspension of or interruption in the operation of the Property caused by damage to or destruction of the Property in an amount not less than the amount required to meet the Operating Expenses for a period of not fewer than two years.

(b) (i) Annually, within 60 days after the end of each Fiscal Year, the Issuer shall employ an Independent Insurance Consultant to review the insurance coverage of, and the insurance required by this Section for, the Issuer with respect to the Property and shall furnish to the Trustee and DBED signed copies of the report of such Independent Insurance Consultant. Such report shall state whether, in the opinion of such Independent Insurance Consultant, the Issuer has satisfied the requirements of this Section as of the last day of such Fiscal Year and make recommendations, if any, respecting the types, amounts and provisions of insurance that should be carried with respect to the Issuer in relation to the Property, the operation, maintenance and administration of the Project and the construction and acquisition of any Capital Improvements. The Issuer shall increase or otherwise modify the kinds and amounts of insurance maintained by the Issuer to the extent that such increase or modification is recommended by the Independent Insurance Consultant and results in substantially the same coverage as is customarily

maintained by persons in similar circumstances having facilities of a comparable size and offering comparable services as those of the Issuer with respect to the Property.

(ii) The Issuer shall furnish to the Trustee complete copies of all policies of insurance carried with respect to the Property and the operation, maintenance and administration thereof, and all certificates of insurance reflecting such policies. If any change occurs in any such insurance coverage, the Issuer shall so notify the Trustee and DBED at the time of such change. The Issuer shall deliver, or cause to be delivered, to the Trustee certificates of renewal of any insurance at least 30 days prior to the expiration of any policy of insurance.

(c) Policies of insurance with respect to the Property and the operation of the Property shall specifically name the Trustee as mortgagee and shall contain standard non-contributing mortgagee clauses. Public liability insurance policies shall specifically name the Trustee as additional insured. All policies described in this subparagraph (c) shall provide that the insurer shall give at least 30 days' notice in writing to the Trustee of cancellation, termination or modification.

(d) The Trustee shall have the sole right to receive the proceeds of any policies of insurance required to be maintained in accordance with this Indenture other than any public liability and property damage insurance and workers' compensation or other employer's liability insurance, subject to the rights of the holders of any Permitted Encumbrances taking priority over the rights of the Trustee in the property which is subject to such Permitted Encumbrances.

(e) In connection with the construction, maintenance, use, operation and repair of the Property, the Issuer shall comply with all reasonable requirements of any insurer writing any policy of insurance.

(f) If at any time the Issuer fails to procure or maintain any insurance required by this Section, the Trustee may, but shall not be required to, procure and maintain such insurance at the expense of the Issuer, and the Issuer shall reimburse the Trustee for all amounts expended in connection therewith with interest thereon at the Prime Rate from the date the Trustee expends such amounts.

(g) Except as expressly provided herein, neither the Trustee nor DBED shall have any responsibility with respect to any insurance required under this Section, except that the Trustee shall receive the letters and opinions required to be delivered in accordance with this Section and shall hold the same for inspection by any Bondholder. DBED and the Trustee shall be entitled to rely upon any opinions, letters, certifications, recommendations and reports provided in accordance with this Section and shall have no responsibility or duty to conduct any independent inquiry or investigation as to the adequacy or enforceability of any insurance procured or maintained by the Issuer pursuant hereto or as to whether the Issuer has in fact procured and maintained the insurance required under this Section. No acceptance or approval of any insurance policy by DBED or the Trustee shall relieve or release the Issuer from any liability, duty or obligation under the provisions of this Indenture.

Section 6.08. Indemnification Agreement. The Issuer shall protect, indemnify, and save harmless the Trustee, the Paying Agent, and the Registrar and their respective directors, officers, employees and agents against and from any and all liabilities, suits, actions, claims, demands, damages, losses, expenses and costs of every kind and nature incurred by, or asserted or imposed against, the Trustee, the Paying Agent, and the Registrar and their respective directors, officers, agents or employees, or any of them, by reason of any accident, injury (including death) or damage to any person or property, resulting from, connected with or growing out of any act of commission or omission of the Issuer, or any directors, officers, employees, agents, assignees, contractors or subcontractors of the Issuer of any use, non-use, possession, occupation, condition, operation, service, design, construction, acquisition, maintenance or management of, or on, or in connection with, the Property, or any portion thereof, during the term of this Indenture and regardless of whether such liabilities, suits, actions, claims, demands, damages, losses, expenses and costs be against or be suffered or sustained by the Trustee, the Paying Agent, and the Registrar, or any of their respective directors, officers, agents or employees, or be against or be suffered or sustained by legal entities, directors, officers, agents, or other persons to whom the Trustee, the Paying Agent, and the Registrar or any of their respective directors, officers, agents or employees may become liable therefor. The Issuer may, and if so requested by the Trustee, the Paying Agent, and the Registrar, shall undertake to defend, at its sole expense, any and all suits, actions and proceedings brought against the Trustee, the Paying Agent, and the Registrar or any of their respective directors, officers, agents or employees in connection with any of the matters indemnified against in this Section. The Trustee, the Paying Agent, and the Registrar shall give the Issuer timely notice of and shall forward to the Issuer every demand, notice, summons or other process received with respect to any claim or legal proceedings within the purview hereof, but the failure of the Trustee, the Paying Agent, and the Registrar to give such notice shall not affect its right to indemnification hereunder unless such failure shall deprive the Issuer of a reasonable opportunity to contest any such matters.

The Issuer agrees to indemnify the Trustee, the Paying Agent, and the Registrar and their respective directors, officers, employees and agents for, and to hold them harmless against, any loss, liability or expense incurred, arising out of or in connection with the acceptance or administration of the trust or trusts and duties hereunder and under this Indenture and the Deeds of Trust, including the costs and expense of defending themselves against any claim or liability in connection with the exercise or performance of any of their powers or duties thereunder.

Subject to the provisions of Sections 2.13 and 12.05, the obligation of the Issuer under this Section for acts or omissions occurring during the term of this Indenture shall survive the termination of this Indenture and the Deeds of Trust and the payment and performance of all other obligations of the Issuer.

Notwithstanding the foregoing, neither the Trustee, the Paying Agent, the Registrar nor its directors, officers, employees and agents shall be indemnified against any liability caused by its own negligence or willful acts or omissions or the negligence or willful acts or omissions of its directors, officers, agents or employees.

Section 6.09. Title Insurance. The Issuer, at its expense, shall deliver a mortgagee's title insurance policy or policies insuring against title losses with respect to all of the Property which constitutes real property, in amounts not less than the total aggregate principal amount of the

Outstanding Bonds, issued by a company or companies licensed to conduct a title insurance business in the State.

Section 6.10. Application of Proceeds of Condemnation and Insurance; Extraordinary Redemption of Bonds.

(a) The Issuer shall designate in writing and pay over to the Trustee for deposit in the Insurance and Condemnation Award Fund upon receipt thereof (i) all proceeds received under any title insurance policy relative to any Property (“title insurance proceeds”), (ii) the proceeds of any Property taken in the exercise of the power of eminent domain, condemnation or through the exercise of any right or any obligation on the part of any public authority to purchase the same, or as a result of any agreement between the Issuer and the State (“condemnation proceeds”), and (iii) any insurance proceeds payable in connection with the loss, damage or destruction of any Property other than the proceeds of any use and occupancy or business interruption insurance policy (“casualty insurance proceeds”).

(b) Title insurance proceeds, casualty insurance proceeds or condemnation proceeds paid to the Trustee (except any money paid to the Issuer as provided in clause (v) of this paragraph (b)) shall be applied as set forth in this paragraph (b).

(i) The Issuer may elect to apply such proceeds to the restoration or replacement of the lost, damaged, destroyed or taken property, if:

(A) the Issuer delivers to the Trustee a certificate of an independent construction contractor or similar professional with at least ten (10) years of experience as a professional estimator of the cost of restoring or replacing such property setting forth his estimate of the cost of restoring or replacing the lost, damaged, destroyed or taken property to be restored or replaced and the time required therefor; and

(B) the Issuer delivers to the Trustee a certificate of an Authorized Officer of the Issuer to the effect that the amount of such proceeds, together with any other moneys deposited or available for deposit in the Insurance and Condemnation Award Fund will be sufficient to pay the costs of restoring the Property, and replacing the lost, damaged, destroyed or taken property to be replaced; and

(C) RESERVED; and

(D) the Issuer delivers to the Trustee, DNR and DBED a certificate of an Authorized Officer of the Issuer, dated as of the date the Issuer makes the election provided for in this Section 6.10(b)(i), certifying that there is no Event of Default under this Indenture or the Deeds of Trust.

(ii) The Issuer may elect to apply all such proceeds to the redemption of Outstanding Bonds if:

(A) in the case of a partial redemption: (x) the Issuer delivers to the Trustee a certificate of an independent construction contractor or similar professional with at

least ten (10) years of experience as a professional estimator of the cost of restoring or replacing the lost, damaged, destroyed or taken property, and (y) the Issuer delivers to the Trustee a certificate of an Authorized Officer of the Issuer certifying that the Issuer will “restore” or “replace” (as such terms are defined herein) such property; or

(B) in the case of a full redemption of all Outstanding Bonds, the Issuer shall pay to the Trustee for deposit in the Insurance and Condemnation Award Fund an amount of money that, together with any other moneys held to the credit of the funds and accounts created by this Indenture and any moneys on deposit in the funds and accounts created for any Additional Bonds, shall be sufficient to provide for the redemption of all Outstanding Bonds in the manner provided by this Indenture.

(iii) The Issuer may elect to apply a portion of such proceeds to the restoration or replacement of the lost, damaged, destroyed or taken property and to apply the remaining proceeds to the redemption of Outstanding Bonds so long as the Issuer shall satisfy the requirements of paragraph (i) above.

(iv) The Issuer shall elect to apply such proceeds in accordance with paragraph (i), (ii) or (iii) above within six months of such loss, damage, destruction or taking.

(v) Notwithstanding anything to the contrary herein contained, with respect to title insurance proceeds, casualty insurance proceeds or condemnation proceeds of less than \$1,000,000 per occurrence, the Issuer may, in its sole discretion, apply such proceeds to either the restoration or replacement of the lost, damaged, destroyed or taken property or the redemption of the Outstanding Bonds. Any such proceeds, if for restoration or replacement, shall be paid to the Issuer.

(c) The proceeds of any use and occupancy or business interruption insurance policy representing debt service on any Bonds shall be paid to the Trustee for deposit in accordance with Section 4.05(i). The Issuer shall not adjust any losses under any business interruption insurance policies without the consent of the Required Holders.

(d) As used in this Section, the term “restore” includes restoration and reconstruction of the Property, including, without limitation, such portions of the Property that have been damaged, destroyed or taken, such that the entire Property is restored to the structural integrity, function and the fair market value at least equal to that existing prior to the loss, damage, destruction or taking; and the term “replace” includes (without limitation) the construction or acquisition of replacement or substitute property, structures, machinery, equipment or other improvements having a fair market value (but not necessarily the same function) at least equal to the fair market value, immediately prior to loss, damage, destruction or taking, of the property lost, damaged, destroyed or taken. The election of the Issuer to repair or replace any lost, damaged, destroyed or taken property shall be made by a written certification of an Authorized Officer of the Issuer to the effect that the Issuer has entered into substantial, binding commitments for such repair or replacement.

(e) The Issuer shall not adjust losses in excess of \$1,000,000 under property insurance policies related to the Property without the consent of the Required Holders and

DBED. Any adjustment of any loss, damage or destruction in an amount of \$1,000,000 or less, but in excess of \$20,000 under any policy of casualty insurance and any settlement or payment of indemnity in an amount of \$1,000,000 or less, but in excess of \$20,000 under any such policy shall be evidenced by a certificate, filed with the Trustee, signed by an Authorized Officer of the Issuer certifying to the amount of such adjustment or settlement.

(f) If any public authority or other entity, in the exercise of its power of eminent domain or condemnation power or through the exercise of any right or obligation on the part of such entity, or as a result of any agreement between the Issuer and such entity made in lieu of condemnation proceedings, takes or damages the Property or any part thereof, the Issuer shall take prompt and appropriate measures to protect and enforce its rights and interests and those of the Trustee in connection with any condemnation proceeding. Prompt written notice of any proposed taking, loss, damage or destruction of any part of the Property or of any official notice thereof or of the institution of any proceeding therefor by any public instrumentality, body, agency or officer shall be given to the Trustee. The Issuer shall not settle or compromise any claim in excess of \$1,000,000 in connection with any action or proceeding relating to any condemnation of the Property or any part thereof, or sale in lieu of condemnation without the consent of the Required Holders.

Section 6.11. Partial Release of Liens. The Trustee, at the expense of the Issuer, shall execute and deliver any instrument necessary or appropriate to confirm, grant or convey any property or interest therein transferred in accordance with Section 6.03 and to release such property or interest therein from the liens and security interests granted to the Trustee as security for Outstanding Bonds.

## **ARTICLE VII SPECIAL COVENANTS OF THE ISSUER**

Section 7.01. Preservation of Qualifications. The Issuer shall not allow any permit, right, franchise or privilege so long as it is necessary for the ownership or operation of the Property as a golf course and hotel/meeting center to lapse or be forfeited. The Issuer shall promote the Golf Course as a Jack Nicklaus Signature golf course. The Issuer shall not lose or forfeit such designation or enter into another celebrity/professional designation or qualification agreement for the Golf Course other than with Golden Bear International, Inc. or any division thereof or any successor corporation by merger unless (i) a report of a Management Consultant employed in accordance with Section 7.10 indicates that such loss or forfeiture and/or substitute designation would be in the best economic interest of the Project and (ii) DNR and DBED consent thereto.

Section 7.02. Payment of Obligations. The Issuer shall fix, charge and collect fees, rentals, rates or other charges for the use of the Project that shall provide moneys at least sufficient at all times to pay all payments required by this Indenture. The Issuer, from time to time as often as necessary, shall revise such fees, rentals, rates and other charges to the extent required to comply with the provisions of this Section.

Section 7.03. RESERVED.

Section 7.04. Issuer to Provide Information. In addition to any information required to be provided by the Issuer pursuant to the Continuing Disclosure Agreement, upon the written request of DBED or the Trustee, the Issuer shall provide and certify, at the Issuer's expense, such information concerning the Project (including, without limitation, the employment count), the Property, the Issuer, and other topics as DBED, the Trustee or the Required Holders may reasonably request.

Section 7.05. Annual Audit of Issuer; Monthly Financial Reports; Monthly Trade Payable Aging Reports.

(a) Within 120 days of the end of each Fiscal Year, the Issuer shall cause financial statements of the Issuer with respect to the Property to be prepared with respect to such Fiscal Year in accordance with generally accepted accounting principles, consistently applied, which financial statements shall be audited by, and accompanied by a report of, an Independent Public Accountant. Such financial statements and reports shall be delivered upon completion to the Trustee, DNR and DBED.

(b) During the course of performing such audit, such Independent Public Accountant will perform a review of the provisions of this Indenture and the Deeds of Trust to determine whether the Issuer has complied with Sections 6.02 and 6.10. Such Independent Public Accountant shall also provide a letter, addressed to the Trustee and DBED, stating whether, in making the audit necessary to the certification of such financial statements anything has come to its attention that causes it to believe that any Event of Default or noncompliance with this Indenture existed as of the end of such Fiscal Year and whether all reports required to be made to the Trustee during the course of such Fiscal Year have been filed and were reviewed by it during the audit and found to be consistent with the audited financial statements.

(c) The Issuer shall submit to the Trustee, DBED, DNR and the beneficial owners of the Series 2008 Bonds within 30 days of the last day of each month copies of the unaudited operating statement for the Property for such month, which shall include, without limitation, a balance sheet and income statement for such month prepared in accordance with generally accepted accounting principles, all as certified by an Authorized Officer of the Issuer.

(d) Within 30 days of the last day of each month, the Issuer shall cause trade payable aging reports with respect to the Project to be prepared for such month and delivered to the Trustee and the beneficial owners of the Series 2008 Bonds.

(e) With reasonable promptness, the Issuer shall provide any other operating or financial information regarding the Project that the Required Holders or DBED may reasonably request.

The Trustee shall act only as a repository for, and shall have no obligation to review, any financial statements submitted by the Issuer pursuant to this Section 7.05.

Section 7.06. Issuer to Pay Impositions and Maintain Tax Exemptions. The Issuer shall pay, prior to the accrual of any interest or penalties thereon, all governmental impositions (including, without limitation, taxes of every kind and nature whatsoever) and assessments, if

any, lawfully levied or assessed upon or in respect of the Property, or upon any part thereof or upon any revenue therefrom, all ground rents, if any, on the Property and all costs of operating, maintaining, repairing and replacing the Property and its equipment. The Issuer shall file any and all certificates or other documents required by law to obtain (to the extent it might be or become necessary) and maintain in full force and effect any and all available tax exemptions applicable to the Property (and any portion thereof), to the Issuer and to any income, receipts and other taxable item or event derived from or attributable to the Property. The Issuer may contest in good faith any governmental imposition or assessment with respect to the Property, provided that such contest shall not materially adversely affect the security for the Bonds or the effective use or operation of the Property.

Section 7.07. Liens and Encumbrances; Further Assurances by Issuer. Except for Permitted Encumbrances, the Issuer shall neither create any lien or encumbrance nor allow any lien to remain against any portion of the Property or the Revenues.

The Issuer shall execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the Deeds of Trust and any rights, security interests in the Revenues and other moneys, securities, funds and assets pledged or assigned to the Trustee.

Section 7.08. Issuer to Prepare Budget. Annually, at least 30 days prior to the beginning of each of its Operating Years, the Issuer shall prepare and cause to be delivered to the Trustee, DBED, DNR and any holder of at least \$3,000,000 of the Series 2008 Bonds a written Budget in connection with the operation of the Property, which Budget shall contain an estimate for each such Fiscal Year of expenses, capital requirements and cash flow of the Issuer with respect to the Property and its obligations with respect to outstanding indebtedness of the Issuer related to the Property. Until the Series 2008 B Bonds and the Series 2008 C Bonds have been paid in full, such Budgets shall designate separately any payments to be applied to the Series 2008 B Bonds and the Series 2008 C Bonds during such Fiscal Year. Thereafter, such Budgets shall designate separately any payments to be applied to the Series 2008 A Bonds and the Subordinated Debt under the Cash Flow Sharing Agreement. Within 25 days after the end of each month, the Issuer shall cause to be prepared and delivered to the Trustee, DBED and any holder of at least \$3,000,000 of the Series 2008 Bonds (a) a comparison of (x) the operating results of the Property for such month and for the current Operating Year to date to (y) the Budget for such Operating Year and for such month, and (b) to the extent necessary, based upon an analysis of such comparison, a revised budget for the remainder of the then current Operating Year, and for each month during such Operating Year (the "Revised Budget").

The amount of fees, rentals, rates and charges set forth in each Budget for each Operating Year thereafter shall be sufficient to enable the Issuer to meet the Revenue Covenant to the maximum extent feasible.

Section 7.09. Management. The Issuer shall not enter into a Management Agreement with a Management Company (other than the Management Agreement with Crestline Hotels & Resorts, Inc. in effect on the Closing Date), or any renewal or extension or amendment of any

Management Agreement or retain any new Management Company, without the prior written consent of the Required Holders and DBED.

The Issuer shall provide the Trustee, DBED and the holders of the Series 2008 Bonds with copies of such Management Agreements promptly upon execution thereof. The Issuer shall not terminate the Management Agreement without 30 days' prior written notice to the holders of the Series 2008 Bonds, DBED and the Trustee. The rights of the Issuer under the Management Agreement shall be assigned to the Trustee.

Any Management Agreement shall not become effective unless the Issuer delivers to the Trustee an opinion of Bond Counsel stating that such Management Agreement will not adversely affect (i) the exclusion of the interest payable on the Tax-Exempt Bonds from the gross income of the Holders of the Tax-Exempt Bonds for purposes of federal income taxation pursuant to Section 103 of the Code, and (ii) the exemption of the Bonds from state, county and municipal taxation in the State.

Any Management Agreement shall contain a provision which requires the Management Company to make its executive personnel at the Facility available to confer during normal business hours with any Holder of a Series 2008 Bond and/or the Trustee independently of the Issuer upon 24 hours' prior written notice to the Management Company.

Section 7.10. Right of Required Holders to Require Engagement of Management Consultant. The Issuer shall employ a Management Consultant to submit a written report and recommendations upon the request of the Required Holders, which request shall identify the subject of the Management Consultant's report. The right of the Required Holders to require the engagement of a Management Consultant may not be exercised more frequently than once in any three-year period.

The Issuer shall notify the holders of the Series 2008 Bonds, DBED, DNR and the Trustee of its receipt of such a request and the name of the Management Consultant it intends to hire at least 30 days prior to such employment. Such employment shall become effective after the expiration of such 30 days unless the Required Holders shall notify the Issuer within such period of their objection to such employment. If the Required Holders object, the Issuer shall promptly notify the Trustee, DBED and the holders of the Series 2008 Bonds of the name of another Management Consultant that the Issuer intends to hire. If the Required Holders object to the employment of the second named Management Consultant within 15 days from the date of notification of the Issuer's intention to employ such Management Consultant, the Issuer shall promptly hire the Management Consultant recommended by the Required Holders and notify the Trustee, DBED, DNR and the holders of the Series 2008 Bonds of such employment, and the Issuer shall not have the right to object to such Management Consultant.

The Issuer shall also notify DBED, DNR, the holders of the Series 2008 Bonds and the Trustee of the scope of the services and terms of employment of such Management Consultant. The determination of the scope of services and terms of employment of the Management Consultant shall always be within the sole discretion of the Issuer. The holders of the Series 2008 Bonds shall have no right to object to the scope of services or terms of employment by the Issuer of the Management Consultant so long as such scope of services is in accordance with the

requirements of this Indenture and the fees of the Management Consultant are reasonable. The fees of the Management Consultant whether retained by the Issuer or the Trustee as provided below shall be paid as a current expense from moneys on deposit in the Operating Expense Fund.

Any agreement or contract between a Management Consultant and the Issuer shall include an acknowledgement by such Management Consultant that the Trustee will rely upon the recommendations made by such Management Consultant.

If the Issuer fails to engage the services of a Management Consultant or deliver a report as required by this Section, the Trustee, upon notice to the Issuer, DBED and the holders of the Series 2008 Bonds, shall retain a Management Consultant.

The Issuer shall implement each recommendation of a Management Consultant except for any recommendation that (i) conflicts with law or existing contracts or (ii) the Issuer has determined to be unreasonable, impractical or unfeasible.

Section 7.11. Borrowings. The Issuer shall not create, incur, assume or suffer to exist any liability for borrowed money (including capital leases) in connection with the Property without the consent of the Required Holders and DBED, except the Series 2008 Bonds, Additional Bonds issued in accordance with Section 2.07, the Subordinated Debt and the Promissory Note.

Section 7.12. Monthly Conference Call. The Issuer will make itself available and cause the Management Company to make its executive personnel at the Facility available for a monthly conference call with the Holders of the Series 2008 Bonds, the Trustee and their counsel on or about the 20<sup>th</sup> of each month to discuss the second preceding month's operating results and the operations and financial condition of the Project.

Section 7.13. Capital Expenditures. The Issuer shall not incur capital expenditures with respect to the Project exceeding \$100,000 in any Fiscal Year or exceeding \$100,000 for any one Capital Improvement, in either case without the prior written consent of the Required Holders and DBED, provided that no consent shall be required (i) for ordinary repair and replacement of the Project or (ii) if sufficient moneys are on deposit in the Renewal and Replacement Fund.

Notwithstanding the foregoing, the Issuer may, without any consent, enter into recourse operating lease agreements not to exceed \$400,000 in aggregate amount outstanding at any one time (to be measured by the total payment amount in the case of operating leases) to acquire capital equipment for use at the Project.

Section 7.14. Release of Parcel from Ground Lease. In connection with the release by the Issuer of land from the Ground Lease that will be made available to a licensee of video lottery terminals, the Issuer agrees to provide to the Trustee evidence in the form of an opinion of counsel, an endorsement to the title insurance policy delivered in connection with the issuance of the Series 2008 Bonds or a certificate of an Independent Engineer or Independent Architect or any combination of the foregoing that the remaining Property, at the time of the release, is in compliance with all applicable zoning requirements or exempt therefrom and has access to adequate utilities and a public road.

## ARTICLE VIII CONCERNING THE TRUSTEE

Section 8.01. Appointment of Trustee, Registrar and Paying Agent; Acceptance of Appointment. Manufacturers and Traders Trust Company, a New York banking corporation, is hereby appointed the Trustee, the Registrar and the Paying Agent for the Bonds. The Trustee's execution and delivery of this Indenture, shall constitute the acceptance of the trusts and the duties of the Trustee, the Registrar and the Paying Agent for the Bonds.

Section 8.02. Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against all reasonable costs and expenses, outlays and reasonable counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee shall, to the extent not reimbursed by the Issuer, reimburse itself from the Revenues for all reasonable costs and expenses, outlays and reasonable counsel fees and other reasonable disbursements properly incurred in connection therewith and the Trustee shall be entitled to a preference therefor over any Bond Outstanding hereunder.

Section 8.03. Responsibilities of Trustee. The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture and no implied covenants shall be read into this Indenture against the Trustee.

Section 8.04. Property Held in Trust. All moneys and securities held by the Trustee pursuant to the terms of this Indenture shall be held in trust for the purposes and under the terms and conditions of this Indenture, but need not be segregated from other funds except to the extent required by this Indenture or by law.

Section 8.05. Trustee Protected in Relying on Certain Documents. The Trustee may rely upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any architect, engineer, insurance consultant, management consultant or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument.

The Trustee may act on the opinion or advice of counsel concerning all matters of trust hereof and the duties hereunder, and may pay reasonable compensation to all attorneys, agents and receivers as may reasonably be employed in connection with the trust hereof. The Trustee

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 or advice of counsel.

Section 8.06. Standard of Care. (a) The Trustee shall have no obligation, but may require of the Issuer full information and advice, as to performance of the covenants, conditions and agreements contained herein.

(b) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty. Prior to an Event of Default, the Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture except for its own negligence or willful misconduct or if the Trustee is otherwise protected with respect to such act or omission under the provisions of this Indenture. If an Event of Default has occurred, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise as a prudent person would exercise under the circumstances in the conduct of his or her own affairs.

Section 8.07. Compensation. Unless otherwise provided by contract with the Trustee, the Trustee shall be entitled to reasonable compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges and other disbursements and the reasonable fees and expenses of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, and the Trustee shall have a lien therefor on any and all funds at any time held by it hereunder prior to any Bonds Outstanding. If the Issuer shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 8.08. Resignation of the Trustee. The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' written notice, specifying the date when such resignation shall take effect, to the Issuer and each Holder of Bonds. Such resignation shall only take effect upon the appointment of a successor Trustee by the Issuer or the Holders of Outstanding Bonds as provided in Section 8.10 and the acceptance of such appointment by such successor. At any time the Trustee resigns and no appointment of a successor Trustee is made pursuant to the foregoing provisions of this Article VIII prior to the date specified in the notice of resignation as of the date when such resignation is to take effect, the resigning Trustee may apply to a court of competent jurisdiction for the appointment of a successor Trustee.

Section 8.09. Removal of Trustee. (a) The Trustee may be removed at any time by the Required Holders by an instrument or concurrent instruments in writing signed and acknowledged by such holders or by their attorneys-in-fact, duly authorized and delivered to the Issuer and the Trustee. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Issuer or of the Holders of not less than ten percent (10%) of the Outstanding Series 2008 Bonds or of the Holders of not less than ten percent (10%) of any Series of Additional Bonds Outstanding.

(b) If the Trustee receives written notice that it or any of its affiliates is a holder of Bonds for its own account, the Trustee shall not object to its removal pursuant to paragraph (a) above.

Section 8.10. Successor Trustee. If the Trustee shall be removed, be dissolved or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within 90 days after any such vacancy shall have occurred by the Required Holders by an instrument or concurrent instruments in writing signed and acknowledged by such holders or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the Issuer.

Until such successor Trustee shall have been appointed by the Required Holders, the Issuer shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the Issuer providing for any such appointment shall be delivered by the Issuer to the Trustee so appointed and the predecessor Trustee. The successor Trustee shall mail notice of any such appointment to each Holder of any outstanding Bond within 30 days after such appointment. Any appointment of a successor Trustee made by the Issuer immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Bondholders.

If no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any written notice of resignation in accordance with Section 8.08 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any holder of Outstanding Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus aggregating at least \$50,000,000, or a subsidiary bank or trust company whose capital and surplus, together with its parent bank, trust company or bank holding company, as the case may be, is at least \$50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Section 8.11. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the provisions of Section 8.10 shall execute, acknowledge and deliver to its predecessor and the Issuer an instrument in writing accepting such appointment, and thereupon such successor shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations and trusts of its predecessor hereunder without any further act, deed or conveyance, with like effect as if originally appointed as Trustee.

However, the Trustee then ceasing to act shall nevertheless, on request of the Issuer or of such successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers and trusts of such Trustee and all the right, title and interest of such Trustee in and to any property held by it hereunder, and shall pay over, assign and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth.

Should any deed, conveyance or instrument in writing from the Issuer be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged and delivered by the Issuer.

Section 8.12. Merger, Conversion or Consolidation of Trustee. Any company into which the Trustee may be merged or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such company shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 8.10.

Section 8.13. Trustee to File Continuation Statements. The Trustee shall cause, at the expense of the Issuer, to be filed such continuation statements as may be required by the Maryland Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest of the Trustee in the Trust Estate and in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture or the Deeds of Trust in the time, place and manner required by the UCC.

Section 8.14. Notice of Events of Default. The Trustee shall not be required to take notice or be deemed to have notice of any default or Event of Default under this Indenture or the Deeds of Trust other than an Event of Default under clause (a) or (b) of Section 9.01 hereof, unless a corporate trust officer of the Trustee responsible for matters relating to the Bonds shall have actual knowledge of such default or Event of Default, or the Trustee shall have been specifically notified in writing of such default or Event of Default by holders of at least 25% in aggregate principal amount of any Series of the Series 2008 Bonds then Outstanding or holders of at least 25% in aggregate principal amount of any Series of Additional Bonds then Outstanding.

Section 8.15. Obligation to Deliver Continuing Disclosure and Other Information. (a) Promptly upon receipt of a written request from any Bondholder, the Trustee shall furnish to such Bondholder any and all information received by the Trustee from the Issuer under this Indenture or the Deeds of Trust.

(b) Within 45 days after the end of each Fiscal Year, the Trustee shall furnish to each Bondholder and DBED a statement of the balances for all funds and accounts established under this Indenture as of the end of such Fiscal Year.

**ARTICLE IX  
EVENTS OF DEFAULT AND REMEDIES**

Section 9.01. Events of Default. Each of the following events is hereby declared to constitute an event of default hereunder (an “Event of Default”):

(a) an order or decree shall be entered with the consent or acquiescence of the Issuer appointing a receiver of the Revenues, or such order or decree, having been entered without the consent or acquiescence of the Issuer, shall not have been vacated or discharged or stayed on appeal within 60 days after the entry thereof; or

(b) the filing of a petition for relief with respect to the Issuer under Chapter 9 of the United States Bankruptcy Code; or

(c) failure by the Issuer in the due and punctual performance of any of the covenants, conditions, agreements and provisions (other than as specified in clause (f) of this Section) contained in any Bond or in this Indenture on the part of the Issuer to be performed, which failure continues for 30 days after written notice specifying such failure and requiring the same to be remedied has been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of not less than five percent (5%) of the holders of Senior Bonds; provided, however, that if the Issuer shall proceed to take any curative action that, if begun and prosecuted with due diligence, cannot be completed within a period of 30 days, then such period shall be increased to such extent as shall be necessary to enable the Issuer to complete such curative action through the exercise of due diligence but in any event not to exceed 90 days; or

(d) if any material representation or warranty made herein or in the Deeds of Trust or in any report, certificate, financial statement, opinion or other instrument furnished in connection with the issuance of the Bonds or pursuant to the Continuing Disclosure Agreement proves to be false or misleading in any material respect when made or affirmed; or

(e) an “Event of Default” occurs under the Deeds of Trust or the Ground Lease (as that term is defined in the Deeds of Trust and the Ground Lease); or

(f) the failure by the Issuer to deposit or cause to be deposited with the Trustee the Revenues as provided in Section 4.05(a) or to make or cause to be made payments on Series 2008 Bonds from the Excess Cash Flow Fund as provided in Section 4.06(b) if Revenues sufficient for such payments have been deposited therein; or

(g) the failure by the Issuer to implement any recommendation of a Management Consultant if such recommendation is required to be implemented under the terms of this Indenture.

A default under this Indenture with respect to the Bonds shall not be or constitute a default under any other indenture entered into by the Issuer or with respect to any other indebtedness of the Issuer.

Section 9.02. Remedies on Default. Upon the happening and continuance of any Event of Default, the Trustee may, and upon the written request of not less than 25% of the holders of the Senior Bonds shall take one or more of the following actions:

(a) declare the entire principal amount of the Bonds and any other sums which the Issuer is obligated to pay hereunder, to be due and payable forthwith, whereupon the Bonds and any other sums shall become forthwith due and payable, both as to principal, premium, if any, and interest, without presentment, demand, protest, or other notice of any kind, all of which are hereby expressly waived, anything contained herein or elsewhere to the contrary notwithstanding;

(b) take any action at law or in equity to collect the payments then due and thereafter to become due hereunder or to enforce performance and observance of any obligation, agreement or covenant of the Issuer under this Indenture;

(c) exercise all rights and remedies provided for in this Indenture and the Deeds of Trust;

(d) after prior written notice to the Issuer, unless the giving of such notice would prejudice the Trustee (as determined in its sole discretion), perform for the account of the Issuer any covenant in the performance of which the Issuer is in default or make any payment for which the Issuer is in default. The Issuer shall pay to the Trustee on demand any amount paid by the Trustee in the performance of such covenant. Any amounts which have been paid by reason of failure of the Issuer to comply with any covenant or provision of this Indenture, including reasonable counsel fees, incurred in connection with the prosecution or defense of any proceedings instituted by reason of default of the Issuer, shall bear interest at the Prime Rate of the Trustee, from the date of payment by the Trustee until paid by the Issuer and shall be secured by the Revenues and the Trust Estate;

(e) by its agents or attorneys, with or without process of law, enter on and take and maintain possession of all or any part of the Property, together with all records, documents, books, papers and accounts of the Issuer relating thereto, and may, as the attorney in fact or agent of the Issuer, being duly authorized, or in its own name, hold, manage, and operate the Property and collect the amounts payable by reason of such operation;

(f) have a receiver appointed to enter into possession of the Property, collect the revenues, rents, issues and profits therefrom and apply the same as required under this Indenture and the Deeds of Trust;

(g) sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Issuer for principal of or interest on the Bonds, or otherwise under any of the provisions of this Indenture or of any Bond, with interest on overdue payments of principal at the rate or rates of interest specified in the Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce judgment or decree against the Issuer, subject to Section

2.13, for any portion of such amounts remaining unpaid and to collect in any manner provided by law the moneys adjudged or decreed to be payable; and

(h) exercise any other remedy available at law or in equity, including, without limitation, specific performance of the obligations of the Issuer hereunder subject to Section 12.18; the parties hereto expressly acknowledging that the limitation on acceleration and the exercise of other remedies contained in this Article IX renders remedies available to the holders of the Series 2008 B Bonds and the Series 2008 C Bonds inadequate.

The Trustee shall promptly notify the Issuer, DNR and DBED of any action taken pursuant to this Section.

In connection with Events of Default described in clauses (c) and (e) of Section 9.1, the Trustee shall not declare the principal amount of the Bonds or any other sums which the Issuer is obligated to pay hereunder to be due and payable without the prior written consent of all of the holders of the Series 2008 A Bonds.

Section 9.03. Foreclosure of Deeds of Trust and Sale. Upon the occurrence of an Event of Default, the Trustee shall have the right to foreclose on the Issuer's leasehold interest in the Property subject to the Deeds of Trust. Any foreclosure shall be made only in accordance with the Ground Lease. Upon foreclosure, the Trustee shall sell such interest upon such terms as shall be satisfactory to the Trustee and receive the proceeds of the sale thereof, and the Issuer shall thereupon have no right to repossess the Property. For the purpose of sale, the Trustee shall be authorized to make such repairs or alterations in or to the Property as may be necessary to place the same in good order and condition. The Issuer shall be liable to the Trustee for the cost of such repairs or alterations and all expenses of any sale. Moneys realized upon any such sale shall be delivered to the Trustee for deposit in the Revenue Fund for payment as provided in Section 9.15. The Trustee shall notify DNR and DBED in writing of its intention to foreclose the Deeds of Trust.

Section 9.04. Additional Remedies. In addition to the above rights and remedies, if an Event of Default occurs, or the Issuer threatens to commit an Event of Default, the Trustee has the right and remedy, without posting bond or other security, to have the provisions of this Indenture specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such Event of Default will cause irreparable injury to the Issuer or the Trustee and that money damages will not provide an adequate remedy therefor.

Section 9.05. Right of Trustees to Exercise Remedies. The Issuer acknowledges that the Trustee has the exclusive right to exercise all rights and remedies set forth herein and in the Deeds of Trust.

Section 9.06. Waiver of Errors and Exemptions. The Issuer hereby waives and releases all errors, defects and imperfections whatsoever of a procedural nature in the entering of any judgment or any process or proceedings arising out of this Indenture and the benefit of any law which now or hereafter might authorize the stay of any execution to be issued on any judgment recovered hereunder or the exemption of any property from levy or sale thereunder or the valuation or appraisal of the Property.

Section 9.07. Majority of the Holders May Control Proceedings. The holders of a majority in aggregate principal amount of the Senior Bonds shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under this Indenture, including, without limitation, the appointment of counsel to represent the interests of the Bondholders in accordance with law and the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Section 9.08. Restrictions upon Action by Individual Holders. No holder of any Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bonds for the execution of any trust hereunder or for any other remedy hereunder unless (i) such holder previously shall have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and (ii) the holders of not less than 25% of any Series of the Series 2008 Bonds or the holders of not less than 25% of any Series of Additional Bonds shall have made written request to the Trustee to exercise such powers or right of action and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by this Indenture or to institute such action, suit or proceeding in its or their name, and (iii) there shall have been offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time.

Except as otherwise provided above, no one or more holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or to enforce any right hereunder except in the manner herein provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of Bonds and that any individual right of action or other right given by law to one or more of such holders is restricted by this Indenture to the rights and remedies herein provided.

Section 9.09. Trustee May Enforce Rights Without Bonds. All rights of action under this Indenture or under any Bonds may be enforced by the Trustee without the possession of any of such Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all holders of outstanding Bonds, without the necessity of joining as plaintiffs or defendants any holders of the Bonds all subject to the provisions of this Indenture.

Section 9.10. No Delay or Omission Construed as a Waiver; Waivers of Default. No delay or omission of the Trustee or of any holder of Bonds to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and the holders of Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the Required Holders shall, waive any default with respect to the Bonds which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions

of this Indenture or before the completion of the enforcement of any other remedy under this Indenture. No such waiver shall extend to or affect any other existing or any subsequent default or impair any rights or remedies consequent thereon; provided, however, that after the principal of the Bonds shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, the Trustee shall annul such declaration and its consequences only if: (i) moneys shall have accumulated in the Excess Cash Flow Fund sufficient to pay all arrears of interest, if any, upon all of the Outstanding Bonds (except the interest accrued on such Bonds since the last interest payment date) and the principal of all matured Bonds (except the principal of any Bonds due only as a result of such declaration); (ii) sufficient moneys shall have accumulated and be available to pay all the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee; and (iii) every other default in the observance or performance of any covenant, condition or agreement contained in the Bonds, this Indenture and the Deeds of Trust of which the Trustee has actual knowledge shall have been remedied to the satisfaction of the Trustee. No such annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 9.11. Discontinuance of Proceedings. In case any proceedings taken by the Trustee or the Bondholders on account of any default with respect to the Bonds shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or such holders, then the Issuer, the Trustee and the holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 9.12. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 9.13. Attorneys' Fees and Expenses. Without being limited by the terms and provisions of Section 2.13, the Issuer shall pay its legal fees and expenses from moneys other than the Trust Estate as a result of (a) its defense of a breach of any of its obligations hereunder or (b) any litigation brought by the Issuer against the holders of the Bonds or against the Trustee instead of the holders.

Section 9.14. Notice of Default. The Trustee shall mail to the Issuer, DNR, DBED, and all holders of Bonds and, during the period of construction, to the General Contractor, written notice of the occurrence of any Event of Default of which the Trustee shall have knowledge within 30 days after such Event of Default shall have occurred and be known to it.

Section 9.15. Priority of Payments following Default. (a) Upon an Event of Default, after payment of all amounts owing to the Trustee under this Indenture and the Deeds of Trust, all amounts together with any moneys thereafter becoming available, whether through exercise of the remedies provided in this Article or otherwise, shall be deposited into the Revenue Fund and other than the proceeds resulting from enforcement of the Deeds of Trust (which shall be applied as described below), shall be applied as follows:

(i) unless the principal of all Outstanding Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

**FIRST:** to the payment of all installments of interest then due on the Series 2008 B Bonds (and any Additional Bonds issued to refund the Series 2008 B Bonds), in the order in which such installments became due and payable, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment of such installment, ratably, according to the amounts due on such installment, without any discrimination or preference, except as to any difference in the respective rates in interest specified in such Bonds;

**SECOND:** to the payment of the unpaid principal of any Outstanding Series 2008 B Bonds (and any Additional Bonds issued to refund the Series 2008 B Bonds) that shall have become due and payable, in the order of the due dates of such Bonds, with interest upon the principal amount of such Bonds from the respective dates upon which they shall have become due and payable and, if the amount available shall not be sufficient to pay in full the principal of such Bonds due and payable on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of interest due on such date, and then to the payment of such principal, without any discrimination or preference, except as to any difference in the respective rates in interest specified in such Bonds;

**THIRD:** to the payment of all installments of interest then due on the Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds), in the order in which such installments became due and payable, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment of such installment, ratably, according to the amounts due on such installment, without any discrimination or preference, except as to any difference in the respective rates in interest specified in such Bonds;

**FOURTH:** to the payment of the unpaid principal of any Outstanding Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds) that shall have become due and payable, in the order of the due dates of such Bonds, with interest upon the principal amount of such Bonds from the respective dates upon which they shall have become due and payable and, if the amount available shall not be sufficient to pay in full the principal of such Bonds due and payable on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of interest due on such date, and then to the payment of such principal, without any discrimination or preference, except as to any difference in the respective rates in interest specified in such Bonds;

**FIFTH:** to the payment of the interest on and the principal of the Series 2008 B Bonds as the same become due and payable;

**SIXTH:** to the payment of the interest on and the principal of the Series 2008 C Bonds as the same become due and payable; and

**SEVENTH:** to the payment of all installments of interest then due on the Series 2008 A Bonds (and any Additional Bonds issued to refund the Series 2008 A Bonds), in the order in which such installments became due and payable, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment of such installment, ratably, according to the amounts due on such installment, without any discrimination or preference, except as to any difference in the respective rates in interest specified in such Bonds;

**EIGHTH:** to the payment of the unpaid principal of any Outstanding Series 2008 A Bonds (and any Additional Bonds issued to refund the Series 2008 A Bonds) that shall have become due and payable, in the order of the due dates of such Bonds, with interest upon the principal amount of such Bonds from the respective dates upon which they shall have become due and payable and, if the amount available shall not be sufficient to pay in full the principal of such Bonds due and payable on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of interest due on such date, and then to the payment of such principal, without any discrimination or preference, except as to any difference in the respective rates in interest specified in such Bonds;

**NINTH:** to the Trustee to be disbursed pursuant to the Cash Flow Sharing Agreement.

(ii) if the principal of all Outstanding Bonds shall have become due by their terms or the principal of all Outstanding Bonds shall have become due and payable by a declaration of acceleration, all such moneys shall be applied as follows:

**FIRST:** to the payment of the principal and interest then due and unpaid upon the Series 2008 A Bonds (and any Additional Bonds issued to refund the Series 2008 A Bonds), 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 such Bonds over any other such Bonds, 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 such Bonds;

**SECOND:** to the payment of the principal and interest then due and unpaid upon the Series 2008 B Bonds (and any Additional Bonds issued to refund the Series 2008 B Bonds), 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 such Bonds over any other such Bonds, 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 such Bonds; and

**THIRD:** to the payment of the principal and interest then due and unpaid upon the Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds), 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 such Bonds over any other such Bonds, 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 such Bonds; and

**FOURTH:** to the Trustee to be disbursed pursuant to the Cash Flow Sharing Agreement.

(b) Notwithstanding any other provision of this Section, amounts on deposit in the Construction Fund, the Operating Reserve Fund, the Surplus Fund, the Excess Cash Flow Fund, the Operating Expense Fund, the Renewal and Replacement Fund and the Redemption Fund and the investment earnings on such amounts, subject to the payment of all amounts owing to the Trustee under the Indenture and the Deeds of Trust, shall be applied solely to the payment of amounts due on the Bonds as provided for herein and amounts on deposit in any debt service fund, debt service reserve fund, redemption fund or other similar fund created for any Additional Bonds in accordance with the Supplemental Indenture approving the issuance thereof and any amount on deposit in any fund or account securing any Additional Bonds constituting proceeds of such Additional Bonds or investment earnings on such proceeds shall be applied solely to the payment of amounts due on such Additional Bonds.

(c) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times as the Trustee in its sole discretion 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. The setting aside of such moneys in trust for the benefit of all Bondholders shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Issuer, to any holder of any Bond or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date for the Bonds unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal of the Bonds to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date; provided, however, that the provisions of this paragraph shall be subject in all respects to the provisions of the Bonds with respect to the payment of defaulted interest on the Bonds. The Trustee shall not be required to make payment to the holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement.

(d) (i) The Trustee shall apply the proceeds from the enforcement of the Deed of Trust securing the Series 2008 A Bonds solely to the payment of the principal of and interest on such Bonds.

(ii) The Trustee shall apply the proceeds from the enforcement of the Deed of Trust securing the Series 2008 B Bonds solely to the payment of the principal of and interest on such Bonds.

(iii) The Trustee shall apply the proceeds from the enforcement of the Deed of Trust securing the Series 2008 C Bonds solely to the payment of the principal of and interest on such Bonds.

(iv) The Trustee shall apply the proceeds from the enforcement of the Deed of Trust securing the Series 2008 D Bonds solely to the payment of the principal of and interest on such Bonds.

(e) Notwithstanding any other provision contained herein, no payments shall be made of any principal, interest or premium on any Bonds until all payments then due and payable on the Promissory Note have been made. This provision, however, shall not restrict the payment of all amounts owing to the Trustee under this Indenture and the Deeds of Trust. The first sentence of this subsection (c) shall be of no force and effect unless a Promissory Note remains unpaid.

Section 9.16. Special Applications of Money. Notwithstanding anything to the contrary contained in this Indenture or the Deeds of Trust, in the event that any holders of the Series 2008 Bonds take action that has the practical effect of causing the Project to close, all funds on deposit at that time with the Trustee and all Revenues in possession of the Management Company (which shall be promptly deposited with the Trustee) shall be applied in the following order:

1. Employment liabilities and related expenses in the manner prescribed by law;
2. Reimbursement of customer deposits;
3. Payment of accrued trade payables, including, without limitation, any accrued but unpaid expenses of the Management Company; and
4. Payment of the Promissory Note.

#### **ARTICLE X MODIFICATION OR AMENDMENT OF INDENTURE AND DEEDS OF TRUST**

Section 10.01. Modification or Amendment Without Consent. Without notice to or the consent of the holders of any of the Bonds, the Issuer and the Trustee may enter into a Supplemental Indenture supplementing, modifying or amending this Indenture or any Supplemental Indenture for one or more of the following purposes:

(a) to grant to or confer upon the Trustee for the benefit of the holders of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Trustee for the benefit of such holders;

(b) to confirm, as further assurance, any pledge of the Revenues; or

(c) to authorize the issuance of Additional Bonds, including (without limitation) any modifications or amendments required to grant to or otherwise secure for the holders of such Additional Bonds a parity interest (to the extent permitted by this Indenture) or

subordinate interest (if required by the Indenture) in the security granted to the holders of the Series 2008 Bonds and any other then Outstanding Bonds in accordance with Section 2.07.

Before the Issuer and the Trustee enter into any Supplemental Indenture pursuant to this Section 10.01, there shall have been delivered to the Trustee and the Issuer an opinion of Bond Counsel stating that such Supplemental Indenture is authorized or permitted by this Indenture and the Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Issuer in accordance with its terms and will not adversely affect (i) the exclusion of the interest payable on the Tax-Exempt Bonds from the gross income of the Holders of the Tax-Exempt Bonds for purposes of federal income taxation pursuant to Section 103 of the Code, and (ii) the exemption of the Bonds from state, county and municipal taxation in the State.

The Trustee shall send a copy of any Supplemental Indenture or any amendment or modification to a Supplemental Indenture to DBED.

Section 10.02. Supplemental Indentures Requiring Consent of Holders of Bonds. (a) In addition to Supplemental Indentures permitted by Section 10.01, with the prior written consent of the Required Holders of Bonds, the Issuer and the Trustee may enter into Supplemental Indentures amending or supplementing this Indenture, any Supplemental Indenture or any Bond; provided, however, that no amendment or supplement shall permit (i) a change in any terms of redemption or purchase of any Bond, the due date for the payment of the principal of or interest on any Bond adverse to a Holder of a Bond or any reduction in the principal, Redemption Price or purchase price of or interest on any Bond without the consent of such Holder or (ii) the creation of a claim or lien upon, or a pledge of, the Revenues ranking prior to or on a parity with the claim, lien and pledge created by this Indenture, a preference or priority of any Bonds over any other Bonds or a reduction in the percentage of Bonds the consent of the Holders of which is required for any modification of this Indenture, without the unanimous consent of the holders of all Outstanding Bonds that are adversely affected by such Amendment.

(b) If at any time the Issuer requests the Trustee to enter into any Supplemental Indenture for any of the purposes of this Section, the Trustee, at the expense of the Issuer, shall cause notice of the proposed Supplemental Indenture to be given by mail to all Holders of Outstanding Bonds. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the principal office of the Trustee for inspection by all Holders of Bonds.

(c) The Issuer and the Trustee may enter into such Supplemental Indenture in substantially the form described in such notice, after receipt by the Trustee of (i) the required consents, in writing, of Holders of Bonds, and (ii) an opinion of Bond Counsel procured at the expense of the Issuer stating that such Supplemental Indenture is authorized or permitted by this Indenture and the Act, complies with their respective terms and, upon the execution and delivery thereof, will be valid and binding upon the Issuer in accordance with its terms and will not adversely affect the exclusion of the interest payable on the Tax-Exempt Bonds from the gross income of the Holders of the Tax-Exempt Bonds for purposes of federal income taxation pursuant to Section 103 of the Code, and (ii) the exemption of the Tax-Exempt Bonds from state, county and municipal taxation in the State.

(d) If the Required Holders shall have consented to and approved the execution and delivery thereof as herein provided, no Holder of Bonds shall have any right to object to the execution and delivery of such Supplemental Indenture, or 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 and delivery thereof, or to enjoin or restrain the Issuer or the Trustee from executing and delivering the same or from taking any action pursuant to the provisions thereof.

(e) The consent of DBED shall be required whenever the consent of the Bondholders is required under this Section 10.02.

Section 10.03. Notation on Bonds. Bonds authenticated and delivered after the effective date of any Supplemental Indenture may, and if the Trustee or the Issuer so determines, shall, bear a notation by endorsement or otherwise in form approved by the Issuer and the Trustee of such action. If the Issuer or the Trustee shall so determine, new Bonds modified as necessary, in the opinion of the Trustee and the Issuer, to conform to such Supplemental Indenture shall be prepared, authenticated and delivered and, upon demand of the Holder of any Outstanding Bond and surrender of such Bond to the Trustee, such Bond shall be exchanged, without cost to such Holder, for a new Bond so modified.

Section 10.04. Amendment of Deeds of Trust.

(a) Without notice to or the consent of the holders of Bonds, the Trustee and the Issuer may, at any time and from time to time, enter into any amendment, change or modification of the Deeds of Trust that is (i) required or permitted by the provisions of the Deeds of Trust, or (ii) permitted by Section 5.05 with respect to amendments of the Project or any Additional Projects, or (iii) required or permitted pursuant to the provisions of Section 2.07 in connection with the issuance of any Additional Bonds.

(b) Before the Trustee and the Issuer enter into any modification, alteration, amendment or supplement to the Deeds of Trust pursuant to this Section, there shall have been delivered to the Issuer and the Trustee an opinion of Bond Counsel procured at the expense of the Issuer stating that such modification, alteration, amendment or supplement is authorized or permitted by this Indenture and the Act, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Issuer in accordance with its terms and will not adversely affect (a) the exclusion of the interest payable on the Tax-Exempt Bonds from the gross income of the Holders of the Tax-Exempt Bonds for purposes of federal income taxation pursuant to Section 103 of the Code or (b) the exemption of the Bonds from state, county and municipal taxation in the State.

(c) Except as provided in paragraph (a) of this Section, neither the Issuer nor the Trustee shall enter into any amendment, change or modification of the Deeds of Trust without the prior written consent of 66-2/3% of the Holders of the Bonds of the applicable Series Outstanding at the effective date of such amendment, change or modification and the consent of DBED.

(d) Notwithstanding anything to the contrary herein contained, no amendment to any of the Deeds of Trust shall be effective without the approval of the Board of Public Works of the State.

## **ARTICLE XI DEFEASANCE**

### Section 11.01. Defeasance.

(a) If the Issuer shall pay or cause to be paid the principal or Redemption Price of and interest on all Bonds at the times and in the manner stipulated therein, in this Indenture and in any Supplemental Indenture authorizing or approving the issuance of any Additional Bonds, then the pledge of any Revenues and other property hereby pledged to the Bonds and all other rights granted hereby to the Bonds shall be discharged and satisfied. In such event, upon the request of the Issuer, the Trustee shall execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay or deliver to the Issuer, or to such officer, board or body as may then be entitled by law to receive the same, all property held by it pursuant to this Indenture (other than any moneys and securities required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption).

(b) A Bond shall be deemed to be paid within the meaning of this Article XI and for all purposes of this Indenture when:

(i) payment of the principal of and Redemption Price (if any) on such Bond, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein) shall have been either:

(A) made or caused to be made in accordance with the terms thereof, or

(B) provided for by irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment the following:

(1) moneys sufficient, without reinvestment, to make such payment, and/or

(2) Government Obligations, not subject to prepayment or call, maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment; and

(ii) all necessary and proper fees, compensation and expenses of the Issuer and all Administrative Expenditures with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee in case of payments due the Trustee and in all other cases as evidenced by a certificate from the person to whom payment is due. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, such Bond shall no longer be secured by or entitled to the benefits of this Indenture,

except for the purposes of any such payment from such moneys or Government Obligations, as the case may be.

Notwithstanding the foregoing paragraph, no deposit under clause (i)(B) of paragraph (b) above shall be deemed a payment of such Bond as aforesaid until:

(x) (1) if such Bond is to be redeemed, proper notice of redemption of such Bond shall have been previously given in accordance with Section 3.02 or provision satisfactory to the Trustee shall have been made for the giving of such notice, (2) there shall have been delivered to the Trustee a report of an Independent Public Accountant verifying that the money and the principal of, and interest on, the Government Obligations so deposited are sufficient to pay the principal and Redemption Price of, and interest on, the Bonds on the applicable redemption date or maturity date, as the case may be, and (3) in the event such Bond is not to be paid or redeemed within the next succeeding 60 days, until the Issuer shall have given the Trustee, on behalf of the Issuer, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Holder of such Bond in accordance with Section 3.02, that the deposit required by (i)(B) above has been made with the Trustee and that such Bond is deemed to have been paid in accordance with this Article XI and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of and the applicable redemption premium (if any) on such Bond, plus interest thereon to the due date thereof; or

(y) the maturity of such Bond.

(c) An Additional Bond shall be deemed to have been paid within the meaning of and with the effect expressed in this Section if it is deemed to be paid in accordance with the provisions of the Supplemental Indenture authorizing or approving the issuance thereof.

(d) Once Bonds have been defeased pursuant hereto, such Bonds shall not be subject to any other redemption provisions.

## **ARTICLE XII MISCELLANEOUS**

Section 12.01. Further Assurances. So far as it may be authorized by law, the Issuer shall pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and Revenues and other property hereby pledged or assigned, or intended so to be, or which the Issuer may hereafter become bound to pledge or assign.

Section 12.02. Consent of Holders; Evidence of Signatures of Holders and Ownership of the Bonds. Any request, direction, consent or other instrument which this Indenture may require or permit to be signed and executed by the holders of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such holders in person, by their attorneys duly appointed in writing or by their legal representatives. Except as otherwise expressly provided herein, proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any person of such Bonds shall be sufficient for any purpose

of this Indenture and shall be conclusive in favor of the Trustee and the Issuer with regard to any action taken by either under such instrument if made in the following manner, but the Trustee may nevertheless in its discretion require further or other proof it deems desirable:

(a) the fact and date of the execution by any holder of Bonds or his attorney or legal representative of such instrument may be proved by the certificate (which need not be acknowledged or verified) of an officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer; and the authority of any person executing any such instrument on behalf of a corporate holder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary, its cashier or an assistant cashier; and

(b) the ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the registration books established with respect to such Bonds.

Any request, direction, consent or vote of the Holder of any Bonds given in accordance with this Indenture or any Supplemental Indenture shall bind all future owners of such Bonds with respect to anything done or suffered to be done or omitted to be done by the Issuer or the Trustee in accordance therewith.

Section 12.03. Preservation by Trustee and Inspection of Documents. All documents received by the Trustee from the Issuer, the holders of Bonds or otherwise under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Issuer, DBED, any holder of Bonds, and their agents and representatives, any of whom may make copies thereof. The Trustee shall retain Requisitions, Completion Certificates and all supporting materials for the term of the applicable Series of Bonds.

Section 12.04. Unclaimed Moneys and Funds Held for Particular Bonds. Amounts held by the Trustee for the payment of the principal, purchase price or Redemption Price of and interest on any Bonds that remain unclaimed after the date due shall, pending payment, be set aside and held in trust by it (without liability for interest thereon) for the holders of such Bonds and, for the purposes of this Indenture, such principal, purchase price or Redemption Price of and interest on such Bonds shall no longer be considered to be unpaid.

Anything in this Indenture to the contrary notwithstanding, so long as no Event of Default has occurred and is continuing, any moneys held by the Trustee in trust for the payment of any of the Bonds which remain unclaimed for four years after the later of the date at which such Bonds became due and payable and the date of deposit of such moneys shall be repaid by the Trustee to the Issuer, or to such officer, board or body as may then be entitled by law to receive such moneys as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto; provided, however, that before being required to make any such payment to the Issuer, the Trustee may, at the expense of the Issuer, cause to be published in

an Authorized Baltimore Newspaper and an Authorized New York Newspaper a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not fewer than 40 nor more than 90 days after the date of publication of such notice, the balance of such moneys shall be returned to the Issuer.

Section 12.05. No Recourse Against Officials, Officers, Employees or Agents of Issuer. No recourse shall be had by the Issuer, the Trustee or any holder of any Bonds for any claims based on this Indenture or the Deeds of Trust or on any Bond, against any official, officer, employee or agent of the Issuer alleging personal liability on the part of such person unless such claims are based upon the bad faith, fraud or deceit of such person.

Section 12.06. DBED Exempt from Liability. DBED shall not be under any obligation to any Bondholder for any action that it may or may not take or in respect of anything that it may or may not do by reason of any information contained in any reports or other documents received by it under the provisions of this Indenture. The immunities and exemptions from liability of DBED hereunder shall extend to its officials, officers, successors, employees and agents. DBED shall have no obligation to pay the Bonds or the interest thereon and neither the faith and credit nor the taxing power of the State, any political subdivision of the State, or DBED is pledged to the payment of the principal or Redemption Price of or interest on the Bonds.

Section 12.07. Severability of Invalid Provision. If any covenant or agreement provided in this Indenture on the part of the Issuer or the Trustee to be performed should be contrary to law, then such covenant or agreement shall be null and void and shall in no way affect the validity of the other provisions of this Indenture or of the Bonds.

Section 12.08. Release of Deeds of Trust. When the provisions of Section 11.01 have been fully satisfied, the Trustee shall release the Deeds of Trust and terminate any applicable financing statements at the expense of the Issuer by such instruments as the Issuer may reasonably require.

Section 12.09. Notices. Except as otherwise provided in this indenture, all notices, demands, requests, consents, approvals, certificates or other communications required under this Indenture shall be in writing and shall be sufficiently given and shall be deemed to have been properly given three days after the same is mailed by certified mail, postage prepaid, return receipt requested, addressed to the person to whom any such notice, demand, request, approval, certificate or other communication is to be given, at the appropriate address for such person designated below:

Issuer:

MARYLAND ECONOMIC DEVELOPMENT  
CORPORATION  
100 North Charles Street, Suite 630  
Baltimore, Maryland 21201  
Attention: Executive Director

with a copy to:

John R. Devine, Esquire  
Miles & Stockbridge P.C.  
10 Light Street, 8th Floor  
Baltimore, Maryland 21202

Trustee,

Registrar and  
Paying Agent:

MANUFACTURERS AND TRADERS TRUST  
COMPANY  
25 South Charles Street  
Baltimore, Maryland 21201  
Attention: Corporate Trust Department

with a copy to:

Richard H. Moche, Esquire  
Mintz Levin Cohn Ferris Glovksy & Popeo, P.C.  
One Financial Center  
Boston, Massachusetts 02111

Individual  
Trustees:

Patrick J. Wood and  
David L. Williams  
c/o Manufacturers and Traders Trust  
Company  
25 S. Charles Street  
Baltimore, Maryland 21201

DBED:

Department of Business and Economic  
Development  
217 East Redwood Street, 22nd Floor  
Baltimore, Maryland 21202  
Attention: Finance Programs Accounting  
and Administration

DNR:

Department of Natural Resources  
Tawes State Office Building  
Annapolis, Maryland 21401  
Attention: Office of the Secretary

with a copy to:

Joseph P. Gill, Esquire  
Assistant Attorney General  
Department of Natural Resources  
Tawes State Office Building  
Annapolis, Maryland 21401

In case, by reason of the suspension of publication of any Authorized Baltimore Newspaper or any Authorized New York Newspaper, or by reason of any other cause, it shall be impossible to make publication of any notice in an Authorized Baltimore Newspaper and an Authorized New York Newspaper as required by this Indenture, then the Trustee shall mail or deliver such notice to all holders of Bonds and such mailing or delivery shall constitute a sufficient publication of such notice.

Section 12.10. Other Trust Indentures and Borrowings. Subject to the provisions of Section 7.07, the Issuer expressly reserves the right to enter into one or more other trust indentures and general bond resolutions and to issue bonds, notes and other obligations thereunder to finance projects other than the Project or any Additional Projects without compliance with the provisions hereof.

Section 12.11. Business Days. Except as otherwise expressly provided herein, if any date specified herein for the payment of any Bond 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.

Section 12.12. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts, each of which shall be deemed to be an original for all purposes; and all such counterparts shall together constitute but one and the same instrument.

Section 12.13. Governing Law. This Indenture shall be governed by and construed in accordance with the laws of the State.

Section 12.14. Intention as to Seal and Contract. It is intended that this Indenture, when signed on behalf of the Issuer and the Trustee and duly delivered between them, shall constitute a contractual obligation under seal under the laws of the State with force and effect as an agreement and indenture of trust.

Section 12.15. Effective Date. This Indenture has been dated as of the date first above written solely for the purpose of convenience of reference and shall become effective upon its execution and delivery on the Closing Date by the parties hereto. All representations and warranties set forth herein shall be deemed to have been made on the Closing Date.

Section 12.16. Consent of Bondholders. The Issuer and the Trustee have received the consent of 100% of the beneficial owners of the Series 1996 Bonds to this Indenture as evidenced by the executed consents attached to this Indenture. In entering into this Indenture, the Trustee is relying on the accuracy of the certifications of beneficial ownership contained in such consents.

Section 12.17. Series 2008 A Bonds Owned by Issuer. While any Series 2008 B Bonds or Series 2008 C Bonds remain outstanding, Series 2008 A Bonds owned by the Issuer shall be deemed not Outstanding.

Section 12.18. Limitation on Liability. Notwithstanding any other provision set forth in the Bonds, this Indenture, the Deeds of Trust, the Ground Lease or any of the other Bond Documents or in any other agreement or document executed in connection with or relating to the Bonds:

(a) No provision of the Bonds, this Indenture, the Deeds of Trust, the Ground Lease or any of the other documents executed and delivered in connection therewith or relating thereto (collectively, the "Documents") shall be construed so as to give rise to any monetary or pecuniary liability of the Issuer (other than out of the Revenues as made available to the Issuer) or of the State, or any political subdivision or agency thereof, or to give rise to a charge upon the general credit of the Issuer or of the State, or any political subdivision or agency thereof.

(b) Neither the Bonds nor this Indenture, the Deeds of Trust, the Ground Lease nor any of the other Documents nor any claim thereunder shall (i) constitute a debt of the Issuer or of the State, or any political subdivision or agency thereof, or a pledge of the full faith and credit or taxing power of the State, or any political subdivision or agency thereof, or (ii) create any monetary liability on, or obligate, the Issuer or the State, or any political subdivision or agency thereof, to make any appropriation for payment. The Issuer has no taxing power.

(c) The liability of the Issuer under the Bonds, this Indenture, the Deeds of Trust, the Ground Lease and the other Documents, including (without limitation) the obligation of the Issuer to pay any expenses or costs of any kind or nature and the obligation of the Issuer to indemnify any Person, shall be non-recourse to the Issuer, limited solely to the Trust Estate pledged as security for the Bonds in accordance with this Indenture; and the lien of any judgment shall be restricted thereto. The Issuer shall have no other liability, legal, moral or otherwise, to the Trustee, any owner of the Bonds, or any other person, in connection with the Facility, the Project, any Additional Project, the Bonds, this Indenture, the Deeds of Trust, the Ground Lease or any of the other Documents. In no event shall the Issuer be required to pay any amount or claim under the Bonds, this Indenture, the Deeds of Trust, the Ground Lease or any of the other Documents from any of its own funds. The limitation on liability of the Issuer as described in this Section shall be deemed incorporated in every provision of the Bonds, the Indenture, the Deeds of Trust, the Ground Lease and all of the other Documents.

(d) Other than to make available the Trust Estate (to the extent the Issuer has control over the Trust Estate), the Issuer shall not be required to do any act whatsoever or exercise any diligence whatsoever to mitigate any damages of the owners of the Bonds, the Trustee, or any other person, if any event of default shall occur under the Bonds, this Indenture, the Deeds of Trust, the Ground Lease or any other Document.

Section 12.19. Consent of MIDFA and DBED. The consent of MIDFA as required as owner of the Series 1996 B Bond and the Series 2008 D Bonds may be evidenced by an

authorized official of DBED. Any consent given by DBED shall be deemed to constitute consent by MIDFA.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be executed by its Executive Director and its official seal to be impressed hereon, and the Trustee has caused this Indenture to be executed on its behalf by one of its duly authorized officers and its corporate seal to be impressed hereon, all as of the Closing Date.

[ISSUER'S SEAL]



**MARYLAND ECONOMIC DEVELOPMENT CORPORATION, as Issuer**

WITNESS:

*Francis Critzma*

By: *Robert C. Brennan*  
Robert C. Brennan  
Executive Director

[TRUSTEE'S SEAL]

**MANUFACTURERS AND TRADERS TRUST COMPANY, as Trustee**

ATTEST:

*Larry R. Long*  
Larry R. Long  
Vice President

By: *Patrick J. Wood*  
Patrick J. Wood  
Vice President

## CONSENTS OF BONDOWNERS

Davidson Kempner Capital Management LLC hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$21,300,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to Davidson Kempner Capital Management LLC.

### DAVIDSON KEMPNER CAPITAL MANAGEMENT LLC

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

Authorized Signatory

CVS Calvert Social Balanced Portfolio hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$750,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to CVS Calvert Social Balanced Portfolio.

### CVS CALVERT SOCIAL BALANCED PORTFOLIO

By: \_\_\_\_\_  
Daniel K. Hayes,  
Vice President

Calvert Tax-Free Reserves Long-Term Portfolio hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$500,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to Calvert Tax-Free Reserves Long-Term Portfolio.

### CALVERT TAX-FREE RESERVES LONG- TERM PORTFOLIO

By: \_\_\_\_\_  
Daniel K. Hayes,  
Vice President

**CONSENTS OF BONDOWNERS**

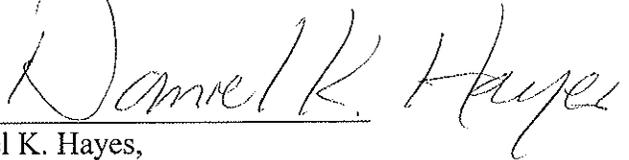
Davidson Kempner Capital Management LLC hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$21,300,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to Davidson Kempner Capital Management LLC.

**DAVIDSON KEMPNER CAPITAL  
MANAGEMENT LLC**

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

CVS Calvert Social Balanced Portfolio hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$750,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to CVS Calvert Social Balanced Portfolio.

**CVS CALVERT SOCIAL BALANCED  
PORTFOLIO**

By:   
Daniel K. Hayes,  
Vice President

Calvert Tax-Free Reserves Long-Term Portfolio hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$500,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to Calvert Tax-Free Reserves Long-Term Portfolio.

**CALVERT TAX-FREE RESERVES LONG-  
TERM PORTFOLIO**

By:   
Daniel K. Hayes,  
Vice President

Calvert Social Investment Fund Balanced Portfolio hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$3,750,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to Calvert Social Investment Fund Balanced Portfolio.

**CALVERT SOCIAL INVESTMENT FUND  
BALANCED PORTFOLIO**

By:   
Daniel K. Hayes,  
Vice President

The Maryland Industrial Development Financing Authority hereby certifies that it is the beneficial owner of Series 1996 B Bonds in the aggregate principal amount of \$3,470,000, and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to the Maryland Industrial Development Financing Authority.

**MARYLAND INDUSTRIAL DEVELOPMENT  
FINANCING AUTHORITY**

By: \_\_\_\_\_  
D. Gregory Cole  
Executive Director

**CONSENT OF DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

The Department of Business and Economic Development hereby consents to the terms and provisions of the foregoing Amended and Restated Trust Indenture.

**DEPARTMENT OF BUSINESS AND  
ECONOMIC DEVELOPMENT**

By: \_\_\_\_\_  
David W. Edgerley  
Secretary

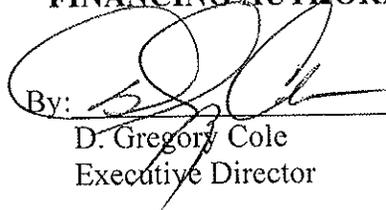
Calvert Social Investment Fund Balanced Portfolio hereby certifies that it is the beneficial owner of Series 1996 A Bonds in the aggregate principal amount of \$3,750,000 and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to Calvert Social Investment Fund Balanced Portfolio.

**CALVERT SOCIAL INVESTMENT FUND  
BALANCED PORTFOLIO**

By: \_\_\_\_\_  
Daniel K. Hayes,  
Vice President

The Maryland Industrial Development Financing Authority hereby certifies that it is the beneficial owner of Series 1996 B Bonds in the aggregate principal amount of \$3,470,000, and hereby (i) consents to the foregoing Amended and Restated Trust Indenture, and (ii) acknowledges receipt of an opinion of Bond Counsel in form and substance satisfactory to the Maryland Industrial Development Financing Authority.

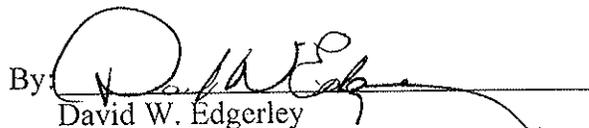
**MARYLAND INDUSTRIAL DEVELOPMENT  
FINANCING AUTHORITY**

By:  \_\_\_\_\_  
D. Gregory Cole  
Executive Director

**CONSENT OF DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT**

The Department of Business and Economic Development hereby consents to the terms and provisions of the foregoing Amended and Restated Trust Indenture.

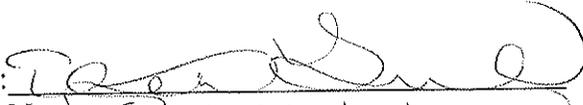
**DEPARTMENT OF BUSINESS AND  
ECONOMIC DEVELOPMENT**

By:  \_\_\_\_\_  
David W. Edgerley  
Secretary

**CONSENT OF MANAGEMENT COMPANY**

Crestline Hotels & Resorts, Inc. hereby consents to the terms and provisions of the foregoing Amended and Restated Trust Indenture.

**CRESTLINE HOTELS & RESORTS,  
INC.**

By:   
Name: Elizabeth Hieberman  
Title: v.p.

*NEITHER THE STATE OF MARYLAND NOR ANY GOVERNMENTAL UNIT IS OBLIGED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS BOND, EXCEPT FROM REVENUES PLEDGED TO PAYMENT OF THIS BOND. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND. THIS BOND IS NOT A DEBT, LIABILITY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT AND IS PAYABLE SOLELY FROM REVENUES PLEDGED THERETO. THIS BOND IS A LIMITED OBLIGATION OF THE ISSUER. THE ISSUANCE OF BONDS UNDER THE ACT (DEFINED HEREIN) IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT THEREOF TO LEVY OR PLEDGE ANY TAX OR TO MAKE ANY APPROPRIATION TO PAY THIS BOND.*

REGISTERED UNITED STATES OF AMERICA REGISTERED

STATE OF MARYLAND

No. \_\_\_ - \_\_\_ \$ \_\_\_\_\_

MARYLAND ECONOMIC DEVELOPMENT CORPORATION

TAXABLE FIRST LIEN REFUNDING REVENUE BOND  
(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)  
SERIES 2008 A

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
6.000%	July 1, 2048	December 1, 2008	57405GE4

Registered Owner: \_\_\_\_\_

Principal Sum: \_\_\_\_\_ (\$ \_\_\_\_\_)

MARYLAND ECONOMIC DEVELOPMENT CORPORATION, a body politic and corporate and an instrumentality of the State of Maryland (the "Issuer"), for value received, hereby promises to pay, but only from the Trust Estate (defined herein), to the Registered Owner shown above or registered assigns or legal representative, upon the presentation and surrender hereof as provided herein, the Principal Sum shown above on the Maturity Date shown above (or earlier as hereinafter referred to), with interest thereon from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first interest payment date, from the Dated Date shown above, at the Interest Rate per annum shown above until said Principal Sum is paid, calculated on the basis of a 360-day year consisting of twelve 30-day months and due as of July 1, 2009 and annually thereafter as of July 1 of each year and payable on the Release Date (as defined in the Indenture).

All interest due on this bond shall be payable to the person in whose name this bond is registered on the bond registration books maintained by Manufacturers and Traders Trust

Company, as trustee and registrar (such entity and any successor in such capacity being referred to herein as the "Trustee"), as of the close of business on the fifteenth day of the calendar month immediately preceding the interest payment date upon which such interest is due and payable and shall be made by check mailed to the address of such owner as it appears on the bond registration books maintained by the Trustee; provided, however, that interest payments due to any holder of \$1,000,000 or more in aggregate principal amount of the Bonds (defined herein) will be made by wire transfer of immediately available funds to an account designated by such holder in written notice to the Trustee at least 10 days prior to the first interest payment date as to which payment by wire transfer is to be made and provided further, that if there is a default in the payment of interest due hereon, such defaulted interest shall be payable to the person in whose name this bond is registered as of the close of business on a subsequent date fixed by the Trustee (the "Special Record Date") that is at least 10 and not more than 15 days before the date set for the payment of such defaulted interest. Notice of any Special Record Date will be given as hereinafter provided to the registered owner hereof not later than 10 days before the Special Record Date.

The principal or Redemption Price (as defined in the Indenture (defined herein)) of and interest on this bond are payable in lawful money of the United States of America or by check payable in such money. If any payment of the principal or Redemption Price of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A "Business Day" is any day other than a Saturday, Sunday or legal holiday observed as such by the Trustee.

1. The Bonds; Indenture. This bond is one of a duly authorized series of designated "MARYLAND ECONOMIC DEVELOPMENT CORPORATION TAXABLE FIRST LIEN REFUNDING REVENUE BONDS (ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT), SERIES 2008 A" (the "Series 2008 A Bonds") aggregating SEVEN MILLION DOLLARS (\$7,000,000) in original aggregate principal amount issued under and pursuant to the Constitution and the laws of the State of Maryland, particularly Sections 10-101 through 10-131, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the "Act"), and the Second Amended and Restated Trust Indenture dated as of December 1, 2008 between the Issuer and the Trustee (the "Indenture"). Simultaneously with the issuance of the Series 2008 A Bonds, the Issuer will issue its (i) Tax-Exempt Second Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project), Series 2008 B in the original aggregate principal amount of \$17,000,000 (the "Series 2008 B Bonds"), (ii) Taxable Third Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 C in the initial aggregate principal amount of \$17,772,100.28 (the "Series 2008 C Bonds") and (iii) Taxable Fourth Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 D in the original aggregate principal amount of \$3,470,000 (the "Series 2008 D Bonds" and together with the Series 2008 A Bonds, the Series 2008 B Bonds and the Series 2008 C Bonds, the "Series 2008 Bonds").

The Series 2008 Bonds are being issued to refund two series of bonds issued by the Issuer in 1996 in order to pay a portion of the costs of the acquisition, construction and equipping of an 18-hole golf course and hotel/meeting center facility and related facilities in Rocky Gap State Park, Allegany County, Maryland (the "Project").

The terms of the Series 2008 Bonds include those stated in the Indenture, and the Series 2008 Bonds are subject to all such terms. Reference is made hereby to the Indenture for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Trustee and the holders of the Series 2008 Bonds. By the acceptance of this bond, the holder hereof assents to all of the provisions of the Indenture. The Indenture is on file at the corporate trust office of the Trustee in Baltimore, Maryland.

2. Trust Estate; Deeds of Trust. As security for the obligations of the Issuer under the Indenture, the Issuer has pledged to the Trustee all of the Issuer's right, title and interest in and to the proceeds of the Series 2008 Bonds and the Revenues (defined herein). All of the foregoing is herein collectively referred to as the "Trust Estate."

Pursuant to the Indenture, the Trust Estate is held by the Trustee first, for the equal and ratable benefit, security and protection of all present and future holders of the Series 2008 A Bonds (and any Additional Bonds (as defined in the Indenture) issued to refund the Series 2008 A Bonds) to the extent provided in the Indenture; second, for the benefit, security and protection of all present and future holders of the Series 2008 B Bonds (and any Additional Bonds issued to refund the Series 2008 B Bonds) to the extent provided in the Indenture; third for the benefit, security and protection of all present and future holders of the Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds) to the extent provided in the Indenture; fourth for the benefit, security and protection of all present and future holders of the Series 2008 D Bonds (and any Additional Bonds issued to refund the Series 2008 D Bonds) to the extent provided in the Indenture; and fifth, for the benefit, security and protection of all future holders of any Additional Bonds other than Additional Bonds issued to refund the Series 2008 Bonds, but otherwise without privilege, priority or distinction as to the lien or otherwise of any Bonds over any other Bonds, except as otherwise expressly provided in the Indenture and in any Supplemental Indenture authorizing the issuance of any Additional Bonds. The Series 2008 Bonds and any Additional Bonds are herein collectively referred to as the "Bonds".

In addition, the Issuer has executed and delivered a First Lien Leasehold Deed of Trust (the "First Lien Deed of Trust") to secure the Series 2008 A Bonds, a Second Lien Leasehold Deed of Trust (the "Second Lien Deed of Trust") to secure the Series 2008 B Bonds, a Third Lien Leasehold Deed of Trust (the "Third Lien Deed of Trust") to secure the Series 2008 C Bonds and a Fourth Lien Leasehold Deed of Trust (the "Fourth Lien Deed of Trust") to secure the Series 2008 D Bonds, each covering the Issuer's leasehold interest in the Property (defined in the Indenture) and subject to Permitted Encumbrances (as defined in the Indenture). The First Lien Deed of Trust, the Second Lien Deed of Trust, the Third Lien Deed of Trust and the Fourth Lien Deed of Trust are herein collectively referred to as the "Deeds of Trust."

As defined in the Indenture, the "Revenues" include all of the Issuer's receipts, revenues, rentals, fees, income, insurance proceeds, condemnation awards and other moneys derived from the ownership, operation or leasing of any portion of the Property and all rights to receive the same, whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, including, without limitation, payments to the Issuer in the form of ground rent or other consideration paid to it for the placement

of video lottery terminals on the Land or any other revenues of the Issuer from video lottery terminals, however derived; provided, however, that the term "Revenues" shall not include (i) any and all receipts generated through the imposition of any sales, room or amusement tax (other than the Hotel Occupancy Tax Revenue (as defined in the Indenture)) or (ii) any and all Surcharge Revenue (as defined in the Indenture).

3. The Series 2008 A Bonds. The Series 2008 A Bonds shall bear interest at a per annum fixed rate of interest equal to 6% and shall mature on July 1, 2048. All the Series 2008 A Bonds are of like tenor except as to number and principal amount. The Series 2008 A Bonds are issuable only in registered form without coupons in denominations of \$100,000 and any integral multiple of \$5,000 in excess of \$100,000.

4. Additional Bonds. The Indenture provides that Additional Bonds may be issued within the limitations and provisions of the Indenture to (i) refund or advance refund any Outstanding Bonds, and (ii) obtain funds to finance or refinance the costs of acquiring, constructing and equipping Additional Projects (as defined in the Indenture).

5. Redemption. The Series 2008 A Bonds at the time outstanding may be redeemed prior to their respective maturities as follows:

(a) Optional Redemption. Series 2008 A Bonds are subject to redemption prior to maturity as a whole or in part at any time upon the option of the Issuer, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date set for redemption.

(b) Extraordinary Redemption. The Series 2008 A Bonds are subject to redemption prior to maturity as a whole at any time or in part on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, from funds deposited in the Redemption Fund (created by the Indenture) from (i) proceeds from title insurance with respect to the Property (defined in the Indenture); (ii) proceeds from the condemnation of the Property or any portion thereof or from agreements with, or action by, a public authority in the nature of or in lieu of condemnation proceedings and related payments (other than condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland); and (iii) proceeds from insurance and related payments received in connection with the loss, damage or destruction of the Property, in each case to the extent such proceeds are not used for the repair or replacement of lost, damaged, destroyed or taken property.

(c) Extraordinary Redemption Upon Condemnation by the State of Maryland. The Series 2008 A Bonds are subject to redemption prior to maturity in whole at any time at a redemption price equal to (i) 105% of the principal amount thereof through March 31, 2011 and (ii) thereafter, 100% of the principal amount thereof, in either case, plus accrued interest thereon in the event of the condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland.

(d) Selection of Series 2008 A Bonds to Be Redeemed. The Trustee shall select the particular Series 2008 A Bonds or portions of Series 2008 A Bonds to be redeemed by lot. Series 2008 A Bonds or portions thereof shall be redeemed in denominations of \$5,000 or any

integral multiple thereof; provided, however, that no partial redemption shall result in a Series 2008 A Bond in a denomination of less than \$100,000.

(e) Notice of Redemption. The Trustee shall mail notice of the call for any other redemption at least 30 days (15 days in the event of an optional redemption pursuant to Section 5(a) hereof resulting from the application of moneys thereto on any Release Date pursuant to Section 4.6(b) of the Indenture) before the redemption date to the registered owners of the Series 2008 A Bonds to be redeemed, the Registered Depositories (as defined in the Indenture) and at least two of the National Information Services (as defined in the Indenture) to be randomly selected by the Trustee; provided, however, that so long as the Series 2008 A Bonds are maintained in book-entry form, notice of the call for redemption required to be given to the registered owners shall be given only to the securities depository or its nominee in whose name the Series 2008 A Bonds are registered. The failure to mail any such notice to any registered owner of Series 2008 A Bonds to be redeemed, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Series 2008 A Bonds. The failure to mail any such notice to the Registered Depositories or to at least two National Information Services, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2008 A Bonds. If for any reason it is impossible or impractical to mail such notice of redemption, the Trustee shall give notice of the call for any redemption by publication at least once in an Authorized New York Newspaper (as defined in the Indenture) and at least once in an Authorized Baltimore Newspaper (as defined in the Indenture), which notice shall be published at least 30 days before the redemption date. In the event notice is published as provided above, the mailing of notice to the registered owners of Series 2008 A Bonds to be redeemed shall not be a condition precedent to redemption and the failure so to mail any such notice to any such registered owners shall not affect the validity of the proceedings for the redemption of Series 2008 A Bonds.

(f) Effect of Call for Redemption. On the date designated for redemption, and any notice having been given as provided herein, the Series 2008 A Bonds or portions of Series 2008 A Bonds so called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Series 2008 A Bonds or such portions thereof on such date and, if moneys for the payment of the Redemption Price and accrued interest are held by the Trustee as provided in the Indenture, interest on such Series 2008 A Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2008 A Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the registered owners thereof shall have no rights in respect of such Series 2008 A Bonds or such portions thereof so called for redemption except to receive payment of the Redemption Price thereof and the accrued interest thereon so held by the Trustee. If a portion of this bond shall be called for redemption, a new Series 2008 A Bond or Series 2008 A Bonds in the aggregate principal amount equal to the unredeemed portion hereof, of the same series and maturity and bearing interest at the same rate, shall be issued to the registered owner upon the surrender hereof.

(g) Provisions Applicable to Book-Entry Bonds. So long as all of the Series 2008 A Bonds shall be maintained in book-entry form with a Depository (as defined in the Indenture) in accordance with Section 2.12 of the Indenture, in the event that part, but not all, of this bond shall be called for redemption, the holder of this bond may elect not to surrender this bond in exchange for a new Series 2008 A Bond in accordance with paragraph (g) above and in such

event shall make a notation indicating the principal amount of such redemption and the date thereof on the Payment Grid attached hereto. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the lesser of (A) the Principal Sum shown on the face hereof and (B) such Principal Sum reduced by the principal amount of any partial redemption of this bond following which the holder of this bond has elected not to surrender this bond in accordance with paragraph (g) above. The failure of the holder hereof to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the Issuer hereunder. THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.

6. Acceleration; Defeasance. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds then outstanding under the Indenture may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

The Indenture prescribes the manner in which it may be discharged and provides that Bonds shall be deemed to be paid if moneys or Government Obligations (as defined in the Indenture), the principal of and interest on which, when due, will be sufficient to pay the principal or Redemption Price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

7. Persons Deemed Owners; Restrictions upon Actions by Individual Holders. The Issuer and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the Issuer or the Trustee) for the purpose of receiving payment of or on account of the principal or Redemption Price of this bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this bond, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this bond.

The registered owner of this bond shall have no right to enforce the provisions of the Indenture, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect hereto, except as provided in the Indenture.

8. Transfer and Exchange. This bond may be exchanged for an equal aggregate principal amount of Series 2008 A Bonds, of the same maturity and bearing interest at the same rate and of other Authorized Denominations (as defined in the Indenture), and the transfer of this bond may be registered, upon presentation and surrender of this bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative. The Issuer and the Trustee may require the person requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the Issuer nor the Trustee shall be required to

register the transfer of this bond or make any such exchange of this bond after this bond or any portion hereof has been selected for redemption.

9. Modifications. Modifications or alterations of the Indenture or the Deeds of Trust may be made only to the extent and in the circumstances permitted by the Indenture and the Deeds of Trust.

10. Negotiability. As declared by the Act, this bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

11. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State of Maryland.

12. Notices. Except as otherwise provided in the Indenture and this bond, when the Trustee is required to give notice to the owner of this bond, such notice shall be mailed by first-class mail to the registered owner of this bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressees.

13. NO RECOURSE. EXCEPT WITH RESPECT TO CERTAIN LEGAL FEES TO BE PAID BY THE ISSUER AND EXCEPT FOR THE FRAUD OR WILLFUL MISCONDUCT OF THE ISSUER, ANY CLAIM BASED ON OR IN RESPECT OF ANY LIABILITY OF THE ISSUER FOR (I) THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON, OR THE REDEMPTION PRICE OF, THE BONDS OR (II) THE PERFORMANCE OF ANY OTHER COVENANT, AGREEMENT, TERM OR CONDITION CONTAINED IN THE INDENTURE, THE BONDS, ANY OF THE DEEDS OF TRUST OR ANY OTHER DOCUMENT EXECUTED AND DELIVERED IN CONNECTION WITH THE BONDS SHALL BE ENFORCED ONLY AGAINST THE TRUST ESTATE AND NOT AGAINST ANY OTHER ASSETS, PROPERTIES OR FUNDS OF THE ISSUER OR AGAINST ANY ASSETS, PROPERTIES OR FUNDS OF ANY DIRECTOR, OFFICER, EMPLOYEE, SUCCESSOR, ASSIGN OR AGENT OF THE ISSUER.

Neither the Issuer nor the State nor any political subdivision thereof shall in any event be liable for the payment of the principal or Redemption Price of or interest on the Bonds from any source other than the Trust Estate. Neither the Bonds nor any pledge, mortgage, obligation or agreement of the Issuer under the Indenture, the Bonds, or any of the Deeds of Trust shall be construed to constitute an obligation of the State or any political subdivision thereof or a debt of the State or any political subdivision thereof within the meaning of any constitutional or statutory provision whatsoever, or as a pledge of the general credit, full faith or taxing power of the State or any political subdivision thereof.

All acts, conditions and things required by the Constitution and laws of the State of Maryland and the rules and regulations of the Issuer to happen, exist and be performed precedent to and in the issuance of this bond, the execution and delivery of the Indenture and the Deeds of Trust, have happened, exist and have been performed as so required.

No recourse shall be had for the payment of the principal or Redemption Price of and interest on this bond or for any claims based thereon or on the Indenture against any director, official, officer or employee of the Issuer or any person executing this bond, all such liability, if any, being expressly waived and released by the registered owner of this bond by the acceptance of this bond.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the Maryland Economic Development Corporation has caused this bond to be executed in its name by the manual or facsimile signature of its Executive Director and its corporate seal (or a facsimile thereof) to be hereon affixed, imprinted, engraved or otherwise reproduced, all as of the Dated Date.

**MARYLAND ECONOMIC DEVELOPMENT CORPORATION**

[SEAL]

By: \_\_\_\_\_  
Executive Director

[Certificate of Authentication]

Date of Authentication:

This bond is one of the bonds of the series designated herein and issued under the provisions of the within-mentioned Indenture.

**MANUFACTURERS AND TRADERS TRUST COMPANY**

By: \_\_\_\_\_  
Authorized Officer



(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, \_\_\_\_\_, the undersigned, hereby  
sells, assigns and transfers unto (Tax Identification or Social Security No. \_\_\_\_\_)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ attorney to transfer the within Bond on the books kept for  
registration thereof, with full power of substitution in the premises.

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

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

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed  
by a member firm of the STAMP, SEMP or  
MSP signature guaranty medallion program.

NEITHER THE STATE OF MARYLAND NOR ANY GOVERNMENTAL UNIT IS OBLIGED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS BOND, EXCEPT FROM REVENUES PLEDGED TO PAYMENT OF THIS BOND. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND. THIS BOND IS NOT A DEBT, LIABILITY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT AND IS PAYABLE SOLELY FROM REVENUES PLEDGED THERETO. THIS BOND IS A LIMITED OBLIGATION OF THE ISSUER. THE ISSUANCE OF BONDS UNDER THE ACT (DEFINED HEREIN) IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT THEREOF TO LEVY OR PLEDGE ANY TAX OR TO MAKE ANY APPROPRIATION TO PAY THIS BOND.

REGISTERED

UNITED STATES OF AMERICA

REGISTERED

STATE OF MARYLAND

No. \_\_\_-\_\_\_

\$ \_\_\_\_\_

MARYLAND ECONOMIC DEVELOPMENT CORPORATION

TAX-EXEMPT SECOND LIEN REFUNDING REVENUE BOND  
(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)  
SERIES 2008 B

<u>INTEREST</u> <u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>DATED</u> <u>DATE</u>	<u>CUSIP</u>
6.000%	July 1, 2048	December 1, 2008	57405GF1

Registered Owner: \_\_\_\_\_

Principal Sum: \_\_\_\_\_ (\$ \_\_\_\_\_)

MARYLAND ECONOMIC DEVELOPMENT CORPORATION, a body politic and corporate and an instrumentality of the State of Maryland (the "Issuer"), for value received, hereby promises to pay, but only from the Trust Estate (defined herein), to the Registered Owner shown above or registered assigns or legal representative, upon the presentation and surrender hereof as provided herein, the Principal Sum shown above on the Maturity Date shown above (or earlier as hereinafter referred to), with interest thereon from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first interest payment date, from the Dated Date shown above, at the Interest Rate per annum shown above until said Principal Sum is paid, calculated on the basis of a 360-day year consisting of twelve 30-day months and due as of July 1, 2009 and annually thereafter as of July 1 of each year and payable on the Release Date (as defined in the Indenture).

**ANY ACCRUED INTEREST DUE ON THIS BOND THAT IS NOT PAID WHEN DUE SHALL IMMEDIATELY CEASE TO BE DUE AND PAYABLE HEREON.**

All interest due on this bond shall be payable to the person in whose name this bond is registered on the bond registration books maintained by Manufacturers and Traders Trust Company, as trustee and registrar (such entity and any successor in such capacity being referred to herein as the "Trustee"), as of the close of business on the fifteenth day of the calendar month immediately preceding the interest payment date upon which such interest is due and payable and shall be made by check mailed to the address of such owner as it appears on the bond registration books maintained by the Trustee; provided, however, that interest payments due to any holder of \$1,000,000 or more in aggregate principal amount of the Bonds (defined herein) will be made by wire transfer of immediately available funds to an account designated by such holder in written notice to the Trustee at least 10 days prior to the first interest payment date as to which payment by wire transfer is to be made and provided further, that if there is a default in the payment of interest due hereon, such defaulted interest shall be payable to the person in whose name this bond is registered as of the close of business on a subsequent date fixed by the Trustee (the "Special Record Date") that is at least 10 and not more than 15 days before the date set for the payment of such defaulted interest. Notice of any Special Record Date will be given as hereinafter provided to the registered owner hereof not later than 10 days before the Special Record Date.

The principal or Redemption Price (as defined in the Indenture (defined herein)) of and interest on this bond are payable in lawful money of the United States of America or by check payable in such money. If any payment of the principal or Redemption Price of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A "Business Day" is any day other than a Saturday, Sunday or legal holiday observed as such by the Trustee.

1. The Bonds; Indenture. This bond is one of a duly authorized series of designated "MARYLAND ECONOMIC DEVELOPMENT CORPORATION TAX-EXEMPT SECOND LIEN REFUNDING REVENUE BONDS (ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT), SERIES 2008 B" (the "Series 2008 B Bonds") aggregating SEVENTEEN MILLION DOLLARS (\$17,000,000) in original aggregate principal amount issued under and pursuant to the Constitution and the laws of the State of Maryland, particularly Sections 10-101 through 10-131, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the "Act"), and the Second Amended and Restated Trust Indenture dated as of December 1, 2008 between the Issuer and the Trustee (the "Indenture"). Simultaneously with the issuance of the Series 2008 B Bonds, the Issuer will issue its (i) Taxable First Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project), Series 2008 A in the original aggregate principal amount of \$7,000,000 (the "Series 2008 A Bonds"), (ii) Taxable Third Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 C in the initial aggregate principal amount of \$17,772,100.28 (the "Series 2008 C Bonds") and (iii) Taxable Fourth Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 D in the original aggregate principal amount of \$3,470,000 (the "Series 2008 D Bonds" and together with the Series 2008 A Bonds, the Series 2008 B Bonds and the Series 2008 C Bonds, the "Series 2008 Bonds").

The Series 2008 Bonds are being issued to refund two series of bonds issued by the Issuer in 1996 in order to pay a portion of the costs of the acquisition, construction and equipping of an 18-

hole golf course and hotel/meeting center facility and related facilities in Rocky Gap State Park, Allegany County, Maryland (the "Project").

The terms of the Series 2008 Bonds include those stated in the Indenture, and the Series 2008 Bonds are subject to all such terms. Reference is made hereby to the Indenture for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Trustee and the holders of the Series 2008 Bonds. By the acceptance of this bond, the holder hereof assents to all of the provisions of the Indenture. The Indenture is on file at the corporate trust office of the Trustee in Baltimore, Maryland.

2. Trust Estate; Deeds of Trust. As security for the obligations of the Issuer under the Indenture, the Issuer has pledged to the Trustee all of the Issuer's right, title and interest in and to the proceeds of the Series 2008 Bonds and the Revenues (defined herein). All of the foregoing is herein collectively referred to as the "Trust Estate."

Pursuant to the Indenture, the Trust Estate is held by the Trustee first, for the equal and ratable benefit, security and protection of all present and future holders of the Series 2008 A Bonds (and any Additional Bonds (as defined in the Indenture) issued to refund the Series 2008 A Bonds) to the extent provided in the Indenture; second, for the benefit, security and protection of all present and future holders of the Series 2008 B Bonds (and any Additional Bonds issued to refund the Series 2008 B Bonds) to the extent provided in the Indenture; third for the benefit, security and protection of all present and future holders of the Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds) to the extent provided in the Indenture; fourth for the benefit, security and protection of all present and future holders of the Series 2008 D Bonds (and any Additional Bonds issued to refund the Series 2008 D Bonds) to the extent provided in the Indenture; and fifth, for the benefit, security and protection of all future holders of any Additional Bonds other than Additional Bonds issued to refund the Series 2008 Bonds, but otherwise without privilege, priority or distinction as to the lien or otherwise of any Bonds over any other Bonds, except as otherwise expressly provided in the Indenture and in any Supplemental Indenture authorizing the issuance of any Additional Bonds. The Series 2008 Bonds and any Additional Bonds are herein collectively referred to as the "Bonds".

In addition, the Issuer has executed and delivered a First Lien Leasehold Deed of Trust (the "First Lien Deed of Trust") to secure the Series 2008 A Bonds, a Second Lien Leasehold Deed of Trust (the "Second Lien Deed of Trust") to secure the Series 2008 B Bonds, a Third Lien Leasehold Deed of Trust (the "Third Lien Deed of Trust") to secure the Series 2008 C Bonds and a Fourth Lien Leasehold Deed of Trust (the "Fourth Lien Deed of Trust") to secure the Series 2008 D Bonds, each covering the Issuer's leasehold interest in the Property (defined in the Indenture) and subject to Permitted Encumbrances (as defined in the Indenture). The First Lien Deed of Trust, the Second Lien Deed of Trust, the Third Lien Deed of Trust and the Fourth Lien Deed of Trust are herein collectively referred to as the "Deeds of Trust."

As defined in the Indenture, the "Revenues" include all of the Issuer's receipts, revenues, rentals, fees, income, insurance proceeds, condemnation awards and other moneys derived from the ownership, operation or leasing of any portion of the Property and all rights to receive the same, whether in the form of accounts, general intangibles or other rights, and the proceeds of such

accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, including, without limitation, payments to the Issuer in the form of ground rent or other consideration paid to it for the placement of video lottery terminals on the Land or any other revenues of the Issuer from video lottery terminals, however derived; provided, however, that the term "Revenues" shall not include (i) any and all receipts generated through the imposition of any sales, room or amusement tax (other than the Hotel Occupancy Tax Revenue (as defined in the Indenture)) or (ii) any and all Surcharge Revenue (as defined in the Indenture).

3. The Series 2008 B Bonds. The Series 2008 B Bonds shall bear interest at a per annum fixed rate of interest equal to 6% and shall mature on July 1, 2048. All the Series 2008 B Bonds are of like tenor except as to number and principal amount. The Series 2008 B Bonds are issuable only in registered form without coupons in denominations of \$100,000 and any integral multiple of \$5,000 in excess of \$100,000.

4. Additional Bonds. The Indenture provides that Additional Bonds may be issued within the limitations and provisions of the Indenture to (i) refund or advance refund any Outstanding Bonds, and (ii) obtain funds to finance or refinance the costs of acquiring, constructing and equipping Additional Projects (as defined in the Indenture).

5. Redemption. The Series 2008 B Bonds at the time outstanding may be redeemed prior to their respective maturities as follows:

(a) Optional Redemption. Series 2008 B Bonds are subject to redemption prior to maturity as a whole or in part on any Release Date (as defined in the Indenture) and at the option of the Issuer on any other date, in either case at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date set for redemption.

(b) Extraordinary Redemption. The Series 2008 B Bonds are subject to redemption prior to maturity as a whole at any time or in part on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, from funds deposited in the Redemption Fund (created by the Indenture) from (i) proceeds from title insurance with respect to the Property (defined in the Indenture); (ii) proceeds from the condemnation of the Property or any portion thereof or from agreements with, or action by, a public authority in the nature of or in lieu of condemnation proceedings and related payments (other than condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland); and (iii) proceeds from insurance and related payments received in connection with the loss, damage or destruction of the Property, in each case to the extent such proceeds are not used for the repair or replacement of lost, damaged, destroyed or taken property.

(c) Extraordinary Redemption Upon Condemnation by the State of Maryland. The Series 2008 B Bonds are subject to redemption prior to maturity in whole at any time at a redemption price equal to (i) 105% of the principal amount thereof through March 31, 2011 and (ii) thereafter, 100% of the principal amount thereof, in either case, plus accrued interest thereon in the event of the condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland.

(d) Reserved.

(e) Mandatory Redemption Upon Determination of Taxability. The Series 2008 B Bonds are subject to redemption prior to maturity in whole at any time at a redemption price equal to 105% of the aggregate principal amount thereof upon a Determination of Taxability (as defined in the Indenture), such redemption to be made on a date selected by the Trustee but in no event more than 45 days after the Trustee has notice of the Determination of Taxability.

(f) Selection of Series 2008 B Bonds to Be Redeemed. The Trustee shall select the particular Series 2008 B Bonds or portions of Series 2008 B Bonds to be redeemed by lot. Series 2008 B Bonds or portions thereof shall be redeemed in denominations of \$5,000 or any integral multiple thereof; provided, however, that no partial redemption shall result in a Series 2008 B Bond in a denomination of less than \$100,000.

(g) Notice of Redemption. The Trustee shall mail notice of the call for any other redemption at least 30 days (15 days in the event of an optional redemption pursuant to Section 5(a) hereof resulting from the application of moneys thereto on any Release Date pursuant to Section 4.6(b) of the Indenture) before the redemption date to the registered owners of the Series 2008 B Bonds to be redeemed, the Registered Depositories (as defined in the Indenture) and at least two of the National Information Services (as defined in the Indenture) to be randomly selected by the Trustee; provided, however, that so long as the Series 2008 B Bonds are maintained in book-entry form, notice of the call for redemption required to be given to the registered owners shall be given only to the securities depository or its nominee in whose name the Series 2008 B Bonds are registered. The failure to mail any such notice to any registered owner of Series 2008 B Bonds to be redeemed, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Series 2008 B Bonds. The failure to mail any such notice to the Registered Depositories or to at least two National Information Services, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2008 B Bonds. If for any reason it is impossible or impractical to mail such notice of redemption, the Trustee shall give notice of the call for any redemption by publication at least once in an Authorized New York Newspaper (as defined in the Indenture) and at least once in an Authorized Baltimore Newspaper (as defined in the Indenture), which notice shall be published at least 30 days before the redemption date. In the event notice is published as provided above, the mailing of notice to the registered owners of Series 2008 B Bonds to be redeemed shall not be a condition precedent to redemption and the failure so to

mail any such notice to any such registered owners shall not affect the validity of the proceedings for the redemption of Series 2008 B Bonds.

(h) Effect of Call for Redemption. On the date designated for redemption, and any notice having been given as provided herein, the Series 2008 B Bonds or portions of Series 2008 B Bonds so called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Series 2008 B Bonds or such portions thereof on such date and, if moneys for the payment of the Redemption Price and accrued interest are held by the Trustee as provided in the Indenture, interest on such Series 2008 B Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2008 B Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the registered owners thereof shall have no rights in respect of such Series 2008 B Bonds or such portions thereof so called for redemption except to receive payment of the Redemption Price thereof and the accrued interest thereon so held by the Trustee. If a portion of this bond shall be called for redemption, a new Series 2008 B Bond or Series 2008 B Bonds in the aggregate principal amount equal to the unredeemed portion hereof, of the same series and maturity and bearing interest at the same rate, shall be issued to the registered owner upon the surrender hereof.

(i) Provisions Applicable to Book-Entry Bonds. So long as all of the Series 2008 B Bonds shall be maintained in book-entry form with a Depository (as defined in the Indenture) in accordance with Section 2.12 of the Indenture, in the event that part, but not all, of this bond shall be called for redemption, the holder of this bond may elect not to surrender this bond in exchange for a new Series 2008 B Bond in accordance with paragraph (h) above and in such event shall make a notation indicating the principal amount of such redemption and the date thereof on the Payment Grid attached hereto. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the lesser of (A) the Principal Sum shown on the face hereof and (B) such Principal Sum reduced by the principal amount of any partial redemption of this bond following which the holder of this bond has elected not to surrender this bond in accordance with paragraph (h) above. The failure of the holder hereof to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the Issuer hereunder. **THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.**

6. Acceleration; Defeasance. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds then outstanding under the Indenture may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

The Indenture prescribes the manner in which it may be discharged and provides that Bonds shall be deemed to be paid if moneys or Government Obligations (as defined in the Indenture), the principal of and interest on which, when due, will be sufficient to pay the principal or Redemption Price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

7. Persons Deemed Owners; Restrictions upon Actions by Individual Holders. The Issuer and the Trustee may deem and treat the person in whose name this bond is registered as the

absolute owner hereof (whether or not this bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the Issuer or the Trustee) for the purpose of receiving payment of or on account of the principal or Redemption Price of this bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this bond, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this bond.

The registered owner of this bond shall have no right to enforce the provisions of the Indenture, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect hereto, except as provided in the Indenture.

8. Transfer and Exchange. This bond may be exchanged for an equal aggregate principal amount of Series 2008 B Bonds, of the same maturity and bearing interest at the same rate and of other Authorized Denominations (as defined in the Indenture), and the transfer of this bond may be registered, upon presentation and surrender of this bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative. The Issuer and the Trustee may require the person requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the Issuer nor the Trustee shall be required to register the transfer of this bond or make any such exchange of this bond after this bond or any portion hereof has been selected for redemption.

9. Modifications. Modifications or alterations of the Indenture or the Deeds of Trust may be made only to the extent and in the circumstances permitted by the Indenture and the Deeds of Trust.

10. Negotiability. As declared by the Act, this bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

11. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State of Maryland.

12. Notices. Except as otherwise provided in the Indenture and this bond, when the Trustee is required to give notice to the owner of this bond, such notice shall be mailed by first-class mail to the registered owner of this bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressees.

13. NO RECOURSE. EXCEPT WITH RESPECT TO CERTAIN LEGAL FEES TO BE PAID BY THE ISSUER AND EXCEPT FOR THE FRAUD OR WILLFUL MISCONDUCT OF THE ISSUER, ANY CLAIM BASED ON OR IN RESPECT OF ANY LIABILITY OF THE ISSUER FOR (I) THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON, OR THE REDEMPTION PRICE OF, THE BONDS OR (II) THE PERFORMANCE OF ANY OTHER

COVENANT, AGREEMENT, TERM OR CONDITION CONTAINED IN THE INDENTURE, THE BONDS, ANY OF THE DEEDS OF TRUST OR ANY OTHER DOCUMENT EXECUTED AND DELIVERED IN CONNECTION WITH THE BONDS SHALL BE ENFORCED ONLY AGAINST THE TRUST ESTATE AND NOT AGAINST ANY OTHER ASSETS, PROPERTIES OR FUNDS OF THE ISSUER OR AGAINST ANY ASSETS, PROPERTIES OR FUNDS OF ANY DIRECTOR, OFFICER, EMPLOYEE, SUCCESSOR, ASSIGN OR AGENT OF THE ISSUER.

Neither the Issuer nor the State nor any political subdivision thereof shall in any event be liable for the payment of the principal or Redemption Price of or interest on the Bonds from any source other than the Trust Estate. Neither the Bonds nor any pledge, mortgage, obligation or agreement of the Issuer under the Indenture, the Bonds, or any of the Deeds of Trust shall be construed to constitute an obligation of the State or any political subdivision thereof or a debt of the State or any political subdivision thereof within the meaning of any constitutional or statutory provision whatsoever, or as a pledge of the general credit, full faith or taxing power of the State or any political subdivision thereof.

All acts, conditions and things required by the Constitution and laws of the State of Maryland and the rules and regulations of the Issuer to happen, exist and be performed precedent to and in the issuance of this bond, the execution and delivery of the Indenture and the Deeds of Trust, have happened, exist and have been performed as so required.

No recourse shall be had for the payment of the principal or Redemption Price of and interest on this bond or for any claims based thereon or on the Indenture against any director, official, officer or employee of the Issuer or any person executing this bond, all such liability, if any, being expressly waived and released by the registered owner of this bond by the acceptance of this bond.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the Maryland Economic Development Corporation has caused this bond to be executed in its name by the manual or facsimile signature of its Executive Director and its corporate seal (or a facsimile thereof) to be hereon affixed, imprinted, engraved or otherwise reproduced, all as of the Dated Date.

**MARYLAND ECONOMIC DEVELOPMENT CORPORATION**

[SEAL]

By: \_\_\_\_\_  
Executive Director

[Certificate of Authentication]

Date of Authentication:

This bond is one of the bonds of the series designated herein and issued under the provisions of the within-mentioned Indenture.

**MANUFACTURERS AND TRADERS TRUST COMPANY**

By: \_\_\_\_\_  
Authorized Officer



(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, \_\_\_\_\_, the undersigned, hereby  
sells, assigns and transfers unto (Tax Identification or Social Security No. \_\_\_\_\_)  
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints  
\_\_\_\_\_ attorney to transfer the within Bond on the books kept for  
registration thereof, with full power of substitution in the premises.

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

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

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed  
by a member firm of the STAMP, SEMP or  
MSP signature guaranty medallion program.

NEITHER THE STATE OF MARYLAND NOR ANY GOVERNMENTAL UNIT IS OBLIGED TO PAY THE PRINCIPAL OF THIS BOND, EXCEPT FROM REVENUES PLEDGED TO PAYMENT OF THIS BOND. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THIS BOND. THIS BOND IS NOT A DEBT, LIABILITY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT AND IS PAYABLE SOLELY FROM REVENUES PLEDGED THERETO. THIS BOND IS A LIMITED OBLIGATION OF THE ISSUER. THE ISSUANCE OF BONDS UNDER THE ACT (DEFINED HEREIN) IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT THEREOF TO LEVY OR PLEDGE ANY TAX OR TO MAKE ANY APPROPRIATION TO PAY THIS BOND.

REGISTERED

UNITED STATES OF AMERICA

REGISTERED

STATE OF MARYLAND

No. \_\_\_ - \_\_\_

\$ \_\_\_\_\_

MARYLAND ECONOMIC DEVELOPMENT CORPORATION

TAXABLE THIRD LIEN EXCESS CASH FLOW  
RECOVERY REFUNDING REVENUE BOND  
(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)  
SERIES 2008 C

INTEREST <u>RATE</u>	MATURITY <u>DATE</u>	DATED <u>DATE</u>	<u>CUSIP</u>
0.000%	July 1, 2048	December 1, 2008	57405GG9

Registered Owner: \_\_\_\_\_

Principal Sum: \_\_\_\_\_ (\$ \_\_\_\_\_)

MARYLAND ECONOMIC DEVELOPMENT CORPORATION, a body politic and corporate and an instrumentality of the State of Maryland (the "Issuer"), for value received, hereby promises to pay, but only from the Trust Estate (defined herein), to the Registered Owner shown above or registered assigns or legal representative, upon the presentation and surrender hereof as provided herein, the Principal Sum shown above on the Maturity Date shown above (or earlier as hereinafter referred to).

**THE PRINCIPAL SUM IS SUBJECT TO INCREASE AS DESCRIBED HEREIN.**

The principal or Redemption Price (as defined in the Indenture (defined herein)) of and interest on this bond are payable in lawful money of the United States of America or by check payable in such money. If any payment of the principal or Redemption Price of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A "Business

Day” is any day other than a Saturday, Sunday or legal holiday observed as such by Manufacturers and Traders Trust Company, as trustee and registrar (such entity and any successor in such capacity being referred to herein as the “Trustee”).

1. The Bonds; Indenture. This bond is one of a duly authorized series of designated “MARYLAND ECONOMIC DEVELOPMENT CORPORATION TAXABLE THIRD LIEN EXCESS CASH FLOW RECOVERY REFUNDING REVENUE BONDS (ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT), SERIES 2008 C” (the “Series 2008 C Bonds”) aggregating initially SEVENTEEN MILLION SEVEN HUNDRED SEVENTY TWO THOUSAND ONE HUNDRED DOLLARS AND 28/100 (\$17,772,100.28) in initial aggregate principal amount issued under and pursuant to the Constitution and the laws of the State of Maryland, particularly Sections 10-101 through 10-131, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the “Act”), and the Second Amended and Restated Trust Indenture dated as of December 1, 2008 between the Issuer and the Trustee (the “Indenture”). Simultaneously with the issuance of the Series 2008 C Bonds, the Issuer will issue its (i) Taxable First Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project), Series 2008 A in the original aggregate principal amount of \$7,000,000 (the “Series 2008 A Bonds”), (ii) Tax-Exempt Second Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 B in the initial aggregate principal amount of \$17,000,000 (the “Series 2008 B Bonds”) and (iii) Taxable Fourth Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 D in the original aggregate principal amount of \$3,470,000 (the “Series 2008 D Bonds” and together with the Series 2008 A Bonds, the Series 2008 B Bonds and the Series 2008 C Bonds, the “Series 2008 Bonds”).

The Series 2008 Bonds are being issued to refund two series of bonds issued by the Issuer in 1996 in order to pay a portion of the costs of the acquisition, construction and equipping of an 18-hole golf course and hotel/meeting center facility and related facilities in Rocky Gap State Park, Allegany County, Maryland (the “Project”).

The terms of the Series 2008 Bonds include those stated in the Indenture, and the Series 2008 Bonds are subject to all such terms. Reference is made hereby to the Indenture for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Trustee and the holders of the Series 2008 Bonds. By the acceptance of this bond, the holder hereof assents to all of the provisions of the Indenture. The Indenture is on file at the corporate trust office of the Trustee in Baltimore, Maryland.

2. Trust Estate; Deeds of Trust. As security for the obligations of the Issuer under the Indenture, the Issuer has pledged to the Trustee all of the Issuer’s right, title and interest in and to the proceeds of the Series 2008 Bonds and the Revenues (defined herein). All of the foregoing is herein collectively referred to as the “Trust Estate.”

Pursuant to the Indenture, the Trust Estate is held by the Trustee first, for the equal and ratable benefit, security and protection of all present and future holders of the Series 2008 A Bonds (and any Additional Bonds (as defined in the Indenture) issued to refund the Series 2008 A Bonds) to the extent provided in the Indenture; second, for the benefit, security and protection of all present and future holders of the Series 2008 B Bonds (and any Additional Bonds issued to

refund the Series 2008 B Bonds) to the extent provided in the Indenture; third for the benefit, security and protection of all present and future holders of the Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds) to the extent provided in the Indenture; fourth for the benefit, security and protection of all present and future holders of the Series 2008 D Bonds (and any Additional Bonds issued to refund the Series 2008 D Bonds) to the extent provided in the Indenture; and fifth, for the benefit, security and protection of all future holders of any Additional Bonds other than Additional Bonds issued to refund the Series 2008 Bonds, but otherwise without privilege, priority or distinction as to the lien or otherwise of any Bonds over any other Bonds, except as otherwise expressly provided in the Indenture and in any Supplemental Indenture authorizing the issuance of any Additional Bonds. The Series 2008 Bonds and any Additional Bonds are herein collectively referred to as the “Bonds”.

In addition, the Issuer has executed and delivered a First Lien Leasehold Deed of Trust (the “First Lien Deed of Trust”) to secure the Series 2008 A Bonds, a Second Lien Leasehold Deed of Trust (the “Second Lien Deed of Trust”) to secure the Series 2008 B Bonds, a Third Lien Leasehold Deed of Trust (the “Third Lien Deed of Trust”) to secure the Series 2008 C Bonds and a Fourth Lien Leasehold Deed of Trust (the “Fourth Lien Deed of Trust”) to secure the Series 2008 D Bonds, each covering the Issuer’s leasehold interest in the Property (defined in the Indenture) and subject to Permitted Encumbrances (as defined in the Indenture). The First Lien Deed of Trust, the Second Lien Deed of Trust, the Third Lien Deed of Trust and the Fourth Lien Deed of Trust are herein collectively referred to as the “Deeds of Trust.”

As defined in the Indenture, the “Revenues” include all of the Issuer’s receipts, revenues, rentals, fees, income, insurance proceeds, condemnation awards and other moneys derived from the ownership, operation or leasing of any portion of the Property and all rights to receive the same, whether in the form of accounts, general intangibles or other rights, and the proceeds of such accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, including, without limitation, payments to the Issuer in the form of ground rent or other consideration paid to it for the placement of video lottery terminals on the Land or any other revenues of the Issuer from video lottery terminals, however derived; provided, however, that the term “Revenues” shall not include (i) any and all receipts generated through the imposition of any sales, room or amusement tax (other than the Hotel Occupancy Tax Revenue (as defined in the Indenture)) or (ii) any and all Surcharge Revenue (as defined in the Indenture).

3. The Series 2008 C Bonds. The Series 2008 C Bonds shall bear interest at a per annum fixed rate of interest equal to 0% and shall mature on July 1, 2048. All the Series 2008 C Bonds are of like tenor except as to number and principal amount.

4. Additional Bonds. The Indenture provides that Additional Bonds may be issued within the limitations and provisions of the Indenture to (i) refund or advance refund any Outstanding Bonds, and (ii) obtain funds to finance or refinance the costs of acquiring, constructing and equipping Additional Projects (as defined in the Indenture). Additional Series 2008 C Bonds may be issued as provided in Section 2.03 of the Indenture.

5. Redemption. The Series 2008 C Bonds at the time outstanding may be redeemed prior to their respective maturities as follows:

(a) Optional Redemption. Series 2008 C Bonds are subject to redemption prior to maturity as a whole or in part on any Release Date (as defined in the Indenture) and at the option of the Issuer on any other date, in either case at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date set for redemption.

(b) Extraordinary Redemption. The Series 2008 C Bonds are subject to redemption prior to maturity as a whole at any time or in part on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, from funds deposited in the Redemption Fund (created by the Indenture) from (i) proceeds from title insurance with respect to the Property (defined in the Indenture); (ii) proceeds from the condemnation of the Property or any portion thereof or from agreements with, or action by, a public authority in the nature of or in lieu of condemnation proceedings and related payments (other than condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland); and (iii) proceeds from insurance and related payments received in connection with the loss, damage or destruction of the Property, in each case to the extent such proceeds are not used for the repair or replacement of lost, damaged, destroyed or taken property.

(c) Extraordinary Redemption Upon Condemnation by the State of Maryland. The Series 2008 C Bonds are subject to redemption prior to maturity in whole at any time at a redemption price equal to (i) 105% of the principal amount thereof through March 31, 2011 and (ii) thereafter, 100% of the principal amount thereof, in either case, plus accrued interest thereon in the event of the condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland.

(d) Selection of Series 2008 C Bonds to Be Redeemed. The Trustee shall select the particular Series 2008 C Bonds or portions of Series 2008 C Bonds to be redeemed by lot. No partial redemption shall result in a Series 2008 C Bond in a denomination of less than \$100,000.

(e) Notice of Redemption. The Trustee shall mail notice of the call for any other redemption at least 30 days (15 days in the event of an optional redemption pursuant to Section 5(a) hereof resulting from the application of moneys thereto on any Release Date pursuant to Section 4.6(b) of the Indenture) before the redemption date to the registered owners of the Series 2008 C Bonds to be redeemed, the Registered Depositories (as defined in the Indenture) and at least two of the National Information Services (as defined in the Indenture) to be randomly selected by the Trustee; provided, however, that so long as the Series 2008 C Bonds are maintained in book-entry form, notice of the call for redemption required to be given to the registered owners shall be given only to the securities depository or its nominee in whose name the Series 2008 C Bonds are registered. The failure to mail any such notice to any registered owner of Series 2008 C Bonds to be redeemed, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Series 2008 C Bonds. The failure to mail any such notice to the Registered Depositories or to at least two National Information Services, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2008 C Bonds. If for any reason it is impossible or impractical to mail such notice of redemption, the Trustee shall give notice of the call for any redemption by publication at least once in an Authorized New York Newspaper (as defined in the Indenture) and at least once in an Authorized Baltimore Newspaper (as defined in the Indenture), which notice shall be published at least 30 days before the redemption date. In the event

notice is published as provided above, the mailing of notice to the registered owners of Series 2008 C Bonds to be redeemed shall not be a condition precedent to redemption and the failure so to mail any such notice to any such registered owners shall not affect the validity of the proceedings for the redemption of Series 2008 C Bonds.

(f) Effect of Call for Redemption. On the date designated for redemption, and any notice having been given as provided herein, the Series 2008 C Bonds or portions of Series 2008 C Bonds so called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Series 2008 C Bonds or such portions thereof on such date and, if moneys for the payment of the Redemption Price and accrued interest are held by the Trustee as provided in the Indenture, interest on such Series 2008 C Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2008 C Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the registered owners thereof shall have no rights in respect of such Series 2008 C Bonds or such portions thereof so called for redemption except to receive payment of the Redemption Price thereof and the accrued interest thereon so held by the Trustee. If a portion of this bond shall be called for redemption, a new Series 2008 C Bond or Series 2008 C Bonds in the aggregate principal amount equal to the unredeemed portion hereof, of the same series and maturity and bearing interest at the same rate, shall be issued to the registered owner upon the surrender hereof.

6. Increase in Principal Sum; Calculation of Principal Sum Outstanding. The outstanding principal balance of the Series 2008 C Bonds is subject to increase from time to time in an amount equal to the amount of accrued interest on certain Series 2008 B Bonds that is not paid when due. The amount of any increase to the Principal Sum of this bond shall be set forth in a notice from the Trustee to the holder hereof. In the event that the Principal Sum hereof is increased or part, but not all, of this bond shall be called for redemption, the holder of this bond may elect not to surrender this bond in exchange for a new Series 2008 C Bond and in such event shall make a notation indicating the principal amount of such increase or redemption and the date thereof on the Payment Grid attached hereto. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the Principal Sum shown on the face hereof less the amount of any partial redemption of this bond plus the amount of any increase contained in a notice from the Trustee. The failure of the holder hereof to note the principal amount of any partial redemption or increase in Principal Sum on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the Issuer hereunder. **THEREFORE, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS BOND CANNOT BE DETERMINED FROM THE FACE HEREOF.**

7. Acceleration; Defeasance. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds then outstanding under the Indenture may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

The Indenture prescribes the manner in which it may be discharged and provides that Bonds shall be deemed to be paid if moneys or Government Obligations (as defined in the Indenture), the principal of and interest on which, when due, will be sufficient to pay the principal or Redemption Price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

8. Persons Deemed Owners; Restrictions upon Actions by Individual Holders. The Issuer and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the Issuer or the Trustee) for the purpose of receiving payment of or on account of the principal or Redemption Price of this bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this bond, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this bond.

The registered owner of this bond shall have no right to enforce the provisions of the Indenture, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect hereto, except as provided in the Indenture.

9. Transfer and Exchange. This bond may be exchanged for an equal aggregate principal amount of Series 2008 C Bonds, of the same maturity and bearing interest at the same rate and of other Authorized Denominations (as defined in the Indenture), and the transfer of this bond may be registered, upon presentation and surrender of this bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative. The Issuer and the Trustee may require the person requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the Issuer nor the Trustee shall be required to register the transfer of this bond or make any such exchange of this bond after this bond or any portion hereof has been selected for redemption.

10. Modifications. Modifications or alterations of the Indenture or the Deeds of Trust may be made only to the extent and in the circumstances permitted by the Indenture and the Deeds of Trust.

11. Negotiability. As declared by the Act, this bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

12. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State of Maryland.

13. Notices. Except as otherwise provided in the Indenture and this bond, when the Trustee is required to give notice to the owner of this bond, such notice shall be mailed by first-class mail to the registered owner of this bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressees.

14. NO RECOURSE. EXCEPT WITH RESPECT TO CERTAIN LEGAL FEES TO BE PAID BY THE ISSUER AND EXCEPT FOR THE FRAUD OR WILLFUL MISCONDUCT OF THE ISSUER, ANY CLAIM BASED ON OR IN RESPECT OF ANY LIABILITY OF THE

ISSUER FOR (I) THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON, OR THE REDEMPTION PRICE OF, THE BONDS OR (II) THE PERFORMANCE OF ANY OTHER COVENANT, AGREEMENT, TERM OR CONDITION CONTAINED IN THE INDENTURE, THE BONDS, ANY OF THE DEEDS OF TRUST OR ANY OTHER DOCUMENT EXECUTED AND DELIVERED IN CONNECTION WITH THE BONDS SHALL BE ENFORCED ONLY AGAINST THE TRUST ESTATE AND NOT AGAINST ANY OTHER ASSETS, PROPERTIES OR FUNDS OF THE ISSUER OR AGAINST ANY ASSETS, PROPERTIES OR FUNDS OF ANY DIRECTOR, OFFICER, EMPLOYEE, SUCCESSOR, ASSIGN OR AGENT OF THE ISSUER.

Neither the Issuer nor the State nor any political subdivision thereof shall in any event be liable for the payment of the principal or Redemption Price of or interest on the Bonds from any source other than the Trust Estate. Neither the Bonds nor any pledge, mortgage, obligation or agreement of the Issuer under the Indenture, the Bonds, or any of the Deeds of Trust shall be construed to constitute an obligation of the State or any political subdivision thereof or a debt of the State or any political subdivision thereof within the meaning of any constitutional or statutory provision whatsoever, or as a pledge of the general credit, full faith or taxing power of the State or any political subdivision thereof.

All acts, conditions and things required by the Constitution and laws of the State of Maryland and the rules and regulations of the Issuer to happen, exist and be performed precedent to and in the issuance of this bond, the execution and delivery of the Indenture and the Deeds of Trust, have happened, exist and have been performed as so required.

No recourse shall be had for the payment of the principal or Redemption Price of and interest on this bond or for any claims based thereon or on the Indenture against any director, official, officer or employee of the Issuer or any person executing this bond, all such liability, if any, being expressly waived and released by the registered owner of this bond by the acceptance of this bond.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the Maryland Economic Development Corporation has caused this bond to be executed in its name by the manual or facsimile signature of its Executive Director and its corporate seal (or a facsimile thereof) to be hereon affixed, imprinted, engraved or otherwise reproduced, all as of the Dated Date.

**MARYLAND ECONOMIC DEVELOPMENT  
CORPORATION**

[SEAL]

By: \_\_\_\_\_  
Executive Director

[Certificate of Authentication]

Date of Authentication:

This bond is one of the bonds of the series designated herein and issued under the provisions of the within-mentioned Indenture.

**MANUFACTURERS AND TRADERS  
TRUST COMPANY**

By: \_\_\_\_\_  
Authorized Officer



(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, \_\_\_\_\_, the undersigned, hereby sells, assigns and transfers unto (Tax Identification or Social Security No. \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

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

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

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP or MSP signature guaranty medallion program.

THIS BOND HAS BEEN SUBORDINATED TO CERTAIN SENIOR DEBT PURSUANT TO THE PROVISIONS OF A SUBORDINATION AGREEMENT DATED DECEMBER 1, 2008, AMONG THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION, THE MARYLAND DEPARTMENT OF NATURAL RESOURCES, ALLEGANY COUNTY, MARYLAND, THE MARYLAND DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT AND MANUFACTURERS AND TRADERS TRUST COMPANY, AS TRUSTEE FOR THE SENIOR DEBT (THE "TRUSTEE"). EACH HOLDER BY ITS ACCEPTANCE OF THIS INSTRUMENT HEREOF AGREES TO BE SUBJECT TO THE TERMS AND CONDITIONS OF SUCH AGREEMENT TO THE SAME EXTENT THAT THE HOLDER HEREOF IS BOUND AND, UPON REQUEST OF THE TRUSTEE, SHALL EXECUTE A SUBORDINATION AGREEMENT ON THE SAME TERMS AND CONDITIONS.

NEITHER THE STATE OF MARYLAND NOR ANY GOVERNMENTAL UNIT IS OBLIGED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS BOND, EXCEPT FROM REVENUES PLEDGED TO PAYMENT OF THIS BOND. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND. THIS BOND IS NOT A DEBT, LIABILITY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND OR A GOVERNMENTAL UNIT AND IS PAYABLE SOLELY FROM REVENUES PLEDGED THERETO. THIS BOND IS A LIMITED OBLIGATION OF THE ISSUER. THE ISSUANCE OF BONDS UNDER THE ACT (DEFINED HEREIN) IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE OF MARYLAND OR ANY GOVERNMENTAL UNIT THEREOF TO LEVY OR PLEDGE ANY TAX OR TO MAKE ANY APPROPRIATION TO PAY THIS BOND.

REGISTERED UNITED STATES OF AMERICA REGISTERED

STATE OF MARYLAND

No. \_\_\_ - \_\_\_ \$ \_\_\_\_\_

MARYLAND ECONOMIC DEVELOPMENT CORPORATION

TAXABLE FOURTH LIEN EXCESS CASH FLOW RECOVERY  
REFUNDING REVENUE BOND

(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)  
SERIES 2008 D

INTEREST <u>RATE</u>	MATURITY <u>DATE</u>	DATED <u>DATE</u>	<u>CUSIP</u>
8.000%	July 1, 2048	December 1, 2008	57405GH7

Registered Owner: \_\_\_\_\_

Principal Sum: \_\_\_\_\_ (\$ \_\_\_\_\_)

MARYLAND ECONOMIC DEVELOPMENT CORPORATION, a body politic and corporate and an instrumentality of the State of Maryland (the "Issuer"), for value received, hereby promises to pay, but only from the Trust Estate (defined herein), to the Registered Owner shown above or registered assigns or legal representative, upon the presentation and surrender hereof as provided herein, the Principal Sum shown above on the Maturity Date shown above (or earlier as hereinafter referred to), with interest thereon from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first interest payment date, from the Dated Date shown above, at the Interest Rate per annum shown above until said Principal Sum is paid, calculated on the basis of a 360-day year consisting of twelve 30-day months and due as of July 1, 2009 and annually thereafter as of July 1 of each year and payable on the Release Date (as defined in the Indenture).

All interest due on this bond shall be payable to the person in whose name this bond is registered on the bond registration books maintained by Manufacturers and Traders Trust Company, as trustee and registrar (such entity and any successor in such capacity being referred to herein as the "Trustee"), as of the close of business on the fifteenth day of the calendar month immediately preceding the interest payment date upon which such interest is due and payable and shall be made by check mailed to the address of such owner as it appears on the bond registration books maintained by the Trustee; provided, however, that interest payments due to any holder of \$1,000,000 or more in aggregate principal amount of the Bonds (defined herein) will be made by wire transfer of immediately available funds to an account designated by such holder in written notice to the Trustee at least 10 days prior to the first interest payment date as to which payment by wire transfer is to be made and provided further, that if there is a default in the payment of interest due hereon, such defaulted interest shall be payable to the person in whose name this bond is registered as of the close of business on a subsequent date fixed by the Trustee (the "Special Record Date") that is at least 10 and not more than 15 days before the date set for the payment of such defaulted interest. Notice of any Special Record Date will be given as hereinafter provided to the registered owner hereof not later than 10 days before the Special Record Date.

The principal or Redemption Price (as defined in the Indenture (defined herein)) of and interest on this bond are payable in lawful money of the United States of America or by check payable in such money. If any payment of the principal or Redemption Price of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A "Business Day" is any day other than a Saturday, Sunday or legal holiday observed as such by the Trustee.

1. The Bonds; Indenture. This bond is one of a duly authorized series of designated "MARYLAND ECONOMIC DEVELOPMENT CORPORATION TAXABLE FOURTH LIEN EXCESS CASH FLOW RECOVERY REFUNDING REVENUE BONDS (ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT), SERIES 2008 D" (the "Series 2008 D Bonds") aggregating THREE MILLION FOUR HUNDRED SEVENTY THOUSAND DOLLARS (\$3,470,000) in original aggregate principal amount issued under and pursuant to the Constitution and the laws of the State of Maryland, particularly Sections 10-101 through 10-131, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the "Act"), and the Second Amended and Restated Trust Indenture dated as of December 1, 2008 between the Issuer and the Trustee (the "Indenture"). Simultaneously with the issuance of the Series 2008 D Bonds, the Issuer will issue its (i) Taxable First Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project), Series 2008 A in the original aggregate principal amount of \$7,000,000 (the "Series 2008 A Bonds"), (ii) Tax-Exempt Second Lien Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 B in the initial aggregate principal amount of \$17,000,000 (the "Series 2008 B Bonds") and (iii) Taxable Third Lien Excess Cash Flow Recovery Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 C in the initial aggregate principal amount of \$17,772,100.28 (the "Series 2008 C Bonds" and together with the Series 2008 A Bonds, the Series 2008 B Bonds and the Series 2008 D Bonds, the "Series 2008 Bonds").

The Series 2008 Bonds are being issued to refund two series of bonds issued by the Issuer in 1996 in order to pay a portion of the costs of the acquisition, construction and equipping of an 18-

hole golf course and hotel/meeting center facility and related facilities in Rocky Gap State Park, Allegany County, Maryland (the "Project").

The terms of the Series 2008 Bonds include those stated in the Indenture, and the Series 2008 Bonds are subject to all such terms. Reference is made hereby to the Indenture for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the Issuer, the Trustee and the holders of the Series 2008 Bonds. By the acceptance of this bond, the holder hereof assents to all of the provisions of the Indenture. The Indenture is on file at the corporate trust office of the Trustee in Baltimore, Maryland.

2. Trust Estate; Deeds of Trust. As security for the obligations of the Issuer under the Indenture, the Issuer has pledged to the Trustee all of the Issuer's right, title and interest in and to the proceeds of the Series 2008 Bonds and the Revenues (defined herein). All of the foregoing is herein collectively referred to as the "Trust Estate."

Pursuant to the Indenture, the Trust Estate is held by the Trustee first, for the equal and ratable benefit, security and protection of all present and future holders of the Series 2008 A Bonds (and any Additional Bonds (as defined in the Indenture) issued to refund the Series 2008 A Bonds) to the extent provided in the Indenture; second, for the benefit, security and protection of all present and future holders of the Series 2008 B Bonds (and any Additional Bonds issued to refund the Series 2008 B Bonds) to the extent provided in the Indenture; third for the benefit, security and protection of all present and future holders of the Series 2008 C Bonds (and any Additional Bonds issued to refund the Series 2008 C Bonds) to the extent provided in the Indenture; fourth for the benefit, security and protection of all present and future holders of the Series 2008 D Bonds (and any Additional Bonds issued to refund the Series 2008 D Bonds) to the extent provided in the Indenture; and fifth, for the benefit, security and protection of all future holders of any Additional Bonds other than Additional Bonds issued to refund the Series 2008 Bonds, but otherwise without privilege, priority or distinction as to the lien or otherwise of any Bonds over any other Bonds, except as otherwise expressly provided in the Indenture and in any Supplemental Indenture authorizing the issuance of any Additional Bonds. The Series 2008 Bonds and any Additional Bonds are herein collectively referred to as the "Bonds".

In addition, the Issuer has executed and delivered a First Lien Leasehold Deed of Trust (the "First Lien Deed of Trust") to secure the Series 2008 A Bonds, a Second Lien Leasehold Deed of Trust (the "Second Lien Deed of Trust") to secure the Series 2008 B Bonds, a Third Lien Leasehold Deed of Trust (the "Third Lien Deed of Trust") to secure the Series 2008 C Bonds and a Fourth Lien Leasehold Deed of Trust (the "Fourth Lien Deed of Trust") to secure the Series 2008 D Bonds, each covering the Issuer's leasehold interest in the Property (defined in the Indenture) and subject to Permitted Encumbrances (as defined in the Indenture). The First Lien Deed of Trust, the Second Lien Deed of Trust, the Third Lien Deed of Trust and the Fourth Lien Deed of Trust are herein collectively referred to as the "Deeds of Trust."

As defined in the Indenture, the "Revenues" include all of the Issuer's receipts, revenues, rentals, fees, income, insurance proceeds, condemnation awards and other moneys derived from the ownership, operation or leasing of any portion of the Property and all rights to receive the same, whether in the form of accounts, general intangibles or other rights, and the proceeds of such

accounts, general intangibles and other rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, including, without limitation, payments to the Issuer in the form of ground rent or other consideration paid to it for the placement of video lottery terminals on the Land or any other revenues of the Issuer from video lottery terminals, however derived; provided, however, that the term "Revenues" shall not include (i) any and all receipts generated through the imposition of any sales, room or amusement tax (other than the Hotel Occupancy Tax Revenue (as defined in the Indenture)) or (ii) any and all Surcharge Revenue (as defined in the Indenture).

3. The Series 2008 D Bonds. The Series 2008 D Bonds shall bear interest at a per annum fixed rate of interest equal to 8% and shall mature on July 1, 2048. All the Series 2008 D Bonds are of like tenor except as to number and principal amount. The Series 2008 D Bonds are issuable only in registered form without coupons in denominations of \$100,000 and any integral multiple of \$5,000 in excess of \$100,000.

4. Additional Bonds. The Indenture provides that Additional Bonds may be issued within the limitations and provisions of the Indenture to (i) refund or advance refund any Outstanding Bonds, and (ii) obtain funds to finance or refinance the costs of acquiring, constructing and equipping Additional Projects (as defined in the Indenture).

5. Redemption. The Series 2008 D Bonds at the time outstanding may be redeemed prior to their respective maturities as follows:

(a) Optional Redemption. Series 2008 D Bonds are subject to redemption prior to maturity as a whole or in part at any time upon the option of the Issuer, at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date set for redemption.

(b) Extraordinary Redemption. The Series 2008 D Bonds are subject to redemption prior to maturity as a whole at any time or in part on any interest payment date, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date set for redemption, from funds deposited in the Redemption Fund (created by the Indenture) from (i) proceeds from title insurance with respect to the Property (defined in the Indenture); (ii) proceeds from the condemnation of the Property or any portion thereof or from agreements with, or action by, a public authority in the nature of or in lieu of condemnation proceedings and related payments (other than condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland); and (iii) proceeds from insurance and related payments received in connection with the loss, damage or destruction of the Property, in each case to the extent such proceeds are not used for the repair or replacement of lost, damaged, destroyed or taken property.

(c) Extraordinary Redemption Upon Condemnation by the State of Maryland. The Series 2008 D Bonds are subject to redemption prior to maturity in whole at any time at a redemption price equal to (i) 105% of the principal amount thereof through March 31, 2011 and (ii) thereafter, 100% of the principal amount thereof, in either case, plus accrued interest thereon in the event of the condemnation of all or substantially all of the Project by the State of Maryland or any political subdivision or instrumentality of the State of Maryland.

(d) Selection of Series 2008 D Bonds to Be Redeemed. The Trustee shall select the particular Series 2008 D Bonds or portions of Series 2008 D Bonds to be redeemed by lot. Series 2008 D Bonds or portions thereof shall be redeemed in denominations of \$5,000 or any integral multiple thereof; provided, however, that no partial redemption shall result in a Series 2008 D Bond in a denomination of less than \$100,000.

(e) Notice of Redemption. The Trustee shall mail notice of the call for any other redemption at least 30 days (15 days in the event of an optional redemption pursuant to Section 5(a) hereof resulting from the application of moneys thereto on any Release Date pursuant to Section 4.6(b) of the Indenture) before the redemption date to the registered owners of the Series 2008 D Bonds to be redeemed, the Registered Depositories (as defined in the Indenture) and at least two of the National Information Services (as defined in the Indenture) to be randomly selected by the Trustee; provided, however, that so long as the Series 2008 D Bonds are maintained in book-entry form, notice of the call for redemption required to be given to the registered owners shall be given only to the securities depository or its nominee in whose name the Series 2008 D Bonds are registered. The failure to mail any such notice to any registered owner of Series 2008 D Bonds to be redeemed, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Series 2008 D Bonds. The failure to mail any such notice to the Registered Depositories or to at least two National Information Services, or any defect therein, shall not affect the validity of the proceedings for the redemption of Series 2008 D Bonds. If for any reason it is impossible or impractical to mail such notice of redemption, the Trustee shall give notice of the call for any redemption by publication at least once in an Authorized New York Newspaper (as defined in the Indenture) and at least once in an Authorized Baltimore Newspaper (as defined in the Indenture), which notice shall be published at least 30 days before the redemption date. In the event notice is published as provided above, the mailing of notice to the registered owners of Series 2008 D Bonds to be redeemed shall not be a condition precedent to redemption and the failure so to mail any such notice to any such registered owners shall not affect the validity of the proceedings for the redemption of Series 2008 D Bonds.

(f) Effect of Call for Redemption. On the date designated for redemption, and any notice having been given as provided herein, the Series 2008 D Bonds or portions of Series 2008 D Bonds so called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Series 2008 D Bonds or such portions thereof on such date and, if moneys for the payment of the Redemption Price and accrued interest are held by the Trustee as provided in the Indenture, interest on such Series 2008 D Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2008 D Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture, and the registered owners thereof shall have no rights in respect of such Series 2008 D Bonds or such portions thereof so called for redemption except to receive payment of the Redemption Price thereof and the accrued interest thereon so held by the Trustee. If a portion of this bond shall be called for redemption, a new Series 2008 D Bond or Series 2008 D Bonds in the aggregate principal amount equal to the unredeemed portion hereof, of the same series and maturity and bearing interest at the same rate, shall be issued to the registered owner upon the surrender hereof.

(g) Provisions Applicable to Book-Entry Bonds. So long as all of the Series 2008 D Bonds shall be maintained in book-entry form with a Depository (as defined in the

Indenture) in accordance with Section 2.12 of the Indenture, in the event that part, but not all, of this bond shall be called for redemption, the holder of this bond may elect not to surrender this bond in exchange for a new Series 2008 D Bond in accordance with paragraph (f) above and in such event shall make a notation indicating the principal amount of such redemption and the date thereof on the Payment Grid attached hereto. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the lesser of (A) the Principal Sum shown on the face hereof and (B) such Principal Sum reduced by the principal amount of any partial redemption of this bond following which the holder of this bond has elected not to surrender this bond in accordance with paragraph (f) above. The failure of the holder hereof to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the Issuer hereunder. THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.

6. Acceleration; Defeasance. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds then outstanding under the Indenture may become or may be declared due and payable before the stated maturities thereof, together with the interest accrued thereon.

The Indenture prescribes the manner in which it may be discharged and provides that Bonds shall be deemed to be paid if moneys or Government Obligations (as defined in the Indenture), the principal of and interest on which, when due, will be sufficient to pay the principal or Redemption Price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

7. Persons Deemed Owners; Restrictions upon Actions by Individual Holders. The Issuer and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the Issuer or the Trustee) for the purpose of receiving payment of or on account of the principal or Redemption Price of this bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this bond, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this bond.

The registered owner of this bond shall have no right to enforce the provisions of the Indenture, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect hereto, except as provided in the Indenture.

8. Transfer and Exchange. This bond may be exchanged for an equal aggregate principal amount of Series 2008 D Bonds, of the same maturity and bearing interest at the same rate and of other Authorized Denominations (as defined in the Indenture), and the transfer of this bond may be registered, upon presentation and surrender of this bond at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative. The Issuer and the Trustee may require the person

requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the Issuer nor the Trustee shall be required to register the transfer of this bond or make any such exchange of this bond after this bond or any portion hereof has been selected for redemption.

9. Modifications. Modifications or alterations of the Indenture or the Deeds of Trust may be made only to the extent and in the circumstances permitted by the Indenture and the Deeds of Trust.

10. Negotiability. As declared by the Act, this bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

11. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State of Maryland.

12. Notices. Except as otherwise provided in the Indenture and this bond, when the Trustee is required to give notice to the owner of this bond, such notice shall be mailed by first-class mail to the registered owner of this bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressees.

13. NO RECOURSE. EXCEPT WITH RESPECT TO CERTAIN LEGAL FEES TO BE PAID BY THE ISSUER AND EXCEPT FOR THE FRAUD OR WILLFUL MISCONDUCT OF THE ISSUER, ANY CLAIM BASED ON OR IN RESPECT OF ANY LIABILITY OF THE ISSUER FOR (I) THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON, OR THE REDEMPTION PRICE OF, THE BONDS OR (II) THE PERFORMANCE OF ANY OTHER COVENANT, AGREEMENT, TERM OR CONDITION CONTAINED IN THE INDENTURE, THE BONDS, ANY OF THE DEEDS OF TRUST OR ANY OTHER DOCUMENT EXECUTED AND DELIVERED IN CONNECTION WITH THE BONDS SHALL BE ENFORCED ONLY AGAINST THE TRUST ESTATE AND NOT AGAINST ANY OTHER ASSETS, PROPERTIES OR FUNDS OF THE ISSUER OR AGAINST ANY ASSETS, PROPERTIES OR FUNDS OF ANY DIRECTOR, OFFICER, EMPLOYEE, SUCCESSOR, ASSIGN OR AGENT OF THE ISSUER.

Neither the Issuer nor the State nor any political subdivision thereof shall in any event be liable for the payment of the principal or Redemption Price of or interest on the Bonds from any source other than the Trust Estate. Neither the Bonds nor any pledge, mortgage, obligation or agreement of the Issuer under the Indenture, the Bonds, or any of the Deeds of Trust shall be construed to constitute an obligation of the State or any political subdivision thereof or a debt of the State or any political subdivision thereof within the meaning of any constitutional or statutory provision whatsoever, or as a pledge of the general credit, full faith or taxing power of the State or any political subdivision thereof.

All acts, conditions and things required by the Constitution and laws of the State of Maryland and the rules and regulations of the Issuer to happen, exist and be performed precedent to

and in the issuance of this bond, the execution and delivery of the Indenture and the Deeds of Trust, have happened, exist and have been performed as so required.

No recourse shall be had for the payment of the principal or Redemption Price of and interest on this bond or for any claims based thereon or on the Indenture against any director, official, officer or employee of the Issuer or any person executing this bond, all such liability, if any, being expressly waived and released by the registered owner of this bond by the acceptance of this bond.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the Maryland Economic Development Corporation has caused this bond to be executed in its name by the manual or facsimile signature of its Executive Director and its corporate seal (or a facsimile thereof) to be hereon affixed, imprinted, engraved or otherwise reproduced, all as of the Dated Date.

**MARYLAND ECONOMIC DEVELOPMENT CORPORATION**

[SEAL]

By: \_\_\_\_\_  
Executive Director

[Certificate of Authentication]

Date of Authentication:

This bond is one of the bonds of the series designated herein and issued under the provisions of the within-mentioned Indenture.

**MANUFACTURERS AND TRADERS TRUST COMPANY**

By: \_\_\_\_\_  
Authorized Officer



(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, \_\_\_\_\_, the undersigned, hereby sells, assigns and transfers unto (Tax Identification or Social Security No. \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

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

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

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP or MSP signature guaranty medallion program.

MARYLAND ECONOMIC DEVELOPMENT CORPORATION  
REFUNDING REVENUE BONDS  
(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)

REQUISITION FROM CONSTRUCTION ACCOUNT

TO: Manufacturers and Traders  
Trust Company  
25 South Charles Street  
Baltimore, Maryland 21201  
Attention: Corporate Trust Department

Requisition Number: \_\_\_\_\_  
Date: \_\_\_\_\_, \_\_\_\_

Pursuant to the Second Amended and Restated Trust Indenture dated as of December 1, 2008 (the "Indenture"), by and between the Maryland Economic Development Corporation, a body politic and corporate and an instrumentality of the State of Maryland (the "Issuer"), and Manufacturers and Traders Trust Company, as Trustee (the "Trustee"), we request that you make disbursement of funds from the Construction Account held by you as Trustee under the Indenture to the following payee in the following amount:

Payee: \_\_\_\_\_

Payee's Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Amount: \_\_\_\_\_

Purpose of Requisition: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

We hereby certify that:

(a) none of the items for which funds are being requisitioned has formed the basis for any disbursement heretofore made from the Construction Account;

(b) each item for which funds are being requisitioned is a proper item to be paid from the Construction Account and is necessary in connection with the acquisition, construction or equipping of the \_\_\_\_\_, as an Additional Project under the Indenture (the "Additional Project") as evidenced by the attached invoices, receipts or other

items and as permitted by the Indenture and, if for direct costs of construction, the construction contract for the Additional Project (the "Construction Contract");

(c) all of such funds are being used for the payment of Costs (as defined in the Indenture) of the Additional Project;

(d) this requisition contains no items representing payment on account of any percentage entitled to be retained at the date hereof;

(e) no written notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable under this requisition to any of the persons named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged, or will be released or discharged upon the payment of this requisition;

(f) if this requisition is for construction costs under the Construction Contract, all such work has been performed in accordance with the Architect's Plans and Specifications for the Additional Project and attached hereto is a copy of the Application and Certificate for Payment (AIA Form G702 or similar document), signed by the Architect;

(g) this requisition, if for construction costs under the Construction Contract, does not exceed [retainage percentage] of the amount due the Contractor that is relating to construction;

(h) with respect to each item for payment for labor or materials and equipment, the labor for which payment is requested was actually performed or the materials and equipment were actually furnished to or installed in or about the Additional Project;

(i) such materials and equipment are not subject to any lien or security interest created by us or, to our knowledge, by any other person, or the funds requested by this requisition are to be used to satisfy any such lien or security interest;

(j) if this requisition is being made for disbursements from the Construction Account for materials which are not physically incorporated into the Additional Project, such materials are stored on the Land (as defined in the Indenture), secured and insured against theft, vandalism and other damage and are to be physically incorporated into the Additional Project within 90 days after delivery to the Land;

(k) attached hereto (if not previously furnished to the Trustee) are waivers of liens and receipts of payment as to the General Contractor for the Additional Project for all work performed to the date of submission hereof and waivers of liens as to each subcontractor and each supplier for materials included in the last previous requisition within 30 days from the date of funding of the last previous requisition, or prior to the next requisition, whichever shall first occur;

(l) based on the certificate of the Architect for the Additional Project attached hereto, all construction work under the Architect's Plans and Specifications which has been

completed under the Construction Contract is in conformity with the Architect's Plans and Specifications;

(m) the moneys now on deposit in the Construction Account, together with other moneys expected to be available to the Issuer for the Additional Project, are sufficient to complete the acquisition, construction and equipping of the Additional Project or the Additional Project has been so completed;

(n) all representations and warranties of the Issuer made in the Indenture, the Deeds of Trust and each and every agreement executed and delivered by the Issuer in connection with the Series \_\_\_\_\_ Bonds are true and correct in all material respects and are incorporated herein by reference;

Attached hereto is a Schedule showing the Costs of the Additional Project funded to the date of this requisition, the sources of payment applied thereto and Costs of the Additional Project remaining to be paid.

If this requisition is for the final disbursement for the Costs of the Additional Project, delivered herewith are the originally executed Completion Certificate (as defined in the Indenture) and all documents required to be attached thereto.

**MARYLAND ECONOMIC DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Authorized Officer

Total prior requisitions	\$ _____
Amount of this requisition	\$ _____
Total	\$ _____

Notes:

1. All purchase orders, invoices and other appropriate documentation supporting the payments or reimbursements herein requested must be delivered to the Trustee with this requisition.

MARYLAND ECONOMIC DEVELOPMENT CORPORATION  
REFUNDING REVENUE BONDS  
(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)

COMPLETION CERTIFICATE

Manufacturers and Traders Trust Company  
25 South Charles Street  
Baltimore, Maryland 21201  
Attention: Corporate Trust Department

This Completion Certificate is being executed and delivered pursuant to the Second Amended and Restated Trust Indenture dated as of December 1, 2008 (as amended, the "Indenture"). Unless the context clearly indicates a contrary meaning, all terms used herein and defined in the Indenture have the meanings set forth in the Indenture.

As required by the Indenture, the Maryland Economic Development Corporation hereby certifies to the Trustee that:

(a) The acquisition, construction and equipping of the Additional Project was completed on \_\_\_\_\_, \_\_\_\_.

(b) All work performed under the Construction Contract therefor has been completed in accordance with the Architect's Plans and Specifications for the Additional Project so as to permit efficient operation of the Additional Project and all labor, services, materials and supplies used in connection therewith have been paid for [except those items (if any) listed on Schedule I attached hereto][, for the payment of which moneys should be reserved in the Construction Account].

(c) The total amount of unpaid Costs of the Additional Project is \$\_\_\_\_\_, and there are sufficient moneys on deposit in the Construction Account or otherwise available to the Issuer to pay such costs.

(d) Completion of the acquisition, construction and equipping of the Additional Project has been accomplished in such a manner as to conform with all applicable planning, building, environmental and other regulations of all governmental authorities (State or federal) having jurisdiction.

(e) All of the moneys disbursed by the Trustee from the Construction Account has been used for the payment of Costs of the Additional Project.

(f) Attached hereto are the following:

1. final lien waivers of the General Contractor and all subcontractors,
2. copies of: (i) the permanent use and occupancy certificate and (ii) all other local government approvals authorizing occupancy or use of the Additional Project,

- [3. an as-built survey of the Additional Project,]
- 4. a copy of the Architect's Final Certificate for Payment,
- 5. the General Contractor's Affidavit of Release of Liens and Affidavit of Payment of Debts and Claims,
- [6. Consent of Surety Company to Final Payment,]
- 7. Certificate of Substantial Completion signed by the Architect, the General Contractor and the Issuer[,]
- 8. an endorsement to the Title Insurance Policy indicating that no exceptions (other than Permitted Encumbrances) have arisen between the date of issuance of such Title Insurance Policy and the date hereof].

(g) This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

WITNESS the signature of the Maryland Economic Development Corporation by its duly authorized officer this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**MARYLAND ECONOMIC DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Authorized Officer

[ARCHITECT]

By: \_\_\_\_\_  
Name:  
Title: