



Agenda
Indianapolis Airport Authority
August 15, 2014
8:30 AM

- I. **Call to Order**
- II. **Approval of Minutes of the Pre-Board and Regular Meeting of July 18, 2014**
- III. **Ordinances, Resolutions and Public Hearings**
 - a) Final Public Hearing on **General Ordinance No. 4-2014** concerning the 2015 Indianapolis Airport Authority Budget.
 - b) Consider for approval **General Ordinance No. 5-2014**, consolidating and restating Master Bond Ordinance No. 4-2002 as amended.
 - c) Public Hearing and TEFRA Hearing on **General Ordinance No. 6-2014**, a Supplemental Ordinance of the Indianapolis Airport Authority authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority, to be designated "Indianapolis Airport Authority Refunding Airport Revenue Bonds". (***Robert Thomson to provide presentation on Airport Revenue Bonds***)
 - d) Consider for approval, the adoption of **General Ordinance No. 6-2014**, a Supplemental Ordinance of the Indianapolis Airport Authority authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority, to be designated "Indianapolis Airport Authority Refunding Airport Revenue Bonds".
 - e) Consider for approval adoption of **Resolution No. 8-2014** dedicating revenues collected from Passenger Facility Charges and Customer Facility Charges.
 - f) Consider for approval adoption of **Resolution No. 9-2014** authorizing the sale of IAA and IMC inventoried items via public auction.
- IV. **Board Reports**

President's Report
- V. **Official Actions**

Consider for approval the individual items listed on the IAA General Agenda dated August 15, 2014.
- VI. **Staff Reports**

Executive Director Report
- VII. **Other Reports/Update**
- VIII. **Board Communications**

Next Meeting: Friday, September 19, 2014 @ 8:30 a.m.
- IX. **Adjourn**

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:30 a.m., July 18, 2014, in the Airport's Board Room at the Indianapolis International Airport.

Present at commencement of the meeting and comprising a quorum were:

Michael W. Wells, President
Kelly J. Flynn, Vice President
Alfred Bennett, Secretary
Jean Wojtowicz, Member
Jack T. Morton, Jr., Member
Karen Caswelch, Member
Dr. Philip C. Borst, Member
David C. Lewis, Sr., Member
Steve C. Dillinger, Member
Lynn T. Gordon, Advisory Member

Rex M. Joseph, Jr., IAA Board Counsel

IAA executive staff attending:

Mario Rodriguez, Executive Director
Robert A. Duncan, Deputy Executive Director
Mike Medvescek, Sr. Director of Operations
Marsha Stone, Sr. Director of Commercial Enterprise
Shannetta Griffin, Sr. Director of Planning & Development
Joseph Heerens, General Counsel
Robert Thomson, Sr. Director of Finance
Jamie Leap, Sr. Administrative Assistant/Recording Secretary

APPROVAL OF MINUTES

Upon a motion by Mr. Flynn, seconded by Ms. Caswelch and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of June 20, 2014.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

President Wells introduced Mr. Robert Thomson, who gave a presentation on the 2015 Indianapolis Airport Authority Budget, which was recommended for approval by the IAA's Finance & Audit Committee as well as IAA Staff. President Wells next opened the public hearing and described General Ordinance No. 4-2014, concerning the IAA's 2015 budget. Mr. Wells asked if there were any comments or testimony, and, there being none, the public hearing was closed. The final public hearing on said budget will

occur next month where approval will be requested for the Airport System Fund Budget (\$198,696,000) and the Capital Improvement Fund Budget (\$57,000,000).

President Wells introduced General Ordinance No. 5-2014 regarding the consolidation and restatement of Master Bond Ordinance No. 4-2002, as amended.

President Wells also introduced General Ordinance No. 6-2014 authorizing the issuance and sale of one or more series of revenue bonds designated as "Indianapolis Airport Authority Refunding Airport Revenue Bonds, Series 2014".

BOARD REPORTS

President's Report

President Wells announced that David C. Lewis, Sr., will be leaving the IAA Board and that today will be his last meeting. Mr. Lewis recently informed President Wells that he had purchased a home outside of Marion County, Indiana, and would no longer meet the residency requirements for his continued service on IAA's Board. Mr. Wells thanked Mr. Lewis for his service to the organization and extended the appreciation of the Board and the IAA Staff for his contributions to the IAA.

OFFICIAL ACTIONS

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED July 18, 2014: President Wells introduced and then verbally described each of the individual items listed on the General Agenda, after which he asked for separate motions of approval, as follows:

BP2014-07-1. Upon a motion by Mr. Lewis, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2014-07-1.

BP2014-07-2. Upon a motion by Mr. Flynn, seconded by Ms. Caswelch and unanimously passed, approval was given to BP2014-07-2.

BP2014-07-3. Upon a motion by Mr. Bennett, seconded by Dr. Borst and unanimously passed, approval was given to BP2014-07-3.

BP2014-07-4. Upon a motion by Mr. Lewis, seconded by Mr. Flynn and unanimously passed, approval was given to BP2014-07-4.

BP2014-07-5. Upon a motion by Ms. Caswelch, seconded by Mr. Bennett and unanimously passed, approval was given to BP2014-07-5.

BP2014-07-6. Upon a motion by Mr. Lewis, seconded by Mr. Morton and unanimously passed, approval was given to BP2014-07-6.

BP2014-07-7. Upon a motion by Mr. Flynn, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2014-07-7.

STAFF REPORTS

Executive Director Report

Mr. Rodriguez provided a brief report about the recent celebration of the Indianapolis International Airport winning the ACI's prestigious award of "Best Airport in North America", which was held in Civic Plaza on July 1, 2014. This event was well attended and received significant media coverage. Speakers and attendees included the Deputy Mayor of the City of Indianapolis, the CEO of Visit Indy, members of the City-County Council, and IAA Board Member Dr. Philip Borst.

Mr. Rodriguez also provided a brief report on the 4th Annual ACE Academy which was held recently at the Indianapolis International Airport. This academy provides a learning experience for students between the ages of 12-18, who learn various aspects of the aviation industry during the one-week program.

ADJOURNMENT

President Wells announced that the next IAA Board meeting is scheduled for August 15, 2014.

There being no further business, the meeting was adjourned at 8:56 a.m.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael W. Wells, President

Alfred R. Bennett, Secretary

Date:_____

*Signed under authority of IAA Board Resolution #6-2013



Indianapolis Airport Authority

BOARD MEMO – 2015 BUDGET ORDINANCE

To: IAA Board of Directors
From: Robert Thomson, Sr. Director of Finance
Date: August 1, 2014
Board Date: August 15, 2014
Subject: 2015 Budget Ordinance

Attached is the 2015 Budget Ordinance 4-2014 as approved and recommended by the Finance and Audit Committee. This Budget Ordinance when adopted establishes the maximum appropriation (expenditure) levels for 2015.

The budget process requires an Introduction (completed June 20, 2014), an Initial Hearing and presentation (completed July 18, 2014), and the Final Hearing and adoption of the Budget before August 31, 2014. The Board will be asked to adopt or reject the 2015 Budget Ordinance during the August 15, 2014 meeting.

The Indianapolis City-County Council (Council) requires the Board to accept the 2015 Budget Ordinance by August 31, 2014. The Council Municipal Corporations Committee will hold a hearing on September 15, 2014 to review the 2015 Budget and the Council will approve the budget on October 13, 2014.

BUDGET SUBMISSION LETTER AND CERTIFICATE

TO THE AUDITOR OF MARION COUNTY, INDIANA:

The undersigned herewith submits two copies of the Budget adopted by the Board of the Indianapolis Airport Authority for the year ending December 31, 2015, for filing and presentation to the County Tax Adjustment Board.

I certify that said copies are true and exact copies of the Budget approved by the Board on August 15, 2014, fixing the appropriations for said year.

Dated this 15th day of August, 2014

Michael Wells
President of the Board
Indianapolis Airport Authority

Attest:

Robert Thomson
Treasurer
Indianapolis Airport Authority

STATE OF INDIANA, MARION COUNTY
INDIANAPOLIS AIRPORT AUTHORITY

I, Robert Thomson, Treasurer of the Indianapolis Airport Authority, do hereby certify the above and foregoing is a full, true and complete copy of General Ordinance 4-2014, that said Ordinance was passed by the Board of the Indianapolis Airport Authority on the 15th day of August, 2014, and now remains on file and record in the Airport offices.

WITNESS my hand and the Official Seal of
the Indianapolis Airport Authority this 15th
day of August, 2014

Robert Thomson
Treasurer
Indianapolis Airport Authority

INDIANAPOLIS AIRPORT AUTHORITY

ORDINANCE NO. 4-2014

An Ordinance appropriating monies for the purpose of defraying the expenses of the Indianapolis Airport Authority, Marion County, Indiana, for the calendar year of 2015, including all outstanding claims and obligations, and fixing a time when the same shall take effect.

Section I - Be it ordained by the Board of the Indianapolis Airport Authority, Marion County, Indiana, that for the calendar year of 2015, the following sums of money are hereby appropriated and ordered set apart out of the funds herein named and for the purpose herein specified, subject to the laws governing the same, and subject also to the conditions provided in this Ordinance. Such sums appropriated shall be held to be made during the year, unless otherwise expressly stipulated and provided by law.

Section II - That for said calendar year there is hereby appropriated out of the Airport System Fund of said Indianapolis Airport Authority the following:

Personal Services	\$ 29,065,000
Supplies & Materials	5,866,000
Other Services and Charges	163,062,000
Capital Outlay	<u>703,000</u>
Total Airport System Fund	\$198,696,000

That for said calendar year, there is hereby appropriated out of the Capital Improvement Fund of said Indianapolis Airport Authority the following:

Total Capital Improvement Fund	\$ 57,000,000
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That for said calendar year, disbursements from the appropriations of the Indianapolis Airport Authority may be transferred by the Board of the Indianapolis Airport Authority from one major budget classification to another, at any regular meeting without prior notice and without approval from the Department of Local Government Finance (DLGF), provided such transfer does not necessitate expenditure of more money than was set out in detail in the published budget.

Section III - Said moneys appropriated shall be derived from the following sources:

Airport System Funds on Hand	\$ 162,349,732
Capital Improvement Funds on Hand	36,895,062
Airport Revenues	182,877,003
Federal and State Grants	20,254,700
Transfers	5,529,199
Interest/Federal Payments/Other	9,739,123
Financing	<u>0</u>
	\$ 417,644,819

This Ordinance shall be in full force and effect after its passage. Enacted by the Board, August 15, 2014.

INDIANAPOLIS AIRPORT AUTHORITY*

By: _____
Michael Wells, President

By: _____
Alfred R. Bennett, Secretary

* Signed under authority of IAA Board Resolution #6-2013



Indianapolis Airport Authority

BOARD MEMO – BOND ORDINANCES

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Finance/Treasurer

Date: August 7, 2014

Board Date: August 15, 2014

Subject: Final Hearing on General Ordinance No. 5-2014 and General Ordinance No. 6-2014

The Indianapolis Airport Authority is introduced General Ordinance No. 5-2014 and General Ordinance No. 6-2014 (collectively, "Ordinances") on July 18, 2014 at the Authority's Board Meeting.

General Ordinance No. 5-2014 is a revised Master Bond Ordinance, consolidating and restating Master Bond Ordinance No. 4-2002, as amended.

General Ordinance No. 6-2014 is a supplement to the IAA's Master Bond Ordinance, authorizing the issuance by IAA of one or more series of additional revenue bonds to refund a portion of IAA's outstanding revenue bonds (the 2004A Revenue Bonds). IAA will use the Indianapolis Local Public Improvement Bond Bank as the conduit issuer.

The final public hearing on the adoption of the above-referenced Ordinances will occur at the IAA Board meeting scheduled for August 15, 2014, the IAA's staff will present a summary of the anticipated structure of the refinancing at this board meeting.

QUALIFIED ENTITY
PURCHASE AGREEMENT

This QUALIFIED ENTITY PURCHASE AGREEMENT, dated as of the 1st day of October, 2014 (“Purchase Agreement”), between The Indianapolis Local Public Improvement Bond Bank, a body corporate and politic (“Bond Bank”), created pursuant to the provisions of Indiana Code 5-1.4 (“Act”), having its principal place of business in the City of Indianapolis, Indiana, and the Indianapolis Airport Authority, a qualified entity pursuant to Indiana Code 5-1.4-1-10(4) (“Qualified Entity”),

WITNESSETH:

WHEREAS, the Bond Bank has adopted a resolution authorizing, pursuant to a Trust Indenture dated as of October 1, 2014 (the “Indenture”) by and between the Bond Bank and The Bank of New York Mellon Trust Company, N.A., as trustee, the issuance of its bonds designated The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2014D (Indianapolis Airport Authority Project) (“Bond Bank Bonds”); and

WHEREAS, the Bond Bank will use the proceeds of its Bond Bank Bonds to refund The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2004I (Indianapolis Airport Authority Project) (“Refunded Bond Bank Bonds”); and

WHEREAS, pursuant to the Act, the Bond Bank is authorized to purchase or exchange securities (as defined in the Act, “Securities”) issued by qualified entities (as defined in the Act); and

WHEREAS, the Qualified Entity has duly authorized the issuance of its bonds designated as “Indianapolis Airport Authority Refunding Revenue Bonds, Series 2014A” in the original aggregate principal amount of \$_____ (“Qualified Obligations”) and the Qualified Obligations are Securities to be delivered to the Bond Bank, together with certain other Qualified Entity funds, in exchange for the outstanding “Indianapolis Airport Authority Airport Revenue Bonds, Series 2004A” (the “Prior Qualified Obligations”) financed with the proceeds of the Refunded Bond Bank Bonds, in accordance with this Purchase Agreement; and

WHEREAS, the Qualified Entity has previously adopted General Ordinance No. 6-1985 on November 4, 1985 (the “Original Master Ordinance”), which authorized the issuance of Revenue Bonds (as defined therein); and

WHEREAS, the Qualified Entity has previously amended the Original Master Ordinance from time to time, including specifically by amending and restating the Original Master Ordinance in 2002 by adopting Ordinance No. 4-2002 on December 20, 2002 (the “2002 Master Ordinance”); and

WHEREAS, the Qualified Entity thereafter amended the 2002 Master Ordinance from time to time by the adoption of General Ordinances No. 7-2005 and No. 1-2008 (collectively, the “Amended and Restated Master Ordinance”); and

WHEREAS, the Qualified Entity has adopted General Ordinance No. 5-2014, as supplemented by General Ordinance No. 6-2014, consolidating and restating the Amended and Restated Master Ordinance (together, the “Bond Ordinance”) and authorizing the issuance of the Qualified Obligations;

NOW, THEREFORE, THE BOND BANK AND THE QUALIFIED ENTITY AGREE:

1. The Bond Bank and the Qualified Entity hereby agree to exchange the Prior Qualified Obligations for the Qualified Obligations, plus \$_____ of Qualified Entity funds, concurrently with the issuance by the Bond Bank of its Bond Bank Bonds. The exchange will include no accrued interest. The Bond Bank will pay: (a) the underwriters’ discount on the Bond Bank Bonds (\$_____); and (b) all of the costs of issuing the Bond Bank Bonds and the Qualified Obligations (\$_____). The Qualified Obligations shall mature and bear interest and be subject to the terms as set forth on the attached Exhibit A. Except as hereinafter set forth in this Purchase Agreement, the other terms of the Qualified Obligations are set forth in the Bond Ordinance, a true and correct copy of which is incorporated herein by reference. The Bank of New York Mellon Trust Company, N.A., as trustee under the Bond Ordinance, shall serve as registrar and paying agent for the Qualified Obligations.

2. The Qualified Entity has taken all proceedings required by law to enable it to issue its Qualified Obligations to be purchased by the Bond Bank.

3. Subject to Section 8, the Qualified Entity agrees to pay the Bond Bank, annually, reasonable fees and charges attributable to the administration of the Qualified Obligations acquired by the Bond Bank.

4. Simultaneously with the delivery to the Bond Bank of the Qualified Obligations, which Qualified Obligations shall be substantially in the form set forth in the Bond Ordinance and registered in the name of the Bond Bank, the Qualified Entity shall furnish to the Bond Bank a transcript of proceedings and the opinion of Ice Miller LLP, bond counsel, as to, among other things, the validity of the Qualified Obligations and the excludability from gross income for federal tax purposes of interest on the Qualified Obligations under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on such date (“Code”).

5. The Qualified Entity and the Bond Bank agree that the Qualified Obligations and the payments to be made thereon may be pledged or assigned by the Bond Bank under and pursuant to the Indenture.

6. The Qualified Entity agrees to furnish to the Bond Bank as long as any of the Qualified Obligations remain outstanding, annual financial reports, audit reports and such other financial information as is reasonably requested by the Bond Bank.

7. The Qualified Entity covenants and agrees to comply with the rebate requirement of Section 148(f) of the Code and to comply with the tax covenants in Section 4.7 of General Ordinance No. 6-2014. The Qualified Entity will keep records of the investments made and the earnings on those investments and report this information to the Bond Bank annually so that the Bond Bank may make the rebate or penalty calculation. The Bond Bank will assess the Qualified Entity annually for its share of the arbitrage profits or penalty owed to the United

States of America as a fee and will use these fees to pay the rebate amount owed. If the Bond Bank accumulates an amount in excess of what is required to be rebated or paid as a penalty to the United States of America, the Bond Bank shall reimburse the Qualified Entity for its allocable portion of such excess. The Qualified Entity further covenants and agrees to comply with the Memorandum on Compliance delivered to the Qualified Entity on the date of issuance of the Qualified Obligations.

8. If the Bond Bank determines to sell all or part of the Qualified Obligations, it agrees to pay or reimburse the Qualified Entity for all costs associated therewith including the printing of bonds, obtaining ratings therefor and providing services of a registrar and paying agent therefor.

9. If any provision of this Purchase Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Purchase Agreement and this Purchase Agreement shall be construed and be in force as if such invalid or unenforceable provision had not been contained herein.

10. This Purchase Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. The Bond Bank and the Qualified Entity each agree that they will execute any and all documents or other instruments, and take such other actions as may be necessary to give effect to the terms of this Purchase Agreement.

11. No waiver by either the Bond Bank or the Qualified Entity of any term or condition of this Purchase Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Purchase Agreement.

12. This Purchase Agreement merges and supersedes all prior negotiations, representations, and agreements between the Bond Bank and the Qualified Entity relating to the subject matter hereof and constitutes the entire agreement between the Bond Bank and the Qualified Entity in respect hereof.

* * * * *

IN WITNESS WHEREOF, we have hereunto set our hands as of the day and year first above written.

THE INDIANAPOLIS LOCAL PUBLIC
IMPROVEMENT BOND BANK

By: _____
James S. Carr, Chairperson

(SEAL)

Attest:

Deron S. Kintner, Executive Director

INDIANAPOLIS AIRPORT AUTHORITY

By: _____
Michael W. Wells, President

ATTEST:

Robert B. Thomson, Treasurer

EXHIBIT A

Description of Qualified Obligations

Designation: Indianapolis Airport Authority
Refunding Revenue Bonds, Series 2014A
Principal Amount: \$ _____
Original Date: Date of Delivery
Interest Payable: January 1 and July 1, commencing January 1, 2015
Maturity and Interest Rates: On the dates, in the amounts and at the interest rates as follows:

<u>Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Date</u>	<u>Amount</u>	<u>Rate</u>
__/__/20__	\$ _____	_____%	__/__/20__	\$ _____	_____%

Description of Prior Qualified Obligations

Designation: Indianapolis Airport Authority
Airport Revenue Bonds, Series 2004A
Refunded Amount: \$ _____
Original Date: November 16, 2004

Optional Redemption:

The Qualified Obligations maturing on or after _____ are subject to redemption prior to maturity, in whole or in part, in order of maturity determined by the Bond Bank, at the direction of the Qualified Entity, and by lot within a maturity, commencing _____, at par value, plus accrued interest to the date fixed for redemption, and without premium.

GENERAL ORDINANCE NO. 5-2014

CONSOLIDATED AND RESTATED MASTER BOND ORDINANCE

CONSOLIDATING AND RESTATING ORDINANCE NO. 4-2002, AS AMENDED

BY ORDINANCES NO. 7-2005 AND 1-2008

An Ordinance of the Indianapolis Airport Authority, authorizing the issuance and sale of bonds of said Authority, to provide for the costs of maintaining the airports in the Airport System, to safeguard the rights of the bondholders and matters related thereto.

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GENERAL ORDINANCE NO. 5-2014

REVISED MASTER BOND ORDINANCE

**CONSOLIDATING AND RESTATING ORDINANCE NO. 4-2002, AS AMENDED
BY ORDINANCES NO. 7-2005 AND 1-2008**

An Ordinance of the Indianapolis Airport Authority (the "Authority"), authorizing the issuance and sale of bonds of the Authority, to provide for maintaining the airports in the Airport System, to safeguard the rights of the bondholders and matters related thereto.

WHEREAS, the City Council of the City of Indianapolis did on May 1, 1961, adopt Special Ordinance No. 11-1961, authorizing the establishment of said airport authority district, which ordinance was duly approved by the Mayor of said City on May 2, 1961; and

WHEREAS, the Marion County Council did on June 8, 1961, and July 7, 1961, adopt its resolutions authorizing the establishment of said district; and

WHEREAS, the members of the board of the Authority (the "Board") were duly appointed and met in its initial organization meeting on January 1, 1962; and

WHEREAS, the Authority has continued to exist and is now governed by and operates pursuant to the recodified statutes set forth in IC 8-22-3, as amended (the "Act"), as a separate and distinct municipal corporation with authority to own and operate public airports; and

WHEREAS, the Board adopted General Ordinance No. 6-1985 on November 4, 1985 (the "Original Master Ordinance"), which authorized the issuance of Revenue Bonds (as defined therein); and

WHEREAS, the Board has, from time to time, issued various series of Revenue Bonds under the Original Master Ordinance; and

WHEREAS, the Board amended the Original Master Ordinance from time to time, including specifically by amending and restating the Original Master Ordinance in 2002 by adopting Ordinance No.4-2002 on December 20, 2002 (the "2002 Master Ordinance"); and

WHEREAS, the Board thereafter amended the 2002 Master Ordinance from time to time by the adoption of General Ordinances No. 7-2005 on September 23, 2005, and No. 1-2008 on June 6, 2008; and

WHEREAS, any amendments to the Original Master Ordinance and the 2002 Master Ordinance have already become effective; and

WHEREAS, a portion of the Revenue Bonds (the "Existing Revenue Bonds") issued under the supplemental ordinances to the Original Master Ordinance or the 2002 Master Ordinance, as amended, remain outstanding; and

WHEREAS, the Board has determined that it is necessary and appropriate to consolidate, restate, combine and simplify the 2002 Master Ordinance, as so amended; and

WHEREAS, the Board desires to approve this General Ordinance No. 5-2014 for the purpose of consolidating and restating the form of the 2002 Master Ordinance, as so amended; and

WHEREAS, upon adoption by the Authority, this General Ordinance No. 5-2014 will become effective without the need for further approvals as provided in Article IX of the 2002 Master Ordinance and shall govern the provisions of the Existing Revenue Bonds and the supplemental ordinances which authorized the Existing Revenue Bonds;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF THE INDIANAPOLIS AIRPORT AUTHORITY:

ARTICLE I

DEFINITIONS

SECTION 1.01. DEFINITIONS.

"Account" means an account established in any Fund created by this Ordinance.

"Accountant's Certificate" means a certificate signed by a firm of independent certified public accountants.

"Accreted Value" means (a) with respect to any Capital Appreciation Revenue Bond, as of any date of calculation, the sum of the amount set forth in a Supplemental Ordinance as the amount representing the initial principal amount of such Capital Appreciation Revenue Bond plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to any Original Issue Discount Revenue Bond, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Revenue Bonds plus the amount of the discounted principal which has accreted since the date of issue; in each case the Accreted Value shall be determined in accordance with the provisions of the Supplemental Ordinance authorizing the issuance of such Capital Appreciation Revenue Bond or Original Issue Discount Revenue Bond.

"Act" means Indiana Code 8-22-3, as amended from time to time, and all laws supplemental thereto.

"Airline Agreement" means, collectively, the substantially similar agreements between the Authority and the various airlines and other substantial users of the Airport System, as in place from time to time, including the various Agreement and Lease of Premises executed with the Authority effective January 1, 2011, or if no agreement is in place, an ordinance of the Authority setting the rates for and providing the terms upon which the airlines may use the Airport.

"Airport Consultant" means an independent airport consultant or airport consulting firm:

(a) Who has a nationally recognized reputation for special skill and knowledge in methods of the development, operation, management and financing of airports and airport facilities; and

(b) Who is selected and retained by the Authority and is compensated thereby, but who is not in the regular employ or control of the Authority.

"Airport System" means all airport, heliport and aviation facilities, or any interest therein, now or from time to time hereafter owned, operated or controlled in whole or in part by the Authority, together with all properties, facilities and services thereof, and all additions, extensions, replacements and improvements thereto, and all services provided or to be provided by the Authority in connection therewith. The Airport System currently includes the present airports of the Authority, known as "Indianapolis International Airport," "Eagle Creek Airpark,"

"Mt. Comfort Airport," "Downtown Heliport," "Speedway Airport," "Hendricks County Airport" and "Metropolitan Airport."

"Airport System Fund" means the fund established by Section 4.04 hereof into which all Gross Revenues shall be deposited.

"Authority" means the Indianapolis Airport Authority, a municipal corporation created pursuant to the Act and any successor thereto.

"Authorized Airport Representative" means the President, the Vice President, the Secretary or the Treasurer or any other duly authorized representative of the Authority.

"Balloon Indebtedness" shall mean, with respect to any series of Revenue Bonds fifty percent (50%) or more of the principal of which matures on the same date or within a Fiscal Year, that portion of such series which matures on such date or within such Fiscal Year; provided, however, that to constitute Balloon Indebtedness the amount of Revenue Bonds of a series maturing on a single date or within a Fiscal Year must equal or exceed 150% of the amount of such series which matures during any other Fiscal Year. For purposes of this definition, the principal amount maturing on any date shall be reduced by the amount of such Revenue Bonds, scheduled to be amortized by prepayment or redemption prior to their stated maturity date. A Commercial Paper Program and the Commercial Paper constituting part of such Program shall not be Balloon Indebtedness.

"Board" means the governing body of the Authority.

"Bond Purchase Agreement" means the contract of purchase with regard to any particular series of Revenue Bonds among and between the Authority and the Underwriters or the purchasers of the Revenue Bonds.

"Capital Appreciation Revenue Bond" shall mean Revenue Bonds, all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth in a Supplemental Ordinance and is payable only upon redemption or on the maturity date of such Revenue Bonds. Revenue Bonds which are issued as Capital Appreciation Revenue Bonds, but later convert to Revenue Bonds on which interest is paid periodically, shall be Capital Appreciation Revenue Bonds until the conversion date and from and after such conversion date shall no longer be Capital Appreciation Revenue Bonds, but shall be treated as having a principal amount equal to their Accreted Value on the conversion date.

"Capital Improvement" shall have the same meaning as "Capital Improvements" in the Airline Agreement, currently meaning any single item having a cost in excess of One Hundred Thousand Dollars (\$100,000), as adjusted by the Implicit Price Deflator Index, and a useful life in excess of two (2) years, acquired, purchased, or constructed in order to improve, maintain, or develop the Airport System, as well as any extraordinary or substantial expenditure whose object is to preserve, enhance, or protect the Airport System. Said term may include any expense for development studies, analysis, master planning efforts (including periodic reviews thereof), and economic or operational studies of the Airport System.

"Capital Improvement Fund" means the Capital Improvement Fund established by Section 4.04 hereof.

"Capitalized Interest Account" means the Capitalized Interest Account in the Revenue Bond Interest and Principal Fund established pursuant to Section 4.07 of this Ordinance.

"Commercial Paper" shall mean notes or other obligations of the Authority with a maturity of not more than two hundred seventy (270) days from the date of issuance and which are issued and reissued from time to time pursuant to a Program adopted by the Authority.

"Commercial Paper Program" shall mean a Program authorized by the Authority pursuant to which Commercial Paper shall be issued and reissued from time to time, up to the authorized amount of such Program.

"Completion Revenue Bonds" means the Completion Revenue Bonds authorized pursuant to Section 5.03 of this Ordinance.

"Construction Fund" means a Construction Fund established by a Supplemental Ordinance for any particular series of Revenue Bonds.

"Coverage Fund" means the Coverage Fund established by Section 4.04 hereof.

"Debt Service Requirement" means the annual amount required for payment of principal of and interest on, but excluding interest which has been funded by Revenue Bond proceeds, all Outstanding Revenue Bonds, whether at maturity or by reason of mandatory sinking fund redemption payment requirements; provided, however, that the following rules shall apply to the computation of Debt Service Requirements:

(i) in determining the principal due in each year, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made on Outstanding Revenue Bonds and Unissued Program Obligations in accordance with any amortization schedule established by or pursuant to a Supplemental Bond Ordinance setting forth the terms of such Revenue Bonds, including, as a principal payment, the Accreted Value of any Capital Appreciation Revenue Bonds or Original Issue Discount Revenue Bonds maturing or scheduled for redemption in such year; in determining the interest due in each year, interest payable at a fixed rate shall (except to the extent subsection (ii), (iii) or (iv) of this definition applies) be assumed to be made at such fixed rate and on the required payment dates; provided, however, that interest payable on the Revenue Bonds shall be excluded to the extent such payments are to be paid from a Capitalized Interest Account for such Fiscal Year;

(ii) if all or any portion or portions of an Outstanding series of Revenue Bonds or Program Obligations constitute Balloon Indebtedness, then, for purposes of determining the Debt Service Requirement, each maturity which

constitutes Balloon Indebtedness shall, unless otherwise provided in the Supplemental Bond Ordinance pursuant to which such Balloon Indebtedness is issued or unless subsection (iii) of this definition then applies to such maturity, be treated as if it were to be amortized over a term of not more than thirty (30) years and with substantially level annual debt service payments commencing not later than the year following the year in which such Balloon Indebtedness was issued; the interest rate used for such computation shall be that rate quoted as The Bond Buyer 25 Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by The Bond Buyer, or if that index is no longer published, another similar index selected by the Authority, or if the Authority fails to select a replacement index, that rate determined by the Airport Consultant to be a reasonable market rate for fixed-rate Revenue Bonds of a corresponding term issued under this Ordinance on the date of such calculation, with no credit enhancement and taking into consideration whether such Revenue Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; with respect to any series of Revenue Bonds or Program Obligations, only a portion of which constitutes Balloon Indebtedness, the remaining portion shall be treated as described in subsection (i) above or such other provision of this definition as shall be applicable;

(iii) any maturity of Revenue Bonds which constitutes Balloon Indebtedness as described in subsection (ii) of this definition and for which the stated maturity date occurs within twelve (12) months from the date such calculation of the Debt Service Requirement is made, shall be assumed to become due and payable on the stated maturity date and subsection (ii) above shall not apply thereto unless there is delivered to the entity making the calculation of the Debt Service Requirement a certificate of an Authorized Airport Representative stating that the Authority intends to refinance such maturity and stating the probable terms of such refinancing and that the debt capacity of the Authority is sufficient to successfully complete such refinancing; upon the receipt of such certificate, such Balloon Indebtedness shall be assumed to be refinanced in accordance with the probable terms set out in such certificate and such terms shall be used for purposes of calculating the Debt Service Requirement, provided that such assumption shall not result in an interest rate lower than that which would be assumed under subsection (ii) above and shall be amortized over a term of not more than thirty (30) years from the date of refinancing;

(iv) if any Outstanding Revenue Bonds (including Program Obligations) or any Revenue Bonds which are then proposed to be issued constitute Tender Indebtedness (but excluding Program Obligations or Revenue Bonds as to which a Qualified Derivative Agreement is in effect and to which subsection (viii) applies), then, for purposes of determining the Debt Service Requirement, Tender Indebtedness shall be treated as if the principal amount of such Revenue Bonds were to be amortized over a term of not more than thirty (30) years commencing in the year in which such Tender Indebtedness is first subject to tender and with substantially level debt service payments; the interest

rate used for such computation shall be either (a) the average of the variable rates applicable to such Tender Indebtedness during any consecutive 12-month period during the immediately preceding twenty-four (24) months (or a shorter period, commencing on the date of issuance of such Tender Indebtedness) ending within thirty (30) days prior to the date of computation, or (b) with respect to any Tender Indebtedness for which such an average of the variable rates cannot be determined, (i) at a rate equal to 110% of the most recent BMA Index theretofore published in The Bond Buyer, or (ii) if The Bond Buyer is no longer published or no longer publishes the BMA Index, at a rate certified by the Authority's financial advisor, underwriter or other agent, including a remarketing agent, to be the rate of interest such Tender Indebtedness would bear if issued on the date of computation in the same amount, with the same maturity or maturities, with the same security and bearing interest at a variable rate, taking into consideration whether interest on such Tender Indebtedness is or is not excluded from gross income for federal income tax purposes; and with respect to all principal and interest payments becoming due prior to the year in which such Tender Indebtedness is first subject to tender, such payments shall be treated as described in subsection (i) above unless the interest during that period is subject to fluctuation, in which case the interest becoming due prior to such first tender date shall be determined as provided in subsections (v) or (vi) below, as appropriate;

(v) if any Outstanding Revenue Bonds constitute Variable Rate Indebtedness, including obligations described in subsection (viii)(B) to the extent it applies (except to the extent subsection (ii) or (iii) relating to Balloon Indebtedness or subsection (iv) relating to Tender Indebtedness or subsection (viii)(A) relating to Synthetic Fixed Rate Debt applies), the interest rate used for such computation shall be either (a) the average of the variable rates applicable to such Variable Rate Indebtedness during any consecutive 12-month period during the immediately preceding twenty-four (24) months (or a shorter period, commencing on the date of issuance of such Variable Rate Indebtedness) ending within thirty (30) days prior to the date of computation, or (b) with respect to any Variable Rate Indebtedness for which such an average of the variable rates cannot be determined, (i) at a rate equal to 110% of the most recent BMA Index theretofore published in The Bond Buyer, or (ii) if The Bond Buyer is no longer published or no longer publishes the BMA Index, at a rate certified by the Authority's financial advisor, underwriter or other agent, including a remarketing agent, to the rate of interest such Variable Rate Indebtedness would bear if issued on the date of computation in the same amount, with the same maturity or maturities, with the same security and bearing interest at a variable rate, taking into consideration whether interest on such Variable Rate Indebtedness is or is not excluded from gross income for federal income tax purposes;

(vi) with respect to any Program Obligations or Unissued Program Obligations (in each case other than Commercial Paper) (A) debt service on such Program Obligations then Outstanding shall be determined in accordance with such of the foregoing provisions of this definition as shall be applicable, and (B)

with respect to Unissued Program Obligations, it shall be assumed that the full principal amount of such Unissued Program Obligations will be amortized over a term certified by an Authorized Airport Representative at the time the initial Program Obligations of such Program are issued to be the expected duration of such Program or, if such expectations have changed, over a term certified by an Authorized Airport Representative to be the expected duration of such Program at the time of such calculation, but not to exceed thirty (30) years from the date of the initial issuance of such Program Obligations and it shall be assumed that debt service shall be paid in substantially level annual debt service payments over such assumed term; the interest rate used for such computation shall be the average of the variable rates applicable to such Unissued Program Obligations during any consecutive 12-month period during the immediately preceding twenty-four (24) months (or a shorter period, commencing on the date of issuance of such Unissued Program Obligations) ending within thirty (30) days prior to the date of computation, or (b) with respect to any Unissued Program Obligations for which such an average of the variable rates cannot be determined, (i) at a rate equal to 110% of the most recent BMA Index theretofore published in The Bond Buyer, or (ii) if The Bond Buyer is no longer published or no longer publishes the BMA Index, at a rate certified by the Authority's financial advisor, underwriter or other agent, including a remarketing agent, to be the rate of interest such Unissued Program Obligations would bear if issued on the date of computation in the same amount, with the same maturity or maturities, with the same security and bearing interest at a variable rate, taking into consideration whether interest on such Program Obligations or Unissued Program Obligations is or is not excluded from gross income for federal income tax purposes;

(vii) debt service on Repayment Obligations shall be deemed to be the Debt Service Requirement for the Revenue Bonds associated with such Repayment Obligations;

(viii) (A) for purposes of computing the Debt Service Requirement of Revenue Bonds which constitute Synthetic Fixed Rate Debt, the interest payable thereon shall, if the Authority elects, be that rate as provided for by the terms of the Qualified Derivative Agreement or the net interest rate payable pursuant to offsetting indices, as applicable, or if the Authority fails to elect such rate, then it shall be deemed to be the fixed interest rate quoted in The Bond Buyer 25 Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by The Bond Buyer, or if that index is no longer published, another similar index selected by the Authority;

(B) for purposes of computing the Debt Service Requirement of Revenue Bonds with respect to which a Qualified Derivative Agreement has been entered into whereby the Authority has agreed to pay the floating variable rate thereunder, no fixed interest rate amounts payable on the Revenue Bonds to which such Qualified Derivative Agreement pertains shall be included in the calculation of the Debt Service Requirement, and the interest rate with respect to such Revenue

Bonds shall, if the Authority elects, be the sum of that rate as determined in accordance with subsection (v) relating to Variable Rate Indebtedness plus the difference between the interest rate on such Revenue Bonds and the rate received from the Qualified Derivative Agreement provider;

(ix) with respect to any Commercial Paper Program which has been implemented and not then terminated or with respect to any Commercial Paper Program then proposed to be implemented, with respect to Commercial Paper issued thereunder, the principal of and interest thereon shall be calculated as if the entire authorized amount of such Commercial Paper Program were to be amortized over a term of thirty (30) years commencing in the year in which such Commercial Paper Program is implemented and with substantially level annual debt service payments; the interest rate used for such computation shall be the average of the variable rates applicable to such Commercial Paper Program during any consecutive 12-month period during the immediately preceding twenty-four (24) months (or a shorter period, commencing on the date of issuance of such Commercial Paper Program) ending within thirty (30) days prior to the date of computation, or (b) with respect to any Commercial Paper Program for which such an average of the variable rates cannot be determined, (i) at a rate equal to 110% of the most recent BMA Index theretofore published in The Bond Buyer, or (ii) if The Bond Buyer is no longer published or no longer publishes the BMA Index, at a rate certified by the Authority's financial advisor, underwriter or other agent, including a remarketing agent, to be the rate of interest such Commercial Paper Program would bear if issued on the date of computation in the same amount, with the same maturity or maturities, with the same security and bearing interest at a variable rate, taking into consideration whether interest on such Commercial Paper is or is not excluded from gross income for federal income tax purposes;

(x) if moneys or Defeasance Obligations have been irrevocably deposited with and are held by the Trustee or another fiduciary or moneys in the Capitalized Interest Account have been set aside exclusively to be used to pay principal of and/or interest on specified Revenue Bonds, then the principal of and/or interest on to be paid from such moneys, Defeasance Obligations or from the earnings thereon shall be disregarded and not included in calculating the Debt Service Requirement;

(xi) the principal of and/or interest on Revenue Bonds to be paid from Dedicated Revenues or from earnings thereon shall be disregarded and not included in calculating the Debt Service Requirement as provided in Section 4.19;

(xii) to the extent not otherwise addressed herein, any payments made by the Authority on a Derivative Agreement shall be treated as part of the Debt Service Requirement on the Designated Debt with respect thereto and all payments received by the Authority on a Derivative Agreement shall be applied to

reduce the Debt Service Requirement on the Designated Debt with respect thereto; and

(xiii) with respect to any Revenue Bond issued after June 30, 2008, that does not clearly fit within (i)-(xii) above, the Debt Service Requirement on such Revenue Bond shall be the amount or amounts certified by the Treasurer and another Authorized Airport Representative as reasonable in a certificate delivered to the Trustee.

"Debt Service Reserve Requirement" means the required amount, if any, to be held in the Revenue Bond Reserve Fund for a series of Revenue Bonds in accordance with the applicable Supplemental Bond Ordinance.

"Dedicated Revenues" means passenger facility charges, state and/or federal grants or other moneys which the Authority has dedicated to pay principal of and/or interest on Revenue Bonds in the manner provided in Section 4.19 hereof.

"Defeasance Obligations" means with respect to any particular series of Revenue Bonds, any security specified by the Authority in the Supplemental Bond Ordinance as a Defeasance Obligation in connection with the sale of such Revenue Bonds by the Authority.

"Depository Company" means The Depository Trust Company, and its successors and assigns, including any surviving, resulting or transferee corporation, or any successor corporation that may be appointed in a manner consistent with this Ordinance and shall include any direct or indirect participant of The Depository Trust Company.

"Derivative Agreement" means an agreement or contract executed by the Authority in connection with a transaction, agreement or understanding entered into by the Authority in connection with Revenue Bonds or Subordinate Securities in which the Authority and a counterparty agree to exchange payments in the future, including, without limitation, transactions commonly called swap agreements, option agreements in which the counterparty can require the Authority to issue Refunding Revenue Bonds, cap and floor agreements and interest rate swap agreements.

"Designated Debt" shall mean a specific indebtedness designated by the Authority in which such debt shall be offset with a Derivative Agreement, such specific indebtedness to include all or any part of a series or multiple series of Revenue Bonds or Subordinate Securities.

"Escrow Deposit Agreement" means any Escrow Deposit Agreement authorized and established pursuant to any issuance of Revenue Bonds, the purpose of which is to defease any other issue of Revenue Bonds currently outstanding.

"Event of Default" means an Event of Default as defined in Section 7.01 of this Ordinance.

"Federal Payment" means those funds received by the Airport System from the federal government or any agency thereof as payments for the use of any facilities or services of the

Airport System, but excluding grants-in-aid and all mandated payments, including payments from the United States Transportation Security Administration.

"Fiduciary" means any Trustee, Registrar or Paying Agent, or any successor to any thereof, appointed and serving in such capacity pursuant to the provisions of Article VIII of this Ordinance.

"Fiscal Year" means the fiscal year of the Authority being the period from January 1 in any year to the following December 31 or any other period specified by the Authority as its fiscal year for accounting purposes.

"Fund" means any Fund established by this Ordinance.

"General Obligation Bond Interest and Principal Fund" means the General Obligation Bond Interest and Principal Fund established by Section 4.04 hereof.

"General Obligation Bonds" means any General Obligation Bonds issued by the Authority pursuant to I.C. 8-22-3-16, or prior provisions of statutes governing the Authority.

"Gross Revenues" means all revenues, income, accounts and general intangibles from the Airport System, including but not limited to rents, charges, landing fees, user charges, revenues from concessionaires, ground rents from Special Purpose Facilities and similar revenues, but excluding revenue from ad valorem taxes or payments in lieu of taxes, payments received on any Investment Swap or Derivative Agreement (other than a Qualified Derivative Agreement), Federal Payments, passenger facility, customer facility and similar charges, grants-in-aid, gifts, investment income, bond or loan proceeds, proceeds from the sale of Airport System capital assets, revenues derived from the reversion of an interest in property following the expiration of a lease, Released Revenues or rental payments made for Special Purpose Facilities to provide for debt service and for an allocable portion of administrative costs for such facilities.

"Implicit Price Deflator Index" means the Implicit Price Deflator Index published by the United States Bureau of Labor Statistics, as amended and supplemented from time to time, or any successor index thereto.

"Insurance Trustee" shall mean, as to any particular series of Revenue Bonds, any Insurance Trustee designated as such in the Supplemental Bond Ordinance.

"Investment Swap" means an agreement or contract executed by the Authority in connection with the investment of funds, in which the Authority and a counterparty agree to make payments in the future based upon interest rates, including, without limitation, swap agreements, cap and floor agreements, forward delivery agreements or investment contracts.

"Net Proceeds" means the proceeds of any particular issue of Revenue Bonds reduced by any amounts deposited in the Revenue Bond Reserve Fund.

"Net Revenues" means Gross Revenues less Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means the reasonable, necessary current expenses of the Authority paid or accrued in operating and maintaining the Airport System, including but not limited to (a) costs of collecting Gross Revenues and making refunds; (b) engineering, audit reports, legal and administrative expenses; (c) salaries, wages and other compensation; (d) costs of routine repairs, replacements and renewals; (e) costs of utility services; (f) general administrative overhead of the Authority; (g) material and supplies used in the ordinary course of business; (h) contractual and professional services; (i) costs of insurance and fidelity bonds; (j) costs of carrying out provisions of the Ordinance; (k) the costs for any single item of \$100,000 or less, as adjusted by the Implicit Price Deflator Index, (or such other amount, if any, specified in the Airline Agreement) or which has a useful life of less than two (2) years; and (l) all other routine costs and expenses or costs and expenses required to be paid by the Authority by law. The term "Operation and Maintenance Expenses" shall not include any allowance for depreciation, any debt service, any payment due on a Derivative Agreement, any operation and maintenance expense incurred in connection with Special Purpose Facilities which are reimbursed by the Lessee thereof nor any expenses paid (or the portion) by assets, grants or other moneys received by the Authority, but only to the extent such assets, grants or other moneys are not included in Gross Revenues.

"Operation and Maintenance Reserve Fund" means the Operation and Maintenance Reserve Fund established by Section 4.12 hereof.

"Ordinance" means this Consolidated and Restated Master Bond Ordinance as enacted by the Authority on August 15, 2014, which consolidates and restates General Ordinance No. 4-2002, adopted on December 20, 2002, as subsequently amended by General Ordinances No. 7-2005 and No. 1-2008, including any and all Supplemental Ordinances hereafter adopted for the issuance of Revenue Bonds.

"Original Issue Discount Revenue Bond" shall mean Revenue Bonds which are sold at an initial public offering price of less than face value and which are specifically designated as Original Issue Discount Revenue Bonds by the Supplemental Ordinance under which such Revenue Bonds are issued.

"Outstanding" means, as of a particular date, all such Revenue Bonds theretofore and thereupon delivered except: (a) any such Revenue Bond canceled by or on behalf of the Authority at or before said date; (b) any such Revenue Bond defeased pursuant to the defeasance provisions of the ordinance authorizing its issuance, or otherwise defeased as permitted by applicable law; and (c) any such Revenue Bond in lieu of or in substitution for which another Revenue Bond shall have been delivered pursuant to the ordinance authorizing the issuance of such Revenue Bond.

"Owner," "Bondowner" or "Owner of Revenue Bonds" means the registered owner of any Revenue Bond.

"Paying Agent" means any bank or trust company organized under the laws of any state of the United States or any national banking association designated as Paying Agent or Co-

Paying Agent for the Revenue Bonds of any Series, and its successor or successors hereafter appointed in the manner provided In Section 8.02 or 8.09 of this Ordinance.

"Prepaid Airline Fund" means the Prepaid Airline Fund established by Section 4.04 hereof.

"President" means the President elected by the Board pursuant to the provisions of I.C. 8-22-3-9(a).

"Principal Amount" or "principal amount" shall mean, as of any date of calculation, (a) with respect to any Capital Appreciation Revenue Bonds, the Accreted Value thereof (the difference between the stated amount to be paid at maturity and the Accreted Value being deemed unearned interest), (b) with respect to any Original Issue Discount Revenue Bonds, the Accreted Value thereof, unless the Supplemental Bond Ordinance under which such Revenue Bonds were issued shall specify a different amount, in which case, the terms of the Supplemental Bond Ordinance shall control, and (c) with respect to any other Revenue Bonds, the principal amount of such Revenue Bond payable at maturity.

"Program" shall mean a financing program identified in a Supplemental Ordinance, including, but not limited to a Commercial Paper Program, (a) which is authorized and the terms thereof approved by a Supplemental Ordinance adopted by the Authority where the items described in Section 5.01 have been filed with the Trustee, (b) wherein the Authority has authorized the issuance, from time to time, of notes, Commercial Paper or other indebtedness as Revenue Bonds, and (c) the authorized amount of which has met the additional bonds test set forth in Section 5.01 of this Ordinance and the Outstanding amount of which may vary from time to time, but not exceed the authorized amount set forth in such Supplemental Ordinance.

"Program Obligations" shall mean Revenue Bonds issued and Outstanding pursuant to a Program, other than Unissued Program Obligations.

"Project" means, as it pertains to any particular issue of Revenue Bonds, any use of Revenue Bond proceeds for a Capital Improvement as further described in any Supplemental Bond Ordinance.

"Project Costs" with respect to any Project means costs including the following:

- (i) obligations of the Authority and all contractors incurred for labor and materials in connection with the construction, installation and equipping of the Project;
- (ii) the cost of contract bonds and insurance of all kinds that may be required or necessary during the construction of the Project;
- (iii) all costs of architectural and engineering services, including the costs of the Authority for test borings, surveys, estimates, plans and specifications and preliminary investigation therefor, and for supervising construction, as well as

for the performance of all other duties required by or consequent upon the proper construction of the Project;

(iv) all expenses incurred in connection with the issuance of Revenue Bonds, including, without limitation, compensation and expenses of the Trustee, Registrar and Paying Agents, expenses of the Authority, legal and accounting expenses and fees, payments on a Derivative Agreement, costs of printing and engraving, recording and filing fees, compensation of underwriters, rating agency fees, costs of financial services, and interest;

(v) all sums required to reimburse the Authority for advances made by it for any of the above items or for any other costs incurred and for work done, whether before or after the adoption of this Ordinance, which are properly chargeable to the Project; and

(vi) all other components of cost of labor, materials, machinery and equipment and financing charges attributable to the Projects to the extent permitted by the Act.

"Project Engineers" means the independent engineers or firms of independent engineers appointed by the Authority pursuant to the provisions of I.C. 8-22-3-11(17) to perform engineering functions with regard to any project authorized by ordinance of the Authority.

"Qualified Derivative Agreement" means a Derivative Agreement with respect to which:

(i) the counterparty to such Derivative Agreement shall be rated or guaranteed by a party that is rated, at the time of execution of such Derivative Agreement in a category not lower than the A category now used by each Rating Agency (if such then exist); and

(ii) the Authority shall have determined by certificate filed with the Trustee to treat the Derivative Agreement as a Qualified Derivative Agreement under this Ordinance.

"Rating Agency" and "Rating Agencies" shall mean any nationally recognized rating agency of municipal obligations, but only if such Rating Agencies have been requested by the Authority to maintain a rating on the Revenue Bonds and such Rating Agencies are then maintaining a rating on any of the Revenue Bonds.

"Record Date" means, with respect to any series of Revenue Bonds, the date specified in the Supplemental Bond Ordinance.

"Registrar" means any bank or trust company organized under the laws of any state of the United States or any national banking association designated as Registrar by the Authority to perform the duties set forth in Article VIII hereof.

"Released Revenues" means revenues (including any revenues, fees, income and receipts that would otherwise be considered to be Gross Revenues) which the Authority has determined to designate as Released Revenues in accordance with the provisions of Section 4.20 hereof.

"Repayment Obligations" shall mean an obligation arising under a written agreement between the Authority and a credit provider pursuant to which the Authority agrees to reimburse the credit provider for amounts paid through a credit facility and used to pay debt service on any Revenue Bonds and all other amounts due and owing to a credit provider under a credit facility, or an obligation arising under a written agreement of the Authority and a liquidity provider pursuant to which the Authority agrees to reimburse the liquidity provider for amounts paid through a liquidity facility to be used to purchase Revenue Bonds and all other amounts due and owing to a liquidity provider under a liquidity facility.

"Revenue Bond Interest and Principal Fund" means the Revenue Bond Interest and Principal Fund established by Section 4.04 hereof.

"Revenue Bond Reserve Fund" means the Revenue Bond Reserve Fund established by Section 4.04 with separate accounts as established in a Supplemental Ordinance for any issue of Revenue Bonds.

"Revenue Bonds" means the bonds, notes or other obligations authorized to be issued pursuant to Section 5.01 or Section 5.03 of this Ordinance as Revenue Bonds or Completion Revenue Bonds secured in whole or in part by a first priority lien on the Net Revenues.

"Secretary" means the Secretary appointed by the Board pursuant to the provisions of I.C. 8-22-3-11(17).

"Special Purpose Facilities" means facilities which are leased from the Authority pursuant to which the lessee agrees to pay to the Authority rentals or fees sufficient to pay the principal and interest on bonds issued to pay the cost of construction of the Special Purpose Facility plus such further rentals or fees necessary to maintain all reserves or pay necessary administrative expenses required for Special Purpose Facilities.

"Special Purpose Facilities Bonds" means bonds issued by the Authority to finance any Special Purpose Facilities.

"Subordinate Securities" means each series of bonds, notes or other obligations permitted to be issued by the Authority pursuant to Section 5.04 of this Ordinance as Subordinate Securities secured in whole or in part by liens on the Net Revenues that are junior and subordinate to the lien on Net Revenues securing payment of Revenue Bonds.

"Subordinate Securities Interest and Principal Fund" means the Subordinate Securities Interest and Principal Fund established by Section 4.04 hereof.

"Subordinate Securities Reserve Fund" means the Subordinate Securities Reserve Fund established by Section 4.04 hereof.

"Supplemental Bond Ordinance" means, with respect to a series of Revenue Bonds, the Supplemental Ordinance pursuant to which such series was issued.

"Supplemental Ordinance" means each ordinance enacted by the Authority for the issuance of Revenue Bonds or Subordinate Securities or to amend or supplement this Ordinance.

"Synthetic Fixed Rate Debt" shall mean indebtedness issued by the Authority which: (a) is combined, as Designated Debt, with a Qualified Derivative Agreement and creates, in the opinion of an Underwriter, a substantially fixed-rate maturity or maturities for a term not exceeding such maturity or maturities, or (b) consisting of an arrangement in which two inversely related variable-rate securities are issued in equal notional amounts with interest based on off-setting indices resulting in a combined payment which is economically equivalent to a fixed rate.

"Tax-Exempt Bonds" means any Revenue Bonds or Subordinate Securities the interest on which, when issued, the Authority expected to be excludable from gross income of the Owners thereof for federal income tax purposes.

"Tender Indebtedness" shall mean any Revenue Bonds or portions of Revenue Bonds a feature of which is an option or an obligation on the part of the holders, under the terms of such Revenue Bonds, to tender all or a portion of such Revenue Bonds to the Authority, the Trustee, the Paying Agent or other fiduciary or agent or credit provider for payment or purchase and requiring that such Revenue Bonds or portions of Revenue Bonds be purchased if properly presented.

"Treasurer" means the Treasurer appointed by the Board pursuant to the provisions of I.C. 8-22-3-11(17) and I.C. 8-22-3-20.

"Trustee" means any and all Trustees or successor Trustees designated in a Supplemental Bond Ordinance.

"Underwriters" means the underwriters, as designated in the Supplemental Bond Ordinance of each particular issue of Revenue Bonds for which the term refers.

"Unissued Program Obligations" shall mean the Revenue Bonds authorized to be issued pursuant to a Program, issuable in an amount up to the authorized amount relating to such Program, which have been approved for issuance by the Authority pursuant to a Supplemental Bond Ordinance adopted by the Authority and with respect to which Program the items described in Section 5.01 have been filed with the Trustee but which have not yet been authenticated and delivered pursuant to the Program documents.

"Variable Rate Indebtedness" shall mean any Revenue Bond or Revenue Bonds the interest rate on which is not, at the time in question, fixed to maturity, excluding any Commercial Paper Program.

"Vice President" means the Vice President elected by the Board pursuant to the provisions of I.C. 8-22-3-9(a).

SECTION 1.02. INTERPRETATIONS. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Revenue Bonds and the validity of the lien on and pledge of the Net Revenues to secure the payment of the Revenue Bonds. The definitions contained in this Ordinance relating to accounting terms are for the purpose of determining compliance with this Ordinance and for the Authority's rate making purposes only and do not necessarily govern financial reporting for the Authority. Financial calculations shall be interpreted in the manner consistent with generally accepted accounting principles.

ARTICLE II

TERMS OF REVENUE BONDS

SECTION 2.01. NAME, AMOUNT, PURPOSE, AUTHORIZATION. The Revenue Bonds authorized by this Ordinance shall be designated as set forth in each Supplemental Bond Ordinance, shall be issued in fully registered form, without coupons, in the aggregate principal amount not to exceed the amount authorized in the Supplemental Bond Ordinance, for any lawful purpose under and pursuant to the authority of the Act and all other applicable law.

SECTION 2.02. DATE, DENOMINATION, INTEREST RATES AND MATURITIES. The Revenue Bonds shall be dated, numbered and mature, subject to prior redemption, on the maturity dates on each of the dates and in the amounts set out in the applicable Supplemental Bond Ordinance.

Interest shall be payable at such rates per annum and, in the manner provided and on the dates set forth in the applicable Supplemental Bond Ordinance, to the Owners as of the Record Date.

SECTION 2.03. REDEMPTION PRIOR TO MATURITY. The Revenue Bonds may be subject to optional and mandatory redemption prior to maturity in any manner provided in the Supplemental Bond Ordinance for such Bonds. If, after a conditional notice of redemption is given in accordance with the applicable Supplemental Bond Ordinance, sufficient moneys are not on deposit in the applicable redemption account on the date of such redemption, such notice of redemption shall be void and such Revenue Bonds shall remain outstanding as if no such notice had been sent.

SECTION 2.04. MANNER OF PAYMENT, CHARACTERISTICS, EXECUTION AND AUTHENTICATION. The Revenue Bonds shall be payable, shall have the characteristics, shall be signed and executed, sealed, and shall be authenticated, all as provided and in the manner indicated in the applicable Supplemental Bond Ordinance. If any officer of the Authority whose manual or facsimile signature shall appear on any Revenue Bonds, shall cease to be such officer before the authentication of the particular Revenue Bonds or before the delivery of the Revenue Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

SECTION 2.05. OWNERSHIP. The Authority, Trustee, Registrar and Paying Agent and any other person may treat the person in whose name any Revenue Bond is registered as the absolute owner of such Revenue Bond for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, and for the further purpose of making and receiving payment of the interest thereon, and for all other purposes, whether or not such Revenue Bond is overdue, and neither the Authority, Trustee nor the Registrar and Paying Agent shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Revenue Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Authority, Trustee, Registrar and Paying Agent upon such Revenue Bond to the extent of the sums paid.

SECTION 2.06. REGISTRATION, TRANSFER AND EXCHANGE. So long as any Revenue Bonds remain outstanding, the Registrar shall keep the Register at its principal corporate trust office in which, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of the Revenue Bonds in accordance with the terms of this Ordinance.

Each Revenue Bond shall be transferable as provided in the applicable Supplemental Bond Ordinance.

All Revenue Bonds shall be exchangeable as provided in the applicable Supplemental Bond Ordinance.

The Authority may determine that it is beneficial to the Authority to have any particular issue of Revenue Bonds held by a central depository system and have transfers of those Revenue Bonds effected by book-entry on the books of the central depository system in the manner provided in the applicable Supplemental Bond Ordinance.

ARTICLE III

FORM OF REVENUE BONDS AND CERTIFICATES

SECTION 3.01. FORM OF REVENUE BONDS. All Revenue Bonds issued by the Authority shall be in substantially the form set forth in the applicable Supplemental Bond Ordinance.

ARTICLE IV

SECURITY AND SOURCE OF PAYMENT FOR ALL REVENUE BONDS

SECTION 4.01. PLEDGE AND SOURCE OF PAYMENT.

(A) The Authority hereby covenants and agrees that all Gross Revenues shall be deposited and paid into the Airport System Fund hereinafter established, and shall be applied in the manner hereinafter set forth in Section 4.05.

(B) The Revenue Bonds shall constitute special obligations of the Authority that shall be payable from and shall be equally and ratably secured by a lien on the Net Revenues. Such Net Revenues, together with certain proceeds of the Revenue Bonds or other lawfully available funds of the Authority, are, in the manner herein provided, hereby set aside for and pledged to the payment of the Revenue Bonds.

(C) For the benefit of the Owners of the Revenue Bonds, the Authority hereby pledges and grants a security interest and lien on the Net Revenues and further grants a lien on the moneys in the Revenue Bond Interest and Principal Fund, the applicable account or accounts of the Revenue Bond Reserve Fund as provided in the specific Supplemental Bond Ordinance under which each series of Revenue Bonds is issued, and any Construction Fund, to secure the payment of principal of, premium, if any, and interest on the Revenue Bonds and all expenses of providing for their full and timely payment in accordance with their terms.

(D) All Revenue Bonds shall be in all respects on a parity with each other, except with respect to the Revenue Bond Reserve Fund or to the extent otherwise provided herein.

(E) The Owners of the Revenue Bonds shall never have the right to demand payment of either the principal of, interest on or any redemption premium on the Revenue Bonds out of any funds raised or to be raised by taxation.

(F) Released Revenues and Dedicated Revenues are not Gross Revenues, as defined herein and, therefore, are not pledged hereunder. The Owners of the Revenue Bonds shall not have the right to demand payment of either the principal of or interest or any redemption premium on the Revenue Bonds from such Released Revenues.

(G) For all purposes of this Section 4.01, regularly scheduled, periodic payments on Qualified Derivative Agreements and Repayment Obligations may, at the election of the Authority, be payable from the same source and have the same pledge and lien on Net Revenues as the Revenue Bonds to which they relate.

SECTION 4.02. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE AUTHORITY FOR REVISED ARTICLE 9. The Authority hereby warrants and covenants that:

(A) This Ordinance creates a valid and binding pledge of, assignment of, lien on and security interest in the Net Revenues in favor of the Trustee as security for payment of the Revenue Bonds, Repayment Obligations, and regularly scheduled payments on Qualified Derivative Agreements enforceable by the Trustee in accordance with the terms hereof.

(B) Under the laws of the State of Indiana, (1) such pledge, assignment, lien and security interest, and (2) each pledge or assignment of Net Revenues, lien thereon or other security interest therein, made to secure any prior obligations of the Authority which, by the terms hereof, rank on a parity with or prior to the pledge, assignment, lien and security interest granted hereby, is and shall be prior to any judicial lien hereafter imposed on the Net Revenues to enforce a judgment against the Authority on a simple contract. By the date of issue of the Series 2003A Bonds, the Authority will have filed all financing statements describing such collateral (and for so long as any Revenue Bond is outstanding the Authority will file, continue and amend all such financing statements) as may be necessary to establish and maintain such priority in each jurisdiction in which the Authority is organized or such collateral may be located or that may otherwise be applicable pursuant to UCC Sections 9.1-301 through 9.1-306 of such jurisdiction.

(C) The Authority has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of such collateral that ranks on a parity with or prior to the pledge, assignment, lien and security interest granted hereby, except for the pledge, assignment, lien and security interest granted to secure the Revenue Bonds. The Authority shall not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in such collateral that ranks prior to or on a parity with the pledge, assignment, lien and security interest granted hereby, or file any financing statement describing any such pledge, assignment, lien or security interest, except as expressly permitted hereby.

SECTION 4.03. RATE COVENANT.

(a) The Authority covenants that it will at all times fix, charge, impose and collect rentals, rates, fees and other charges for the use of the Airport System, and, to the extent it legally may do so, revise the same as may be necessary or appropriate, in order that upon measurement in each Fiscal Year the Net Revenues, together with moneys in the Coverage Fund, will at all times be at least sufficient to equal the larger of either:

(i) all amounts required to be deposited in such Fiscal Year to the credit of the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund; or

(ii) an amount not less than 125% of the Debt Service Requirement due on all Revenue Bonds for such Fiscal Year.

(b) Annually, the Authority shall file with the Trustee a certificate showing compliance with the terms of this Section 4.03. If the Net Revenues, together with

moneys in the Coverage Fund, in any Fiscal Year are less than the amounts specified above, the Authority promptly, upon receipt of any notification by the Treasurer following the Treasurer's quarterly review of the financial position of the Authority or upon receipt of the annual audit for such Fiscal Year, must request the Airport Consultant to make its recommendations, if any, as to a revision of the Authority's rentals, rates, fees and other charges, its Operation and Maintenance Expenses or the method of operation of the Airport System in order to satisfy as quickly as practicable the foregoing requirements. Copies of such request and the recommendations of the Airport Consultant, if any, shall be filed with the Authority and the Trustee. So long as the Authority substantially complies in a timely fashion with the recommendations of the Airport Consultant, the Authority will not be deemed to have defaulted in the performance of its duties under this Ordinance even if the resulting Net Revenues, together with moneys in the Coverage Fund, are not sufficient to be in compliance with the covenant set forth above, so long as there is no other default hereunder.

(c) For the purpose of complying with the foregoing requirements and Section 5.01 hereof, the Authority shall include within Net Revenues in any Fiscal Year, amounts transferred or credited from the Prepaid Airline Fund to the Airport System Fund on or before the first day of such Fiscal Year pursuant to Section 4.16 of this Ordinance and shall exclude from the interest due on Revenue Bonds any interest paid from moneys in the Capitalized Interest Account. In addition, clause (viii), (x) and (xi) of the definition of Debt Service Requirement shall be applied to the determination on Revenue Bonds described in such clause.

SECTION 4.04. FUNDS.

(a) Required Funds. The following Funds shall be established, maintained and accounted for as hereinafter provided so long as any of the Revenue Bonds remain Outstanding:

(i) Airport System Fund to be held by the Authority;

(ii) Revenue Bond Interest and Principal Fund, including the Capitalized Interest Account therein, to be held by the Trustee; and

(iii) Revenue Bond Reserve Fund to be held by the Trustee.

(b) Additional Funds. In addition to the funds specified in subsection (a) above, the Authority may provide for additional funds from time to time for accounting and rate setting purposes. For those purposes, the Authority has created the following additional funds:

(i) General Obligation Bond Interest and Principal Fund to be held as specified in the ordinance authorizing such General Obligation Bonds;

(ii) General Obligation Bond Reserve Fund to be held as specified in the ordinance authorizing such General Obligation Bonds;

(iii) Subordinate Securities Interest and Principal Fund to be held as may be specified in any Supplemental Ordinance authorizing Subordinate Securities;

(iv) Subordinate Securities Reserve Fund to be held as may be specified in any Supplemental Ordinance authorizing Subordinate Securities;

(v) Operation and Maintenance Reserve Fund;

(vi) Renewal and Replacement Fund;

(vii) Capital Improvement Fund;

(viii) Coverage Fund; and

(ix) Prepaid Airline Fund.

The Authority may, without the consent of the Trustee or any Bondholder, amend the Ordinance in any manner with respect to the funds established pursuant to subsection (b).

(c) The Airport System Fund and any of the funds described in subsection (b) shall be maintained as separate funds or accounts on the books of the Authority and all amounts credited to such Funds shall be maintained in an official depository bank of the Authority. The Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund shall be maintained with the Trustee. The funds held by the Trustee shall constitute trust funds which shall be held in trust for the Owners of the Revenue Bonds. All of the Funds specified in subsection (a) shall be used solely as herein provided so long as any Revenue Bonds remain Outstanding.

SECTION 4.05. FLOW OF FUNDS.

(a) Required Flow. All Gross Revenues shall be deposited as received into the Airport System Fund. In addition, the Authority may deposit into the Airport System Fund any Federal Payments, provided that, so long as such Federal Payments are excluded from the definition of Gross Revenues, such Federal Payments shall not be required to be applied for any debt service or reserves therefor. Moneys from time to time credited to the Airport System Fund shall be applied as follows in the following order of priority:

(i) First, to apply and use sufficient amounts to pay and to provide for the payment of all current Operation and Maintenance Expenses.

(ii) Second, to transfer all amounts to the Revenue Bond Interest and Principal Fund.

(iii) Third, to transfer all amounts to the Revenue Bond Reserve Fund required by this Ordinance or any Supplemental Bond Ordinance in the manner provided in such Supplemental Bond Ordinance.

(b) Moneys remaining in the Airport System Fund, after making the deposits provided above, shall be held by the Authority for application at a future time as provided above or for deposit to any other account or fund of the Authority or for any other purpose of the Authority, including any Fund specified in Section 4.04(b) herein.

(c) After making all deposits required under paragraph (a) hereof, the Authority hereby also agrees, to the extent moneys are available, to make deposits from the Airport System Fund as follows:

(i) First, to transfer all amounts to the General Obligation Bond Interest and Principal Fund required by any ordinance authorizing the issuance of General Obligation Bonds;

(ii) Second, to transfer all amounts to the General Obligation Bond Reserve Fund required by any ordinance authorizing the issuance of General Obligation Bonds;

(iii) Third, to transfer all amounts to the Subordinate Securities Interest and Principal Fund required by any Supplemental Ordinance authorizing the issuance of Subordinate Securities;

(iv) Fourth, to transfer all amounts to the Subordinate Securities Reserve Fund required by any Supplemental Ordinance authorizing the issuance of Subordinate Securities;

(v) Fifth, to transfer all amounts to the Operation and Maintenance Reserve Fund required by this Ordinance or any Supplemental Ordinance;

(vi) Sixth, to transfer all amounts to the Renewal and Replacement Fund required by this Ordinance or any Supplemental Ordinance;

(vii) Seventh, to transfer amounts to the Capital Improvement Fund as provided in Section 4.14 hereof;

(viii) Eighth, to transfer amounts to the Coverage Fund as provided in Section 4.15 hereof; and

(ix) Ninth, to transfer all amounts to the Prepaid Airline Fund as provided in Section 4.16 hereof.

Notwithstanding the Authority's agreement to deposit moneys in the various Funds set forth in this subsection (c), the Authority may, by the terms of subsection (b) above, Section 9.02(h) or by the terms of any Supplemental Ordinance alter, amend or terminate the agreement to fund the various funds set forth in this Section without Bondowner or Trustee consent.

SECTION 4.06. OPERATION AND MAINTENANCE EXPENSES. As necessary and in accordance with the budget for the Airport System adopted by the Authority pursuant to Section 4.02 of this Ordinance, there will be applied from the Airport System Fund sufficient amounts for the payment of current Operation and Maintenance Expenses. Such Operation and Maintenance Expenses may be paid from the Airport System Fund upon receipt of a requisition from a duly authorized officer of the Authority.

SECTION 4.07. REVENUE BOND INTEREST AND PRINCIPAL FUND.

(a) In connection with the issuance of any series of Revenue Bonds, the Authority may create a Capitalized Interest Account of the Revenue Bond Principal and Interest Fund for any such series of Revenue Bonds.

(b) There shall initially be deposited into a Capitalized Interest Account the amount of capitalized interest included in the proceeds of any Revenue Bonds as specified by any Supplemental Bond Ordinance. Amounts in each Capitalized Interest Account shall be used to pay interest due on the applicable Revenue Bonds as directed by the Authority until amounts in such Account are exhausted.

(c) The Authority shall deposit into the Revenue Bond Interest and Principal Fund any moneys received by the Authority from a Qualified Derivative Agreement entered into in connection with Revenue Bonds.

(d) On or before the last business day of each month so long as any Revenue Bonds remain Outstanding, after making all required payments and provision for payment of current Operation and Maintenance Expenses, there shall be transferred into the Revenue Bond Interest and Principal Fund from the Airport System Fund the following amounts:

(i) 1/6 of the amounts as shall be necessary, after taking into consideration any Dedicated Revenues, to pay the remaining amount of interest on all Outstanding Revenue Bonds on the next interest payment date; and

(ii) 1/12 of the amounts as shall be necessary, after taking into consideration any Dedicated Revenues, to pay the remaining amount of principal on each series of Outstanding Revenue Bonds on the next applicable principal payment date for such series;

(iii) Such amounts as shall be necessary to enable the Authority to pay when due all expenses of providing for the full and timely payment of the principal of, premium, if any, and interest on the Revenue Bonds in accordance with their terms, including without limitation, all fees charged or incurred in connection with the services of the Trustee, Registrar and Paying Agent and in connection with bond insurance, letters of credit, lines of credit, standby bond purchase agreements, or other credit or liquidity facilities, remarketing agreements, interest rate indexing agreements, tender agent agreements and any similar or related agreements obtained or entered into by the Authority in connection with the Revenue Bonds; and

(iv) Such regularly scheduled amounts as shall be due from the Authority on any Qualified Derivative Agreement entered into in connection with Revenue Bonds.

provided, however, as to any Revenue Bonds issued by the Authority that pay interest on a basis other than semiannually or pay principal on a basis other than annually, the amounts payable under subparagraphs (i) and (ii) above shall be as set forth in the Supplemental Ordinance authorizing the issuance of such bonds so that sufficient amounts shall be on deposit as needed to pay interest and principal on all Revenue Bonds hereunder.

(e) Whenever the total amounts on deposit to the credit of the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund shall be equivalent to the sum of the aggregate principal amount of all Outstanding Revenue Bonds plus the aggregate amount of all interest accrued and to accrue thereon plus any other amounts due or to become due under subparagraph (d) above, no further transfer need be made into the Revenue Bond Interest and Principal Fund or the Revenue Bond Reserve Fund. Moneys credited to the Revenue Bond Interest and Principal Fund shall be used solely for the purposes described in Subsection (d) hereof. On or before each principal and/or interest payment date on the Revenue Bonds, (1) the Authority shall transfer to the Trustee any Dedicated Revenues which the Trustee shall deposit in the Revenue Bond Interest and Principal Fund, (2) the Trustee shall transfer from the Revenue Bond Interest and Principal Fund to the Paying Agent an amount equal to the principal, interest and redemption premiums, if any, payable on the Revenue Bonds on such date, and (3) the Authority shall transfer or shall authorize the Trustee to transfer any regularly scheduled amount due to any counterparty on a Qualified Derivative Agreement. In the event that the moneys in the Revenue Bond Interest and Principal Fund shall be sufficient to pay the amounts described in Subsection (d) hereof, no further transfer shall be required. In the event that the moneys in the Revenue Bond Interest and Principal Fund shall be insufficient to pay the amounts described in Subsection (d) hereof, the Trustee shall apply the moneys in the Revenue Bond Interest and Principal Fund on a pro rata basis (except that Dedicated Revenues shall only be applied to the extent allowed by

law) to pay such amounts prior to taking into consideration the amounts on deposit in any account of the Revenue Bond Reserve Fund.

The Trustee shall create separate accounts under the Revenue Bond Principal and Interest Fund for each series of Revenue Bonds.

SECTION 4.08. REVENUE BOND RESERVE FUND. The Authority is authorized to specify in the Supplemental Bond Ordinance that an account or accounts of the Revenue Bond Reserve Fund may be maintained for such Revenue Bonds and the provisions with respect thereto or that no account of the Revenue Bond Reserve Fund is being created for such Revenue Bonds.

Any such account may be pledged to and secure one or more series of Revenue Bonds, as described in the Supplemental Bond Ordinance.

Notwithstanding anything in this Section 4.08 to the contrary, a Supplemental Ordinance may provide for the funding of the applicable reserve requirement for any account or accounts of the Revenue Bond Reserve Fund in whole or in part by the delivery to the Trustee of a surety bond, an insurance policy or a letter of credit.

SECTION 4.09. GENERAL OBLIGATION BOND INTEREST AND PRINCIPAL FUND AND RESERVE FUND.

(a) On or before the last business day of each month, so long as any General Obligation Bonds remain Outstanding, after making required payments and provision for payment of Operation and Maintenance Expenses and after making all required transfers to the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund, there shall be transferred into the General Obligation Bond Interest and Principal Fund from the Airport System Fund the following amounts:

(i) 1/12 of the amounts as shall be necessary to pay principal of and 1/6 of the amounts as shall be necessary to pay interest on all Outstanding General Obligation Bonds due to be paid on the next date on which debt service is due on the General Obligation Bond; plus

(ii) Such amounts as shall be necessary to enable the Authority to pay when due all expenses of providing for the full and timely payment of the principal of, premium, if any, and interest on the General Obligation Bonds in accordance with their terms, including without limitation all fees charged or incurred in connection with Trustee and Registrar and Paying Agent, bond insurance, letters of credit, lines of credit, standby bond purchase agreements, or other credit or liquidity facilities, remarketing agreements, rate indexing agreements, tender agent agreements or similar or related agreements obtained or entered into by the Authority in connection with the General Obligation Bonds.

Whenever the total amounts on deposit to the credit of the General Obligation Bond Interest and Principal Fund shall be equivalent to the sum of the aggregate principal amount of all Outstanding General Obligation Bonds plus the aggregate amount of all interest accrued and to accrue thereon, no further transfers need be made into the General Obligation Bond Interest and Principal Fund. Moneys credited to the General Obligation Bond Interest and Principal Fund shall be used solely for the purpose of paying principal at maturity or to purchase General Obligation Bonds in the open market, and to pay interest and redemption premiums, if any, on the General Obligation Bonds, plus all bank charges and other costs and expenses relating to such payment, including those described in clause (b) above. On or before each principal and/or interest payment date of the General Obligation Bonds, the Trustee shall transfer from the General Obligation Bond Interest and Principal Fund to the paying agents for the General Obligation Bonds an amount equal to the principal, interest and redemption premiums, if any, payable on the General Obligation Bonds on such date. In the event that the moneys in the General Obligation Bond Interest and Principal Fund shall be sufficient to pay the amounts described in clauses (a) and (b) above, no further transfer shall be required.

(b) The Authority shall establish and maintain a balance in the General Obligation Bond Reserve Fund equal to the debt service reserve requirement for General Obligation Bonds as established in the ordinance authorizing such General Obligation Bonds. In any month in which the General Obligation Bond Reserve Fund contains less than the debt service reserve requirement for such General Obligation Bonds then, on or before the last business day of such month, after making all required payments and provision for payment of Operation and Maintenance Expenses and after making all required transfers into the Revenue Bond Interest and Principal Fund, the Revenue Bond Reserve Fund and the General Obligation Bond Interest and Principal Fund, there shall be transferred into the General Obligation Bond Reserve Fund from the Airport System Fund, an amount sufficient to reestablish in the General Obligation Bond Reserve Fund the debt service reserve requirement for such General Obligation Bonds. After the debt service reserve requirement has been accumulated in the General Obligation Bond Reserve Fund and so long thereafter as such Fund contains such amount, no further transfers shall be required to be made into the General Obligation Bond Reserve Fund, and in the event and to the extent that amounts in such Fund exceed the debt service reserve requirement for such General Obligation Bonds, such excess moneys shall be transferred to the Capital Improvement Fund. Moneys in the General Obligation Bond Reserve Fund shall be used to pay the principal of, and interest on, the applicable General Obligation Bonds in the event and to the extent that available funds in the General Obligation Bond Interest and Principal Fund are insufficient for such purpose, and such moneys may also be used to make the final payments for the retirement or defeasance of such General Obligation Bonds then Outstanding.

SECTION 4.10. SUBORDINATE SECURITIES INTEREST AND PRINCIPAL FUND.

The Authority shall set forth in any Supplemental Ordinance authorizing a series of Subordinate Securities the provisions with respect to the Subordinate Securities Interest and Principal Fund and such provisions as are required pursuant to Section 5.04 hereof.

SECTION 4.11. SUBORDINATE SECURITIES RESERVE FUND. The Authority shall establish and maintain and make such transfers to the Subordinate Securities Reserve Fund as may be required by any Supplemental Ordinance of the Authority authorizing the issuance of Subordinate Securities.

SECTION 4.12. OPERATION AND MAINTENANCE RESERVE FUND. The Authority shall fund and maintain, as hereinafter provided, a balance of money and investments in the Operation and Maintenance Reserve Fund at least equal to two (2) months current Operation and Maintenance Expenses or such other amount as agreed to in any Airline Agreement. The amount required to be held in such Fund shall annually be determined at the time of approval of the annual budget for the following Fiscal Year for the Airport System. The balance in such fund shall be evaluated monthly in light of current Operation and Maintenance Expense expectations and, on or before the last business day of each month, after making all required payments and provision for payment of Operation and Maintenance Expenses and all required transfers to the Revenue Bond Interest and Principal Fund, the Revenue Bond Reserve Fund, the General Obligation Bond Interest and Principal Fund, the General Obligation Bond Reserve Fund, the Subordinate Securities Interest and Principal Fund and the Subordinate Securities Reserve Fund, the Authority may transfer from the Airport System Fund, to the extent amounts are available therein, to the Operation and Maintenance Reserve Fund the amount needed to establish or reestablish the balance in the Operation and Maintenance Reserve Fund to that level herein required. Amounts from time to time credited to the Operation and Maintenance Reserve Fund may be used at any time first, to pay for any Operation and Maintenance Expenses for which amounts are not otherwise available in the Airport System Fund; second, to the extent any amounts are remaining, to be transferred to the Revenue Bond Interest and Principal Fund, the Revenue Bond Reserve Fund, the General Obligation Bond Interest and Principal Fund, the General Obligation Bond Reserve Fund, the Subordinate Securities Interest and Principal Fund or the Subordinate Securities Reserve Fund to the extent of any deficiency therein; third, to the extent any amounts are remaining, to pay any costs or expenses payable from the Renewal and Replacement Fund for which there are insufficient amounts in the Renewal and Replacement Fund; and fourth, to the extent any excess amounts remain, for transfer to the Capital Improvement Fund.

SECTION 4.13. RENEWAL AND REPLACEMENT FUND. The Authority may fund and maintain, as hereinafter provided, a balance of money and investments in the Renewal and Replacement Fund at least equal to the greater of \$2,000,000, as adjusted by the Implicit Price Deflator Index beginning from 2001, or two percent (2%) of all Airport System Operation and Maintenance Expense or such other amount agreed to in any Airline Agreement. On or before the last business day of each year, if the Renewal and Replacement Fund contains less than such amount, or such greater amount as may be recommended by the Airport Consultant and approved by the Board, after all required payments and provision for payment of Operation and Maintenance Expenses and all required transfers to the Revenue Bond Interest and Principal Fund, the Revenue Bond Reserve Fund, the General Obligation Bond Interest and Principal Fund, the General Obligation Bond Reserve Fund, the Subordinate Securities Interest and Principal Fund, and the Subordinate Securities Reserve Fund, there shall be transferred from the Airport System Fund as of the last day of each Fiscal Year, to the extent funds are available therein, to the Renewal and Replacement Fund, an amount equal to the greater of \$100,000 or

one-fourth (1/4) of the deficiency therein. Amounts from time to time credited to the Renewal and Replacement Fund may be used at any time first, to pay for any extraordinary costs of replacing depreciable property and equipment of the Airport System and making extraordinary repairs, replacements or renovations of the Airport System; second, to pay any Operation and Maintenance Expenses for which insufficient amounts are available in the Airport System Fund; third, to the extent any amounts are remaining, to be transferred to the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund, to the extent of any deficiency therein; and fourth, to the extent any amounts are remaining in excess of such minimum reserve requirement to be transferred to the Capital Improvement Fund.

SECTION 4.14. CAPITAL IMPROVEMENT FUND.

(a) After making all payments and transfers hereinabove required, there shall be transferred to the Capital Improvement Fund from the Airport System Fund, on a monthly basis, all amounts remaining in the Airport System Fund. Such transfer, however, shall not exceed

(i) the larger of \$4,000,000 per year as adjusted annually beginning from 2001 in proportion to changes in the Implicit Price Deflator Index, or an amount sufficient to fund the Capital Improvements approved by the Airlines in accordance with the Airline Agreements, or

(ii) such other amount agreed to in any Airline Agreement.

(b) In addition to the deposits required pursuant to subparagraph (a) hereof, there shall also be transferred to the Capital Improvement Fund, as available, all investment income of the Airport System not required to be retained in the Fund in which it was earned, all payments received by the Authority on an Investment Swap, all payments received on a Derivative Agreement, other than a Qualified Derivative Agreement, payments from the lessee under a lease permitted pursuant to Section 6.03(b) in an amount in excess of the amounts needed for the Funds as set forth in Section 4.05(a), all ad valorem taxes or payments in lieu of taxes received by the Authority, all passenger facility or similar charges (except as provided in Section 4.19 hereof), grants-in-aid, gifts and proceeds from the sale of Airport System capital assets.

(c) Amounts credited to the Capital Improvement Fund may be used for any lawful purpose of the Authority, including without limitation, to pay for any Capital Improvements, to pay costs of replacing any depreciable property or equipment of the Airport System, to pay costs of any major or extraordinary repairs, replacements or renewals of the Airport System, payments to be made by the Authority on an Investment Swap or a Derivative Agreement, to acquire land or any interest therein, to pay any lease or contractual obligations not paid as Operation and Maintenance Expenses and to make any transfers required to cure any deficiencies in any Funds.

SECTION 4.15. COVERAGE FUND. After making all payments and transfers hereinabove required, the Authority may deposit Gross Revenues to the Coverage Fund for the

purpose of establishing future coverage on outstanding Revenue Bonds. Moneys in the Coverage Fund may be used for any lawful purpose of the Authority.

SECTION 4.16. PREPAID AIRLINE FUND. All Gross Revenues and Federal Payments remaining in the Airport System Fund after satisfying the deposit requirements of the various funds set forth above shall be transferred by the last business day of each Fiscal Year to the Prepaid Airline Fund. Any amount in the Prepaid Airline Fund shall be used as a credit in calculating the revenues needed to meet the requirement of the rate covenant set forth in Section 4.03 hereof, and to meet the tests for Additional Revenue Bonds set forth in Article V hereof. After making such credit, however, such moneys may ultimately be used for any Airport System purpose deemed necessary by the Authority.

SECTION 4.17. DEFICIENCIES IN FUNDS. If in any month there shall not be transferred into any Fund maintained pursuant to this Article, the full amounts required herein, amounts equivalent to such deficiency shall be set apart and transferred to such Fund or Funds from the first available and unallocated moneys in the Airport System Fund, and such transfer shall be in addition to the amounts otherwise required to be transferred to such Funds during any succeeding month or months.

SECTION 4.18. INVESTMENT OF FUNDS; TRANSFER OF INVESTMENT INCOME.

(a) Monies in all Funds shall, at the option and direction of the Authority, be invested and secured in the manner required by law for public funds, in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities of the United States of America or in any other investments authorized by Indiana law; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. For purposes of maximizing investment returns, money in such Funds may be invested, together with money in other Funds or with other money of the Authority, in common investments of the kind described above, or in a common pool of such investments maintained by the Authority or the Trustee, which shall not be deemed to be a loss of the segregation of such money or Funds provided that safekeeping receipts, certificates of participation or other documents clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If and to the extent necessary, such investments or participations therein shall be promptly sold to prevent any default.

(b) All investments held in the Revenue Bond Reserve Fund shall be valued in the manner provided in the Supplemental Bond Ordinance authorizing the same.

(c) All interest and income derived from deposits and investments credited to any Fund shall remain in such Fund to the extent necessary to accumulate the required balance therein.

(d) All interest and income derived from deposits and investments of any amounts held in any Construction Fund shall remain in such Construction Fund for application on Project Costs until the Projects are complete, at which time all moneys in the Construction Fund shall be transferred to:

(i) any account or fund as shall be provided in the Supplemental Bond Ordinance pursuant to which such moneys were deposited into the Construction Fund;

(ii) the Revenue Bond Interest and Principal Fund or the respective account of the Revenue Bond Reserve Fund if needed to eliminate deficiencies therein; and

(iii) then to the Capital Improvement Fund or such other Fund as the Authority shall direct.

(e) To the extent it is not otherwise provided for above or needed to eliminate a deficiency, all interest and income derived from deposits and investments credited to the Funds shall be transferred or credited to the Airport System Fund or such other Fund as the Authority shall direct.

(f) Notwithstanding anything to the contrary contained herein, any interest and income derived from deposits and investments of any amounts credited to any fund or account may be paid to the federal government if in the opinion of nationally recognized bond counsel such payment is required in order to prevent interest on any Tax-Exempt Bonds from being includable within the gross income of the Owners thereof for federal income tax purposes.

SECTION 4.19. DEDICATED REVENUES. From time to time the Authority may adopt an ordinance or resolution irrevocably designating certain passenger facilities charges, state and/or federal grants or other moneys received by the Authority (and not otherwise treated as Gross Revenues) as Dedicated Revenues to be used exclusively to pay debt service on Revenue Bonds. In such ordinance or resolution, the Authority shall elect to exclude from the Debt Service Requirement, an amount of principal of and/or interest on Revenue Bonds in an amount equal to such Dedicated Revenues. If the Authority adopts an ordinance or resolution as described in this paragraph, the Authority shall transfer such Dedicated Revenues into the Revenue Bond Interest and Principal Fund at such time as is needed to pay such debt service when due.

SECTION 4.20. DESIGNATION OF RELEASED REVENUES. The Authority may identify and determine that any revenues (including revenues, fees, income and receipts that would otherwise be considered to be Gross Revenues) are to be designated as Released Revenues by filing the following items with the Trustee:

(a) a written request of an Authorized Airport Representative to release such revenues, accompanied by a certificate of such Authorized Airport Representative certifying the Authority is in compliance with all requirements of this Ordinance;

(b) either (i) an Accountant's Certificate to the effect that Net Revenues, excluding the revenues proposed to become Released Revenues, for each of the two (2) latest Fiscal Years for which audited financial reports are available were equal to at least 135% of the Debt Service Requirement for each of such Fiscal Years; or (ii) a certificate of an Airport Consultant to the effect that based upon current knowledge of the operation of the Airport, Net Revenues, excluding the revenues proposed to become Released Revenues, for the current Fiscal Year will be equal to at least 135% of the Debt Service Requirement for such Fiscal Year;

(c) Proof of notice provided to each Rating Agency of the Authority's intent to release such revenues from the definition of Gross Revenues; and

(d) an opinion of bond counsel to the effect that the exclusion of such revenues from the definition of Gross Revenues and from the pledge, charge and lien of this Ordinance will not adversely affect the tax-exempt status of the interest on any Outstanding Tax-Exempt Bond.

In such event, the Released Revenues shall not be deposited in or shall be released from the Airport System Fund and shall not be pledged as security for the Revenue Bonds.

ARTICLE V

REVENUE BONDS

SECTION 5.01. REVENUE BONDS. The Authority reserves the right to issue, for any lawful Airport System purpose, one or more issues of Revenue Bonds payable from and secured by a lien on the Net Revenues on a parity with any Outstanding Revenue Bonds upon meeting the requirements set forth in this Section 5.01 of the Ordinance.

(a) No Default. An Authorized Airport Representative certifies that, upon the issuance of such series of Revenue Bonds, the Authority will not be in default under any term or provision of any Revenue Bonds then Outstanding or any ordinance pursuant to which any of such Revenue Bonds were issued.

(b) Proper Fund Balances. An Authorized Airport Representative certifies that, upon the issuance of such series of Revenue Bonds, the Revenue Bond Interest and Principal Fund will have the required amounts on deposit therein and that the account of the Revenue Bond Reserve Fund, if any, which is held for the benefit of such series of Revenue Bonds will have on deposit an amount equal to the applicable Debt Service Reserve Requirement or so much thereof as is required to be funded at such time.

(c) Historical Coverage on Outstanding Revenue Bonds. An Authorized Airport Representative shall certify that, for either the Authority's most recent complete Fiscal Year or for any consecutive twelve (12) out of the most recent eighteen (18) months, the Net Revenues of the Airport System, together with moneys in the Coverage Fund, were equal to at least 125% of the Debt Service Requirement for all Revenue Bonds for such period (without taking into account the Debt Service Requirements for the proposed Revenue Bonds).

(d) Coverage for Additional Revenue Bonds. The Authority shall also submit to the Trustee either of the following:

(i) a certification by an Authorized Airport Representative that, for either the Authority's most recent Fiscal Year or for any consecutive twelve (12) months out of the most recent eighteen (18) months, the Net Revenues of the Airport System, together with moneys in the Coverage Fund, were equal to at least 125% of the Debt Service Requirement for all Outstanding Revenue Bonds, including the proposed Additional Revenue Bonds, in any future Fiscal Year; or

(ii) a report of the Airport Consultant that sets forth projections which indicate that, based on the Authority's expectations, the estimated Net Revenues of the Airport System for each of three (3) consecutive Fiscal Years beginning in the earliest of:

(A) the first Fiscal Year following the estimated date of completion and initial use of any revenue producing facility to be financed with

such series of Revenue Bonds, based upon a certified written estimated completion date by the consulting engineer for such facility or facilities, or

- (B) the first Fiscal Year in which the Authority will have any scheduled payments of interest on or principal of the series of Revenue Bonds to be issued for the payment of which provision has not been made as indicated in the report of such Airport Consultant from proceeds of such series of Revenue Bonds, investment income thereon or from other appropriated sources (other than Net Revenues),

are, together with the moneys in the Coverage Fund, equal to at least 125% of the Debt Service Requirement for all Revenue Bonds for such period scheduled to occur during each such respective Fiscal Year after taking into consideration the additional Debt Service Requirement for the series of Revenue Bonds to be issued.

(e) For all purposes of this Section 5.01, (i) any principal or interest on Revenue Bonds which is payable from Dedicated Revenues may be excluded from the Debt Service Requirement for such Revenue Bonds; (ii) any amount transferred or credited from the Prepaid Airline Fund to the Airport System Fund shall be included in Net Revenues for such Fiscal Year; and (iii) any interest due on Revenue Bonds that is paid from moneys in the Capitalized Interest Account shall be excluded from the Debt Service Requirement.

(f) Revenue Bond Ordinance Requirements. Provision is made in the Supplemental Bond Ordinance for (i) additional payments into the Revenue Bond Interest and Principal Fund sufficient to provide for any principal and interest requirements resulting from the issuance of the Revenue Bonds including (1) in the event that interest on the series of Revenue Bonds is capitalized, a requirement for the transfer from the applicable capitalized interest fund or account, (2) in the event that certain Revenue Bonds are subject to a Derivative Agreement (other than a Qualified Derivative Agreement) entered into at the time of issuance of such Revenue Bonds, a requirement for the transfer from the Capital Improvement Fund of payments due on the Derivative Agreement, and/or (3) in the event interest is to be paid from investment earnings, a requirement for the transfer from the Construction Fund to the Revenue Bond Interest and Principal Fund of amounts fully sufficient to pay interest on such series of Revenue Bonds during the period specified in the Supplemental Bond Ordinance, and (ii) provisions with respect to the Revenue Bond Reserve Fund for such issue.

(g) Refunding Revenue Bonds. If Revenue Bonds are being issued for the purpose of refunding all or a portion of the previously issued Revenue Bonds or Subordinate Securities which are then Outstanding, none of the certifications described in (c) or (d) above are required so long as (for each Fiscal Year during which Revenue Bonds had been Outstanding) the Debt Service Requirement for all Outstanding Revenue Bonds in such Fiscal Year (after giving effect to the issuance of such Refunding Revenue

Bonds) will not exceed the Debt Service Requirement for all Outstanding Revenue Bonds in such Fiscal Year (prior to giving effect to the issuance of such Refunding Revenue Bonds).

(h) Completion Revenue Bonds. The provisions of paragraphs (c) and (d) shall not apply to the issuance of Completion Revenue Bonds issued pursuant to Section 5.03 hereof.

(i) Repayment Obligations. The provisions of paragraphs (c) and (d) shall not apply to the issuance of Repayment Obligations.

SECTION 5.02. RESERVED.

SECTION 5.03. COMPLETION REVENUE BONDS. The Authority reserves the right to issue one or more series of Completion Revenue Bonds to pay the cost of completing any Project for which Revenue Bonds have previously been issued.

Prior to the issuance of any series of Completion Revenue Bonds, the Authority must provide, in addition to all of the applicable certificates required by Section 5.01(a) and (b) above, and the following documents:

(a) a certificate of the Project Engineer engaged by the Authority to design the Project for which Completion Revenue Bonds are to be issued stating that such Project has not materially changed in scope since the issuance of the most recent series of Revenue Bonds issued for such purpose (except as permitted in the applicable Supplemental Bond Ordinance) and setting forth the aggregate cost of the Project which, in the opinion of such Project Engineer, has been or will be incurred; and

(b) a certificate of an Authorized Airport Representative (i) stating that all amounts allocated to pay costs of the Project from the proceeds of the most recent series of Revenue Bonds issued in connection with the Project for which Completion Revenue Bonds are being issued were used or are still available to be used to pay costs of such Project; (ii) containing a calculation of the amount by which the aggregate cost of the Project (furnished in the Project Engineer's certificate described above) exceeds the sum of the costs of the Project paid to such date plus the moneys available at such date within any construction fund or other like account applicable to the Project plus any other moneys which the Authorized Airport Representative, in his discretion, has determined are available to pay such costs in any other fund; and (iii) certifying that, in the opinion of the Authorized Airport Representative, the issuance of such Revenue Bonds is necessary to provide funds for the completion of the Project.

For purposes of this Section, the term "Project" shall mean any Airport System facility or project which shall be defined as a Project in any Supplemental Bond Ordinance for the purpose of financing such Projects. Any such Supplemental Bond Ordinance may contain such further provisions as the Authority shall deem appropriate with regard to the use, completion, modification or abandonment of such Projects.

SECTION 5.04. SUBORDINATE SECURITIES. The Authority reserves the right to issue or incur, for any lawful Airport System purpose, Subordinate Securities in the form of revenue bonds, notes or other obligations secured in whole or in part, by liens on the Net Revenues that are junior and subordinate to the lien on Net Revenues securing payment of the Revenue Bonds. Such Subordinate Securities may be further secured by any other source of payment lawfully available for such purposes and need not be issued on a parity with one another. The agreements with respect to the issuance of the Subordinate Securities cannot require that a default or event of default thereunder shall create an Event of Default under this Ordinance.

SECTION 5.05. SPECIAL PURPOSE FACILITIES BONDS. The Authority reserves the right to issue, from time to time, in one or more series, Special Purpose Facilities Bonds as herein provided to finance and refinance the cost of any Special Purpose Facilities, including all reserves required therefor, all related costs of issuance and other amounts reasonably relating thereto, provided that such Special Purpose Facilities Bonds shall be payable solely from payments by Special Purpose Facilities lessees and/or other security not provided by the Authority. In no event shall any Gross Revenues or any other amounts held in any other fund or account maintained by the Authority as security for the Revenue Bonds or for the construction, operation, maintenance or repair of the Airport System be pledged to the payment of Special Purpose Facilities Bonds or to the payment of any lessee expenses for maintenance and operation of Special Purpose Facilities.

ARTICLE VI

COVENANTS AND PROVISIONS RELATING TO ALL REVENUE BONDS

SECTION 6.01. PUNCTUAL PAYMENT OF REVENUE BONDS. The Authority will punctually pay or cause to be paid the interest on and principal of all Revenue Bonds according to the terms thereof and will faithfully do and perform, and at all times fully observe, any and all covenants, undertakings, stipulations and provisions contained in this Ordinance and in any Supplemental Bond Ordinance.

SECTION 6.02. OPERATION AND MAINTENANCE OF AIRPORT SYSTEM. So long as any Revenue Bonds remain outstanding, the Authority covenants that it will at all times maintain and operate the Airport System, or within the limits of its authority, cause the same to be maintained and operated in good and serviceable condition.

SECTION 6.03. SALE OR ENCUMBRANCE OF AIRPORT SYSTEM.

(a) Except as permitted in this Section 6.03, neither all nor a substantial part of the Airport System, or any property necessary to the operation and use of the Airport System, shall be sold, leased, mortgaged, pledged, encumbered, alienated, or otherwise disposed of.

(b) The Authority may enter into a management contract or lease of all or substantially all of the Airport System or any lesser part thereof, on the condition that the manager or lessee agrees to comply with and perform all of the duties of the Authority under the provisions of this Ordinance (except those expressly retained by the Authority), including in particular, Article IV hereof. Subject to such conditions, the Authority may delegate to such manager or lessee all or a portion of the Authority's rights and duties hereunder. In such event, after providing for the deposits required by Section 4.05(a) hereof, the lessee may compensate the Authority for the lessee's use of such property from Gross Revenues in the Airport System Fund for deposit into the Capital Improvement Fund.

(c) The Authority may also execute any leases, licenses, easements, or other agreements of any part of the Airport System in connection with the operation of the Airport System by the Authority, or in connection with any Special Purpose Facilities located at any airport within the Airport System.

(d) The Authority may sell, exchange, lease or otherwise dispose of, or exclude from the Airport System, any property constituting a part of the Airport System which the Authorized Airport Representative certifies (i) to be no longer useful in the construction or operation of the Airport System, or (ii) to be no longer necessary for the efficient operation of the Airport System, or (iii) to have been replaced by other property of at least equal value. The net proceeds of the sale or disposition of any Airport System property (or the fair market value of any property so excluded) pursuant to this paragraph

shall be used for the purpose of replacing properties at the Airport System, or shall be paid into the Airport System Fund for the purposes thereof.

(e) Nothing herein prevents any transfer of all or a substantial part of the Airport System to another body corporate and politic (including, but not necessarily limited to a joint action agency or an airport authority) which assumes the Authority's obligations under this Ordinance and in any Supplemental Ordinance, wholly or in part, if, in the written opinion of the Airport Consultant, the ability to meet the rate covenant and other covenants under this Ordinance and in any Supplemental Ordinance, are not materially and adversely affected. In the event of any such transfer and assumption, nothing herein shall prevent the retention by the Authority of any facility of the Airport System if, in the written opinion of the Airport Consultant, such retention will not materially and adversely affect nor unreasonably restrict such other entity's ability to comply with the requirements of the rate covenant and the other covenants of this Ordinance and in any Supplemental Ordinance.

SECTION 6.04. INSURANCE. The Authority further covenants and agrees that it will keep the Airport System insured with insurers of good standing against risks, accidents or casualties against which and to the extent customarily insured against by, and with deductible and self-insurance provisions customarily utilized by operators operating similar properties, to the extent that such insurance is reasonably available. All net proceeds of such insurance shall be applied to repair or replace the insured property that is damaged or destroyed, to make other capital improvements to the Airport System, to redeem Revenue Bonds or to the Airport System Fund for the purposes thereof, except for proceeds of business interruption insurance, which shall only be credited to the Airport System Fund. To the extent that the Authority shall self-insure its insurance risks set forth above in the amount greater than \$5,000,000, the Authority shall provide to the Trustee a report of an independent insurance consultant satisfactory to the Trustee that its self-insurance program is funded in accordance with industry standards.

SECTION 6.05. ACCOUNTS, RECORDS AND AUDITS. So long as any Revenue Bonds remain outstanding, the Authority covenants and agrees that it will maintain a proper and complete system of records and accounts pertaining to the Gross Revenues and the operation of the Airport System in which full, true and proper entries will be made of all dealings, transactions, business and affairs which in any way affect or pertain to the Gross Revenues and the Airport System. The Authority shall, within one hundred twenty (120) days after the close of each of its Fiscal Years or as soon thereafter as practicable, cause an audit report of such records and accounts to be prepared by an independent certified public accountant or independent firm of certified public accounts, which shall calculate the Gross Revenues, Net Revenues and Debt Service Requirement for such Fiscal Year and shall set forth a calculation to demonstrate whether the Authority has satisfied the rate covenant contained in Section 4.03 hereof. In addition, the Authority shall each year, either as a part of its annual audit or by separate engagement, cause an independent certified public accountant or independent firm of certified public accountants to prepare an annual report. Each year promptly after such reports are prepared, the Authority shall furnish copies thereof to any Owners of Revenue Bonds who shall request same. All expenses of obtaining such reports shall constitute Operation and Maintenance Expenses of the Airport System.

SECTION 6.06. PLEDGE AND ENCUMBRANCE OF REVENUES. The Authority covenants and represents that it has the lawful power to create a lien on and to pledge the Net Revenues to secure the payment of the Revenue Bonds and has lawfully exercised such power under the constitution and laws of the State of Indiana. The Authority further covenants and represents that, other than to the payment of Operation and Maintenance Expenses and the Revenue Bonds or for payments owed by the Authority of amounts owed on a Qualified Derivative Agreement from the Reserve Bond Interest and Principal Fund, the Authority has not and will not make the Gross Revenues subject to any other lien, pledge or encumbrance to secure the payment of any debt or obligation of the Authority, unless such lien, pledge or encumbrance is junior and subordinate to the lien and pledge securing payment of the Revenue Bonds.

SECTION 6.07. DISCHARGE BY DEPOSIT. The Authority may discharge its obligation to the Owners of any or all of the Revenue Bonds to pay principal, interest and redemption premium (if any) thereon by depositing with the Trustee cash in an amount equal to the principal amount and redemption premium, if any, of Revenue Bonds plus interest thereon to the date of maturity or redemption, or by depositing either with the Trustee or with any national banking association with capital and surplus in excess of \$100,000,000, pursuant to an escrow or trust agreement to which the Trustee is a party, cash and/or Defeasance Obligations, in principal amounts and maturities and bearing interest at rates sufficient to provide for the timely payment of the principal amount and redemption premium, if any, of such Revenue Bonds plus interest thereon to the date of maturity or redemption. Upon such deposit, such Revenue Bonds shall no longer be regarded to be Outstanding or unpaid. In case any Revenue Bonds are to be redeemed on any date prior to their maturity, the Authority shall give to the Trustee irrevocable instructions to give notice of redemption of Revenue Bonds to be so redeemed in the manner required in the Supplemental Bond Ordinance or Ordinances authorizing such Revenue Bonds. For any Revenue Bonds not to be redeemed or paid in full within the next succeeding sixty (60) days from the date of deposit provided for in this Section 6.07, the Authority shall give the Trustee in form satisfactory to it irrevocable instructions to mail, by certified mail, a notice to the Owners of such Revenue Bonds that the deposit required by this Section 6.07 has been made and that said Revenue Bonds are deemed paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal amount and redemption premium if any on such Revenue Bonds plus interest thereon to the date of maturity or redemption. Any failure, error or delay in giving such notices shall not affect the defeasance of such Revenue Bonds.

SECTION 6.08. LEGAL HOLIDAYS. In any case where the date of maturity of interest on or principal of any Revenue Bonds or the date fixed for redemption of any Revenue Bonds shall be in Indianapolis, Indiana, or in New York, New York, a legal holiday or a day on which a paying agent for the Revenue Bonds is authorized by law to close, then payment of interest or principal need not be made on such date but may be made on the next succeeding day not a legal holiday or a day on which such paying agent is authorized by law to close with the same force and effect as if made on the date of maturity or the date fixed for redemption and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment.

SECTION 6.09. TAX EXEMPTION. So long as any Tax-Exempt Bonds remain outstanding, the Authority covenants that it will not take, or omit to take, any acts, including

without limitation entering into any lease, operating agreement or other contract for the operation of all or any portion of the Airport System or pledge to the payment of the Tax-Exempt Bonds any revenues or fail to make any required payment or rebate of interest earnings if to do so would cause interest on any Tax-Exempt Bonds to be includable within the gross income of the Owners thereof for federal income tax purposes.

SECTION 6.10. NONDISTURBANCE OF TENANTS. Notwithstanding any Event of Default to the contrary, neither the Trustee, any Owner of Revenue Bonds or a receiver of the Authority appointed in accordance with the provisions of the Act shall, without the consent of the tenant, terminate, amend, modify or reject any lease of the Airport System permitted pursuant to the provisions of Section 6.03(b), except to the extent that the Authority shall have the right at such time to terminate, amend, modify or reject such lease in accordance with the terms thereof.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS OF REVENUE BONDS

SECTION 7.01. EVENTS OF DEFAULT. An Event of Default is one or more of the following:

(a) A default shall be made in the due and punctual payment of the principal or redemption premium of any Revenue Bond when and as the same shall become due and payable, whether at maturity or by call or proceedings for redemption, or otherwise;

(b) A default shall be made in the due and punctual payment of (1) any installment of interest on any Revenue Bond, (2) any regularly scheduled payment on a Qualified Derivative Agreement or (3) any Repayment Obligation (after the lapse of any applicable grace period), when and as such payment shall become due and payable;

(c) A default shall be made by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part in the Ordinance or in the Revenue Bonds contained, and such default shall have continued for a period of ninety (90) days after written notice specifying such default and requiring that it shall have been remedied is given to the Authority by the Trustee or to the Authority and to the Trustee by the Owners of not less than 25% in principal amount of the Revenue Bonds Outstanding; provided that, if such failure cannot be corrected within such 90-day period, it shall not constitute an Event of Default if corrective action is instituted within such period and such corrective action is diligently pursued until the failure is corrected, provided that if such corrective action includes legal action such legal action shall be diligently pursued until either the failure is corrected or such failure shall be determined by a court of final and competent jurisdiction as not correctable as a matter of law;

(d) A court having jurisdiction in the premises enters a decree or order providing for relief in respect of the Authority in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Authority or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of ninety (90) days; or

(e) The Authority commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Authority or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any action in furtherance of the foregoing;

then, and in each and every such case, so long as such event shall not have been remedied, either the Trustee (by notice in writing to the Authority), or the Owners of not less than 25% in principal amount of the Revenue Bonds Outstanding (by notice in writing to the Authority and the Trustee), may declare that an Event of Default has occurred. The right of the Trustee or of the Owners of not less than 25% in principal amount of the Revenue Bonds to make any such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, but before the Revenue Bonds shall have matured by their terms, all overdue installments of interest upon the Revenue Bonds, together with interest on such overdue installments of interest to the extent permitted by law and the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums then payable by the Authority under the Ordinance shall either be paid by or for the account of the Authority or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Revenue Bonds or under the Ordinance shall be made good or be secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Owners of 50% in principal amount of the Revenue Bonds Outstanding, by written notice to the Authority and to the Trustee, may rescind such declaration and annul such Event of Default in its entirety, or, if the Trustee shall have acted itself, and if there shall not have been theretofore delivered to the Trustee written direction to the contrary by the Owners of 25% in principal amount of the Revenue Bonds Outstanding, then any such declaration shall ipso facto be deemed to be rescinded and any such Event of Default shall ipso facto be deemed to be annulled, but no such rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

SECTION 7.02. ACCOUNTING AND EXAMINATION OF RECORDS AFTER DEFAULT. The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of records and accounts of the Authority and all other records relating to the Airport System shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys.

The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all revenues and other moneys, securities and funds pledged or held under the Ordinance for such period as shall be stated in such demand.

SECTION 7.03. APPLICATION OF REVENUES AND OTHER MONEYS AFTER DEFAULT. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon the demand of the Trustee, shall pay over or cause to be paid over to the Trustee (i) forthwith, all moneys, securities and funds then held by the Authority in any Fund under the Ordinance, and (ii) all revenues as promptly as practicable after receipt thereof.

During the continuance of an Event of Default, the Trustee or receiver appointed pursuant to Section 7.04 shall apply all moneys, securities, funds and revenues received by the Trustee pursuant to any right given or action taken under the provisions of this Article as follows and in the following order:

(a) Expenses of Fiduciaries - to the payment of the reasonable and proper charges, expenses and liabilities of the Fiduciaries;

(b) Operation and Maintenance Expenses - to the payment of the amounts required for reasonable and necessary Operation and Maintenance Expenses and for the reasonable renewals, repairs and replacements of the Airport System necessary in the judgment of the Trustee to prevent a loss of revenues. For this purpose the books of records and accounts of the Authority relating to the Airport System shall at all times be subject to the inspection of the Trustee and its representatives and agents during the continuance of such Event of Default;

(c) Principal and redemption premium if any, and interest - to the payment of the interest, principal and redemption premium, if any, then due on any Revenue Bonds, Repayment Obligations and regularly scheduled payments on a Qualified Derivative Agreement, as follows:

FIRST: Interest - to the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, together with accrued and unpaid interest on the Revenue Bonds and Qualified Derivative Agreements or the interest component of any Repayment Obligations, theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

SECOND: Principal and redemption premium, if any, - to the payment to the persons entitled thereto of the unpaid principal and redemption premium, if any, of any Revenue Bonds or the principal component of any Repayment Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Revenue Bonds or Repayment Obligations due on any date, then to the payment thereof ratably, according to the amounts of principal and redemption premium, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

(d) If and whenever all overdue installments of interest on all Revenue Bonds, Qualified Derivative Agreements or Repayment Obligations, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums payable by the Authority under the Ordinance, including the principal of and redemption premium, if any, of and accrued unpaid interest on all such obligations which shall then be payable, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Ordinance or such obligations shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities and funds deposited or pledged, or required by

the terms of the Ordinance to be deposited or pledged, with the Trustee), and thereupon the Authority and the Trustee shall be restored, respectively, to their former positions and rights under the Ordinance. No such payment over to the Authority by the Trustee nor such restoration of the Authority and the Trustee to their former positions and rights shall extend to or affect any subsequent default under the Ordinance or impair any right consequent thereon.

SECTION 7.04. APPOINTMENT OF RECEIVER. The Trustee shall have the right to apply in an appropriate proceeding for the appointment of a receiver of the Airport System, or to proceed under the bankruptcy law, if permitted by law.

SECTION 7.05. PROCEEDINGS BROUGHT BY TRUSTEE.

(a) If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Owners of not less than 25% in principal amount of the Revenue Bonds Outstanding shall proceed, to protect and enforce its rights and the rights of the Owners of the Revenue Bonds under the Act or the Ordinance forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted or any remedy granted under the Act, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Ordinance.

(b) All rights of action under the Ordinance may be enforced by the Trustee without the possession of any of the Revenue Bonds or the production thereof on the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

(c) The Owners of not less than a majority in principal amount of the Revenue Bonds at the time Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if (a) the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, (b) the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability, unless such owners shall agree to indemnify the Trustee against such liability and shall post bond in respect of such indemnity, or (c) the Trustee in good faith shall determine that the action or proceeding so directed would be unjustly prejudicial to the Owners of Revenue Bonds not parties to such direction.

(d) Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under the Act or the Ordinance, the Trustee shall be entitled to exercise any and all rights and powers conferred in the Act

or the Ordinance and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

(e) Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Owners of a majority in principal amount of the Revenue Bonds then Outstanding, and furnished with reasonable security and indemnity, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under the Ordinance when such impairment results from any acts which may be unlawful or in violation of the Ordinance, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Owners of the Revenue Bonds.

SECTION 7.06. RESTRICTION ON BONDOWNER'S ACTION. No Owner of any Revenue Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Ordinance or the execution of any trust under the Ordinance or for any remedy under the Ordinance, unless such Owner shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Owners of at least 25% in principal amount of the Revenue Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in the Ordinance or by the Act or by the laws of Indiana or to institute such action, suit or proceeding in its own name, and unless such Owners shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of sixty (60) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Owners of Revenue Bonds or coupons shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by the Ordinance, or to enforce any right under the Ordinance, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the Ordinance shall be instituted, had and maintained in the manner provided in the Ordinance and for the equal benefit of all Owners of the Outstanding Revenue Bonds.

Nothing in the Ordinance or in the Revenue Bonds contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of (and premium, if any) and interest on the Revenue Bonds to the respective Owners thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Owner to enforce such payment of his Revenue Bond.

SECTION 7.07. REMEDIES NOT EXCLUSIVE. No remedy by the terms of the Ordinance conferred upon or reserved to the Trustee or the Owners of Revenue Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Ordinance or existing at law, including under the Act, or in equity or by statute on or after the date of adoption of the Ordinance.

SECTION 7.08. EFFECT OF WAIVER AND OTHER CIRCUMSTANCES. No delay or omission of the Trustee or any Owner of a Revenue Bond to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Owners of Revenue Bonds may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Owners of Revenue Bonds.

The Owners of not less than 66 2/3% in aggregate principal amount of the Revenue Bonds at the time Outstanding, or their attorneys-in-fact duly authorized, may on behalf of the Owners of all of the Revenue Bonds waive any past default under the Ordinance and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Revenue Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 7.09. NOTICE OF DEFAULT. The Trustee shall promptly mail written notice of the occurrence of any Event of Default to each registered Owner of Revenue Bonds then Outstanding at his address, if any, appearing on the registry books of the Authority.

ARTICLE VIII

CONCERNING THE FIDUCIARIES

SECTION 8.01. TRUSTEE; APPOINTMENT AND ACCEPTANCE OF DUTIES. The Trustee shall be as designated in the Supplemental Ordinance pertaining to that issue of Revenue Bonds. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Ordinance and all other agreements with the Authority by executing and delivering to the Authority a written acceptance thereof, and by executing such acceptance, the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Revenue Bonds thereafter to be validly issued, but only, however, upon the terms and conditions set forth in the Ordinance.

SECTION 8.02. PAYING AGENTS AND REGISTRAR; APPOINTMENT AND ACCEPTANCE OF DUTIES. The Authority shall appoint one or more Paying Agents and one Registrar for the Revenue Bonds of each series, and may at any time or from time to time appoint one or more other Paying Agents and Registrar having the qualifications set forth in Section 8.13 for a successor Paying Agent and Registrar. The Trustee may be appointed the Registrar or a Paying Agent. As to any particular issue of Revenue Bonds, the appointed Registrar and Paying Agent, as to that issue of Revenue Bonds, shall be as designated in the Supplemental Ordinance accompanying that particular issue.

Each Paying Agent and Registrar shall signify its acceptance of the duties and obligations imposed upon it by the Ordinance by executing and delivering to the Authority and to the Trustee a written acceptance thereof.

Unless otherwise provided, the principal corporate trust offices of the Paying Agents and the Registrar are designated as the respective offices or agencies of the Authority for the payment of the principal or redemption price of the Revenue Bonds. The principal corporate office of the Registrar is designated as the office for the registration and exchange of the Revenue Bonds.

SECTION 8.03. RESPONSIBILITIES OF FIDUCIARIES. The recitals herein and in the Revenue Bonds contained shall be taken as the statements of the Authority, and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representation as to the validity or sufficiency of the Ordinance or of any Revenue Bonds or as to the security afforded by the Ordinance, and no Fiduciary shall incur any liability in respect thereof. The Trustee or Registrar shall, however, be responsible for representations contained in the certificate of authentication on the Revenue Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid by such Fiduciary in accordance with the provisions of the Ordinance to or upon the order of the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of this Section 8.03, no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default.

The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Ordinance. In case an Event of Default has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers vested in it by the Ordinance, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any provision of the Ordinance relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 8.03.

SECTION 8.04. EVIDENCE ON WHICH FIDUCIARIES MAY ACT. Each Fiduciary, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of the Ordinance, shall examine such instrument to determine whether it conforms to the requirements of the Ordinance and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may reasonably consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Ordinance in good faith and in accordance therewith.

Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Ordinance, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Authority Representative, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the Ordinance upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as may seem reasonable to it.

Except as otherwise expressly provided in the Ordinance, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Authority to any Fiduciary shall be sufficiently executed in the name of the Authority by an Authorized Officer of the Authority.

SECTION 8.05. COMPENSATION. Prior to its appointment, each Fiduciary shall file with the Authority a negotiated schedule of anticipated fees and charges for services to be performed pursuant to the Ordinance. The Authority shall pay to each Fiduciary from time to time pursuant to such schedule reasonable compensation for all services rendered under the Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and other persons not regularly in its employ, incurred in and about the performance of their powers and duties under the Ordinance. Subject to the provisions of Section 8.03, the Authority further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence, misconduct or default.

SECTION 8.06. CERTAIN PERMITTED ACTS. Any Fiduciary may become the owner of any Revenue Bonds, with the same rights it would have if it were not a Fiduciary. To

the extent permitted by law, any Fiduciary may act as depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondowners or to effect or aid in any reorganization growing out of the enforcement of the Revenue Bonds or the Ordinance, whether or not any such committee shall represent the Owners of a majority in principal amount of the Revenue Bonds then Outstanding.

SECTION 8.07. RESIGNATION OF TRUSTEE, REGISTRAR OR PAYING AGENT.

The Trustee, Registrar or Paying Agent may at any time resign and be discharged from the duties and obligations created by the Ordinance by giving not less than sixty (60) days' written notice to the Authority, and to each Bondowner specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day a successor has been appointed and has accepted the duties of the position.

SECTION 8.08. REMOVAL OF TRUSTEE, REGISTRAR AND PAYING AGENT.

The Trustee, Registrar and Paying Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in principal amount of the Revenue Bonds then Outstanding or their attorneys-in-fact duly authorized. So long as no Event of Default or an event which, with notice or passage of time, or both, would become an Event of Default shall have occurred and be continuing, the Trustee may be removed at any time by ordinance of the Authority filed with the Trustee.

SECTION 8.09. APPOINTMENT OF SUCCESSOR TRUSTEE, REGISTRAR OR PAYING AGENT.

(a) In case at any time the Trustee, Registrar or Paying Agent shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, Registrar or Paying Agent, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, Registrar or Paying Agent or of its property or affairs, a successor may be appointed by the Owners of a majority in principal amount of the Revenue Bonds then Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondowners or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, Registrar or Paying Agent, notification thereof being given to the Authority and the predecessor Trustee, Registrar or Paying Agent; provided, nevertheless, that unless a successor Trustee, Registrar or Paying Agent shall have been appointed by the Bondowners as aforesaid within thirty (30) days, the Authority by a duly executed written instrument signed by an Authorized Airport Representative of the Authority shall forthwith appoint a Trustee, Registrar or Paying Agent to fill such vacancy until a successor Trustee, Registrar or Paying Agent shall be appointed by the Bondowners as authorized in this Section 8.09. The Authority shall give notice of any such appointment made by it to each Bondowner. Any successor Trustee, Registrar or Paying Agent appointed by the Authority shall, immediately and without further act, be superseded by a Trustee, Registrar or Paying Agent appointed by the Bondowners.

(b) If no appointment of a successor Trustee, Registrar or Paying Agent shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee or the Registrar and Paying Agent shall have given to the Authority written notice as provided in Section 8.07 or after a vacancy in the office of the Trustee, Registrar or Paying Agent shall have occurred by reason of its inability to act, the Trustee or the Owner of any Revenue Bond may apply to any court of competent jurisdiction to appoint a successor Trustee, Registrar or Paying Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee, Registrar or Paying Agent.

(c) Any Trustee, Registrar or Paying Agent appointed under the provisions of this Section in succession to the Trustee, Registrar or Paying Agent shall be a bank or trust company or national banking association, having capital stock, surplus and undivided earnings aggregating at least \$50,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Ordinance.

SECTION 8.10. TRANSFER OF RIGHTS AND PROPERTY TO SUCCESSOR TRUSTEE, REGISTRAR OR PAYING AGENT. Any successor Trustee, Registrar or Paying Agent appointed under the Ordinance shall execute, acknowledge and deliver to its predecessor Trustee, Registrar or Paying Agent and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, Registrar or Paying Agent, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, Registrar or Paying Agent, with like effect as if originally named as Trustee, Registrar or Paying Agent; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee, Registrar or Paying Agent, execute, acknowledge and deliver such instrument 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 Trustee, Registrar or Paying Agent all the right, title and interest of the predecessor Trustee in and to any property held by it under the Ordinance, and shall pay over, assign and deliver to the successor Trustee, Registrar or Paying Agent any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be reasonably required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee, Registrar or Paying Agent any such estates, rights, power and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority. The Authority shall promptly notify the Paying Agents of the appointment of any such successor Trustee, Registrar or Paying Agent.

SECTION 8.11. MERGER OR CONSOLIDATION. Any company into which any Fiduciary may be merged or converted 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 any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of

any state of the United States or a national banking association and shall be authorized by law to perform all duties imposed upon it by the Ordinance, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

SECTION 8.12. ADOPTION OF AUTHENTICATION. In case any of the Revenue Bonds contemplated to be issued under the Ordinance shall have been authenticated but not delivered, any successor Trustee or Registrar may adopt the certificate of authentication of any predecessor Trustee so authenticating such Revenue Bonds and deliver such Revenue Bonds so authenticated; and in any case if the said Revenue Bonds shall not have been authenticated, any successor Trustee may authenticate such Revenue Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Revenue Bonds or in the Ordinance provided that the certificate of the Trustee shall have.

SECTION 8.13. RESIGNATION OR REMOVAL OF PAYING AGENT AND APPOINTMENT OF SUCCESSOR. Any Paying Agent may at any time resign and be discharged of the duties and obligations created by the Ordinance, effective upon the date on which such duties and obligations are assumed by a successor Paying Agent, by giving at least sixty (60) days' written notice to the Authority, the Trustee, and the other Paying Agents. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized Officer of the Authority. Any successor Paying Agent shall be appointed by the Authority and shall be a bank or trust company organized under the laws of any state of the United States or national banking association, having capital stock, surplus and undivided earnings aggregating at least \$50,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Ordinance.

In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

ARTICLE IX

ALTERATION OF RIGHTS AND DUTIES; AMENDMENT OF ORDINANCE

SECTION 9.01. ALTERATION OF RIGHTS AND DUTIES. The rights, duties and obligations of the Authority and the Owners of the Revenue Bonds are subject in all respects to all applicable federal and state laws as the same now exist or may hereafter be amended.

SECTION 9.02. AMENDMENT OF ORDINANCE WITHOUT CONSENT. The Authority may, without the consent of or notice to any of the Owners of the Revenue Bonds, amend or supplement this Ordinance for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Ordinance or in the Revenue Bonds; or to comply with any applicable provision of law or regulation of Federal or State agencies; provided, however, that such action shall not materially adversely affect the interests of the Owners of the Revenue Bonds;

(b) to change the terms or provisions of this Ordinance to the extent necessary to prevent the interest on Tax-Exempt Bonds from being includable within the gross income of the Owners thereof for federal income tax purposes;

(c) to grant to or confer upon the Owners of the Revenue Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners of the Revenue Bonds;

(d) to add to the covenants and agreements of the Authority contained in this Ordinance other covenants and agreements of, or conditions or restrictions upon, the Authority or to surrender or eliminate any right or power reserved to or conferred upon the Authority in this Ordinance;

(e) to subject to the lien and pledge of this Ordinance additional pledged revenues which may include revenues, properties or other collateral;

(f) to authorize Revenue Bonds or Subordinate Securities, and in connection therewith specify the terms and conditions and all other matters relating to such Revenue Bonds or Subordinate Securities, subject, however, to all of the terms, conditions and restrictions as set forth in Article V hereof;

(g) to authorize any change or amendment in the Ordinance which, in the judgment of the Trustee, does not materially and adversely affect the rights or interests of the Owners of Outstanding Revenue Bonds and does not require unanimous consent of the Owners of Revenue Bonds then outstanding pursuant to Section 9.03 hereof; or

(h) to authorize any change or amendment in this Ordinance relating to deposits into or balances in the Airport System Fund or any Fund established pursuant to Section 4.04(b).

SECTION 9.03. AMENDMENTS OF ORDINANCE REQUIRING CONSENT. The Authority may at any time adopt one or more ordinances amending, modifying, adding to or eliminating any of the provisions of this Ordinance but, if such amendment is not of the character described in Section 9.02 hereof, only with the consent given in accordance with Section 9.04 hereof of the Owner or Owners of not less than a majority in aggregate unpaid principal amount of the Revenue Bonds then Outstanding and affected by such amendment, modification, addition or elimination; provided, however, that nothing in this Section shall permit (a) an extension of the maturity of the principal of or interest on any Revenue Bond issued hereunder, or (b) a reduction in the principal amount of any Revenue Bond or the rate of interest on any Revenue Bond, or (c) a privilege or priority of any Revenue Bond or Revenue Bonds over any other Revenue Bond or Revenue Bonds, or (d) a reduction in the aggregate principal amount of the Revenue Bonds required for consent to such amendment without the consent of the Owners of all Outstanding Revenue Bonds.

SECTION 9.04. CONSENT OF OWNERS.

(a) Any consent required by Section 9.03 hereof by any Owner shall be in writing, may be in any number of concurrent writings of similar tenor, and may be signed by such Owner or his duly authorized attorney. Proof of the execution of any such consent or of the writing appointing any such attorney and of the ownership of Revenue Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the Authority with regard to any action taken, suffered or omitted to be taken by the Authority under such instrument, namely:

- (1) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.
- (2) The fact of the ownership by any person of any Revenue Bond and the date of the ownership of same may be proved by a certificate executed by an appropriate officer of the Registrar and Paying Agent, stating that at the date thereof such Revenue Bond was registered in the name of such party in the Register.

In lieu of the foregoing, the Authority may accept such other proofs of the foregoing as it shall deem appropriate.

Except as set forth in subsections (b) or (c) hereof, consents required pursuant to Section 9.03 shall be valid only if given following the giving of notice by or on behalf of the Authority requesting such consent and setting forth the substance of the amendment of this Ordinance in respect of which such consent is sought and stating that copies thereof are available at the office of the Secretary for inspection. Such notice shall be given by certified mail to each registered Owner of the Revenue Bonds affected at the

address shown on the Register or such other manner as the Authority shall deem appropriate under the circumstances under which consent is being sought.

(b) In the alternative, the Authority may condition the purchase of a Revenue Bond upon the consent to an amendment of the Ordinance. In such case, by its purchase of such Revenue Bond, each purchaser, including subsequent purchasers, shall be deemed to have consented to such amendment.

(c) In the event the payment of any Revenue Bond is insured by a bond insurer, the bond insurer shall have the right on behalf of the Owner of the Revenue Bonds so insured to exercise consent or waiver rights in any instance or circumstance wherein the owners of the Revenue Bonds have such rights, unless the applicable Supplemental Bond Ordinance provides to the contrary.

SECTION 9.05. IRREVOCABLE CONSENT. Any consent by any Owner of a Revenue Bond pursuant to the provisions of this Article shall be irrevocable, and shall be conclusive and binding upon all future Owners of the same Revenue Bond delivered on transfer thereof or in exchange for or replacement thereof.

ARTICLE X

MISCELLANEOUS

SECTION 10.01. FURTHER PROCEDURES. Any Authorized Airport Representative and any other appropriate officials of the Authority are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this ordinance.

SECTION 10.02. LIMITATION OF LIABILITY OF MEMBERS OF THE BOARD AND OFFICERS OF THE AUTHORITY. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of a present or future member of the governing body, officer, employee or agent of the Authority in his respective individual capacity, and neither the governing body of the Authority nor any officer thereof shall be liable personally on the Revenue Bonds or the sale thereof or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the governing body, officer, employee or agent of the Authority shall incur any personal liability with respect to any other action taken by him pursuant to this ordinance or the Act, provided such member, officer, employee or agent acts in good faith and with due diligence.

SECTION 10.03. NOTICES. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed as follows: If to the Authority, at 2500 South High School Road, Indianapolis, Indiana 46251, Attention: Authorized Airport Representative; if to the Trustee, at the address set forth in the Supplemental Bond Ordinance designating such person as Trustee for any particular series of Revenue Bonds. The Authority and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 10.04. CONSTRUCTION AND SEVERABILITY. If any section, paragraph, clause or provision of this ordinance shall for any reason be held to be inconsistent with the Revenue Bonds, invalid or unenforceable, the inconsistency, invalidity or unenforceability of such section, paragraph, clause or provision shall not affect the terms of the Revenue Bonds, or any of the remaining provisions of this ordinance.

SECTION 10.05. REPEALER. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith, are hereby repealed to the extent of such inconsistency.

SECTION 10.06. EFFECTIVE DATE. This ordinance shall be in full force and effect upon adoption, at which time all ordinances supplemental to the 2002 Master Ordinance and the provisions of the Existing Revenue Bonds shall remain unchanged and unamended, except for the fact that those supplemental ordinances shall be considered supplemental to this Ordinance.

Adopted this 15th day of August, 2014.

INDIANAPOLIS AIRPORT AUTHORITY

By: _____
Michael W. Wells, President

Attest:

Alfred R. Bennett, Secretary*

*Signed under authority provided in General Ordinance No. 6-2013.

GENERAL ORDINANCE NO. 6-2014

**A Supplemental Ordinance of the Indianapolis Airport Authority Concerning
the Authority's Issuance of One or More Series of Additional Revenue Bonds Designated
"Indianapolis Airport Authority Refunding Revenue Bonds, Series 2014" to Refund a
Portion of the Authority's Outstanding Revenue Bonds and Other Matters Related Thereto**

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GENERAL ORDINANCE NO. 6-2014

**A Supplemental Ordinance of the Indianapolis Airport Authority
Concerning the Authority's Issuance of One or More Series of
Additional Revenue Bonds Designated "Indianapolis Airport Authority
Refunding Revenue Bonds, Series 2014" to Refund a Portion of the
Authority's Outstanding Revenue Bonds and Other Matters Related
Thereeto**

WHEREAS, the City Council of the City of Indianapolis did on May 1, 1961, adopt Special Ordinance No. 11-1961, authorizing the establishment of said airport authority district, which ordinance was duly approved by the Mayor of said City on May 2, 1961; and

WHEREAS, the Marion County Council did on June 8, 1961, and July 7, 1961, adopt its resolutions authorizing the establishment of said district; and

WHEREAS, the members of the board (the "Board") of the Indianapolis Airport Authority (the "Authority") were duly appointed and met in its initial organization meeting on January 1, 1962; and

WHEREAS, the Authority has continued to exist and is now governed by and operates pursuant to the recodified statutes set forth in IC 8-22-3, as amended (the "Act"), as a separate and distinct municipal corporation with authority to own and operate public airports; and

WHEREAS, General Ordinance No. 4-2002, adopted on December 20, 2002, amended and restated General Ordinance No. 6-1985, adopted on November 4, 1985, which authorized the issuance of revenue bonds by the Authority from time to time and prescribed certain rights, covenants and restrictions applicable to the revenue bonds; and

WHEREAS, General Ordinance No. 4-2002 was amended by General Ordinance No. 7-2005, adopted on September 23, 2005, and General Ordinance No. 1-2008, adopted on June 6, 2008; and

WHEREAS, the Authority has outstanding revenue bonds issued pursuant to the provisions of General Ordinance 4-2002, as so amended; and

WHEREAS, the Board adopted General Ordinance No. 5-2014 on August 15, 2014 (the "Master Ordinance"), which consolidated and restated General Ordinance No. 4-2002, as so amended, which ordinance provides that the outstanding revenue bonds and the supplemental ordinances authorizing such bonds shall be governed by the provisions of the Master Ordinance; and

WHEREAS, the Master Ordinance provides that the Board may, from time to time, adopt ordinances to supplement and amend the Master Ordinance to authorize the issuance of Additional Revenue Bonds (as defined in the Master Ordinance); and

WHEREAS, IC 5-1.4 provides that a “qualified entity,” which term includes the Authority, may issue, sell or exchange its bonds and notes to The Indianapolis Local Public Improvement Bond Bank (“Bond Bank”); and

WHEREAS, the Bond Bank did purchase the Indianapolis Airport Authority Airport Revenue Bonds, Series 2004A (the “Refunded Authority Bonds”) with the proceeds of its Bonds, Series 2004I (Indianapolis Airport Authority Project) (the “Refunded Bond Bank Bonds”); and

WHEREAS, the Executive Director of the Bond Bank has expressed a willingness to issue bonds to refund the Refunded Bond Bank Bonds; and

WHEREAS, the Board has determined that it may be necessary and desirable to issue one or more series of Additional Revenue Bonds (the “2014 Authority Bonds”) designated by separate subseries, if needed, pursuant to the Act, the Master Ordinance and this 2014 Supplemental Ordinance to exchange with the Bond Bank for the Refunded Authority Bonds; and

WHEREAS, the Board wishes to delegate to any Authorized Airport Representative (as defined in the Master Ordinance) the power to approve the issuance of the 2014 Authority Bonds pursuant to this 2014 Supplemental Ordinance (the “Supplemental Ordinance”) and the terms and provisions of the 2014 Bond Bank Bonds and other related documents and agreements; and

WHEREAS, the Board has determined that it will be in the best interest of the Authority to exchange the 2014 Authority Bonds issued hereunder for the Refunded Authority Bonds held by the Bond Bank, to pay to the Bond Bank additional funds to provide for the refunding of the Refunded Bond Bank Bonds, if needed, and to provide for any Revenue Bond Reserve Account for the 2014 Authority Bonds from transfers from the Reserve Account held for the Refunded Authority Bonds; and

WHEREAS, the Board has determined that an Authorized Airport Representative shall be permitted to authorize and cooperate with the Bond Bank to purchase, or arrange to purchase, bond insurance or other credit enhancement for the 2014 Authority Bonds issued hereunder (or the 2014 Bond Bank Bonds (as defined herein)), to modify, amend, novate or terminate debt reserve fund purchase agreement transactions in connection with the Refunded Authority Bonds or the 2014 Authority Bonds and to approve and execute any related agreements or certificates (collectively, the “Ancillary Bond Agreements”) deemed necessary by such Authorized Airport Representative for such purposes; and

WHEREAS, an Authorized Airport Representative shall be permitted to authorize and cooperate with the Bond Bank in determining whether to issue all or any portion of the 2014 Bond Bank Bonds pursuant to a public offering or private placement and to approve the appropriate bond purchase, placement and offering documents necessary with respect hereto; and

WHEREAS, this 2014 Supplemental Ordinance (the “2014 Supplemental Ordinance”) is being adopted by the Authority for the purpose of setting forth the provisions for the issuance of the 2014 Authority Bonds; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF THE INDIANAPOLIS
AIRPORT AUTHORITY:

ARTICLE I.

AUTHORITY AND DEFINITIONS

Section 1.1. Supplemental Ordinance. This 2014 Supplemental Ordinance (the “Supplemental Ordinance”) is supplemental to, and is adopted in accordance with, Sections 5.01 and 9.02(f) of the Master Ordinance.

Section 1.2. Definitions. All terms which are defined in Article I of the Master Ordinance shall have the same meanings in this 2014 Supplemental Ordinance, except as set forth in the following paragraphs with respect to the 2014 Authority Bonds:

“Authorized Denominations” for the 2014 Authority Bonds means the same Authorized Denominations the 2014 Bond Bank Bonds are permitted to have under the Bond Bank Trust Indenture.

“Bond Bank” means The Indianapolis Local Public Improvement Bond Bank, as original owner of the 2014 Authority Bonds, or any successor thereto under the Bond Bank Trust Indenture.

“Bond Bank Trust Indenture” means one or more Trust Indentures, between the Bond Bank and the Bond Bank Trustee, that may be necessary for the purpose of authorizing each series or sub-series of the 2014 Bond Bank Bonds.

“Bond Bank Trustee” means The Bank of New York Mellon Trust Company, N.A., as trustee under the Bond Bank Trust Indenture.

“Bond Purchase Agreement” means the Bond Purchase Agreement between the Bond Bank and the Underwriters, with respect to the sale and issuance of any 2014 Bond Bank Bonds pursuant to a public offering; and each Bond Placement Agreement between the Bond Bank and the Original Purchasers, with respect to the sale and issuance of any 2014 Bond Bank Bonds pursuant to a private placement, plus in each case any related documents.

“Defeasance Obligations” means, when used with respect to this 2014 Supplemental Ordinance, (i) cash; (ii) direct obligations of the United States of America (including obligations issued or held in book-entry form); (iii) obligations the timely payment of the principal of and interest on which are fully guaranteed by the United States of America; (iv) certificates which evidence ownership of the right to the payment of the principal of or interest on obligations described in clauses (ii) and (iii) provided that such obligations are held in the custody of a bank or trust company satisfactory to the Trustee in a special account separate from the general assets of such custodian, and (v) municipal obligations the timely payment of the principal of and interest on which is fully provided for by the deposit in trust or escrow of cash or obligations described in clauses (ii), (iii) or (iv)); and (vi) obligations of, or unconditionally guaranteed as to payment

of principal and interest by, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Bank, Federal Banks for Corporations, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation, or of any other agency or corporation which has been or is hereafter created pursuant to an act of the Congress of the United States as an agency or instrumentality thereof, which obligations are not redeemable prior to maturity other than at the option of the holder thereof.

“Escrow Account” means the escrow account created by the Bond Bank for the refunding of the Refunded Bond Bank Bonds.

“Initial Purchasers” means the initial purchasers of any 2014 Bond Bank Bonds sold pursuant to a private placement.

“Interest Payment Date” means, for the 2014 Authority Bonds, January 1 and July 1 of each year, beginning with the first of such dates on which the interest on the 2014 Bond Bank Bonds is due.

“Letter of Representations” means the Letter of Representations or similar agreement or letter from the Authority to the Bond Bank and the Initial Purchasers or the Underwriters, delivered in connection with the sale and issuance of the 2014 Bond Bank Bonds pursuant to the Bond Purchase Agreement.

“Owner,” “Holder” or “Bondholder” means, for purposes of the 2014 Authority Bonds, initially, the Bond Bank, and any subsequent holder thereof.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A. (as successor in interest to Bank One Trust Company, National Association), and its successors and assigns as paying agent for the 2014 Authority Bonds.

“Prior Projects” means the Capital Improvements made to the Airport System from or allocated to the proceeds of the Refunded Authority Bonds and, to the extent the Refunded Authority Bonds refunded prior obligations of the Authority, the Capital Improvements originally financed with such prior obligations.

“Project Costs” means those Project Costs defined in Section 1.01 of the Master Ordinance.

“Purchase Agreement” means the Qualified Entity Purchase Agreements with regard to the 2014 Authority Bonds issued hereunder by and between the Authority and the Bond Bank.

“Record Date” means the June 15 and December 15 prior to any Interest Payment Date.

“Refunded Authority Bonds” means the Indianapolis Airport Authority Airport Revenue Bonds, Series 2004A, maturing January 1, 2015 through January 1, 2034 and currently outstanding in the amount of \$189,400,000.

“Refunded Bond Bank Bonds” means the Bond Bank’s Bonds, Series 2004I (Indianapolis Airport Authority Project), maturing January 1, 2015 through January 1, 2034 and currently outstanding in the amount of \$189,400,000, a portion of the proceeds of which financed the purchase of the Refunded Authority Bonds.

“Registrar” means The Bank of New York Mellon Trust Company, N.A. (as successor in interest to Bank One Trust Company, National Association), and its successors and assigns as registrar for the 2014 Authority Bonds.

“Secured Bonds” has the meaning defined in Section 4.8 hereof and means the 2014 Authority Bonds and any other Revenue Bonds that an Authorized Airport Representative shall determine to secure with the 2014 Authority Reserve Account as provided in Section 4.8 hereof.

“Trustee” means The Bank of New York Mellon Trust Company, N.A. (as successor in interest to Bank One Trust Company, National Association), and its successors and assigns as Trustee under the Master Ordinance.

“2014 Authority Bonds” means all series or sub-series of the revenue bonds of the Indianapolis Airport Authority entitled “Refunding Revenue Bonds, Series 2014” (as may be specifically designated according to letter and number by series or subseries and as may be completed with a different designation of year if necessary), authorized by this 2014 Supplemental Ordinance.

“2014 Authority Reserve Account” means the account of the Revenue Bond Reserve Fund created pursuant to Section 4.8 hereof.

“2014 Bond Bank Bonds” means all series or sub-series of the Bond Bank’s Refunding Bonds, Series 2014 (Indianapolis Airport Authority Project) (as may be specifically designated according to letter and number by series or subseries and as may be completed with a different designation of year if necessary), the proceeds of which are used to refund the Refunded Bond Bank Bonds, pay costs of issuance in connection with the 2014 Authority Bonds and the 2014 Bond Bank Bonds and pay other expenses in connection with the refunding.

“2014 Debt Service Reserve Requirement” means, if the 2014 Authority Reserve Account is created as provided in Section 4.8 hereof, the least of the following: (1) the maximum annual principal and interest due on the 2014 Authority Bonds in any future calendar year; (2) 125% of the average annual principal and interest payments due on the 2014 Authority Bonds; and (3) 10% of the principal amount of the 2014 Authority Bonds, which shall be calculated by an Authorized Airport

Representative and communicated to the Trustee. In the event the 2014 Bond Bank Bonds are issued at an issue price with an original issue discount or premium of more than a “de minimis amount” (as defined in Section 1.148 of the Regulations), the issue price of the 2014 Bond Bank Bonds shall be used in part (3) instead of the principal amount of the 2014 Authority Bonds, In the event there are Secured Bonds elected by an Authorized Airport Representative, the 2014 Debt Service Requirement shall be redefined by the Authorized Airport Representative to measure parts (1)-(3) above based upon all of the Secured Bonds.

“2014 Net Proceeds” means the proceeds of the 2014 Bond Bank Bonds, less any amount required to secure or modify credit enhancement, if any, as authorized by this 2014 Supplemental Ordinance, and less costs of issuing the 2014 Bond Bank Bonds and the 2014 Authority Bonds and related expenses of the refunding.

“2014 Policy” means any bond insurance policy or policies purchased by the Bond Bank for the 2014 Bond Bank Bonds.

“2014 Supplemental Ordinance” means this 2014 Supplemental Ordinance adopted as General Ordinance No. 6-2014.

“Underwriters” means Merrill Lynch, Pierce, Fenner & Smith, Incorporated, as representative, and the other investment banking firms that are part of the group that has agreed to purchase of the 2014 Bond Bank Bonds if the 2014 Bond Bank Bonds are sold pursuant to an initial public offering.

[End of Article I]

ARTICLE II.

TERMS OF THE 2014 AUTHORITY BONDS

Section 2.1. Name, Amount, Purpose, Authorization. The 2014 Authority Bonds shall constitute Additional Revenue Bonds under the Master Ordinance. The 2014 Authority Bonds shall be designated “INDIANAPOLIS AIRPORT AUTHORITY REFUNDING REVENUE BONDS, SERIES 2014” and noted with individual designations by series or sub-series (which bond, letter, number or year designation may be modified, if needed, prior to closing with approval of an Authorized Airport Representative, which approval shall be evidenced by execution of the 2014 Authority Bonds), issued in fully registered form and issued in an aggregate principal amount not to exceed Two Hundred Million Dollars (\$200,000,000). The 2014 Authority Bonds shall be issued to (i) assist the Bond Bank in refunding all or a portion of the Refunded Bond Bank Bonds and (ii) exchange the Refunded Authority Bonds with the Bond Bank for the 2014 Authority Bonds, all under and pursuant to the authority of the Act, the Master Ordinance, the Purchase Agreement, this 2014 Supplemental Ordinance and all other applicable law.

Section 2.2. Date and Denomination. The 2014 Authority Bonds shall be originally dated the date of delivery, shall be issued in Authorized Denominations, and numbered and lettered consecutively from 14AR-1 upward which numbering and lettering shall be completed with a hyphen and a different letter or numerical designation, as necessary if more than one series or sub-series of 2014 Authority Bonds are issued. Any 2014 Authority Bonds delivered on transfer of or in exchange for other 2014 Authority Bonds shall be numbered in order of their authentication by the Registrar, shall be in Authorized Denominations and shall be part of the same series or sub-series, mature on the same date and bear interest at the same rate as the 2014 Authority Bonds in lieu of which they are delivered. The 2014 Authority Bonds may be redesignated as “2015” with the appropriate series designation if issued in 2015.

Section 2.3. Manner of Payment, Characteristics, Execution and Authentication. The 2014 Authority Bonds shall be payable, shall have the characteristics, shall be executed, attested, sealed, and shall be authenticated, all as provided and in the manner indicated in the Form of 2014 Authority Bonds set forth in Exhibit A to this 2014 Supplemental Ordinance. Specifically, interest on the 2014 Authority Bonds is payable on each Interest Payment Date until the maturity or redemption date of such bond or until the Authority’s obligation with respect to such bond has been satisfied. Interest on any 2014 Authority Bond is payable from the Interest Payment Date next preceding the date of authentication thereof, except: (i) if authenticated prior to the first Record Date, then interest is payable from the initial issue date; (ii) if a 2014 Authority Bond is authenticated during the period between a Record Date and the Interest Payment Date with respect thereto, then interest is payable from such Interest Payment Date; or (iii) if the payment on a 2014 Authority Bond is in default, then interest is payable from the date to which interest has been paid in full. Interest on any 2014 Authority Bonds shall be payable by check or draft mailed by the Paying Agent to the Owner of record as of the Record Date as shown on the books of registration kept by the Registrar. Interest on any 2014 Authority Bonds shall be calculated on the basis of year consisting of twelve (12) thirty (30) day months.

If any officer of the Authority whose manual or facsimile signature shall appear on the 2014 Authority Bonds, as provided in the form of 2014 Authority Bonds, shall cease to be such officer before the authentication of the 2014 Authority Bonds or before the delivery of the 2014 Authority Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

The 2014 Authority Bonds of a series or subseries may be issued as a single bond in a form that authorizes principal and interest payments in the amounts that conform identically with the principal and interest payments due on the corresponding 2014 Bond Bank Bonds.

Section 2.4. Ownership. The Authority, Trustee, Registrar and Paying Agent and any other person may treat the person in whose name any 2014 Authority Bond is registered as the absolute owner of such 2014 Authority Bond for the purposes of making and receiving payment of the principal thereof and premium, if any, thereon, and for the further purpose of making and receiving payment of the interest thereon, and for all other purposes, whether or not such 2014 Authority Bond is overdue, and neither the Authority, the Trustee, the Registrar nor the Paying Agent shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any 2014 Authority Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Authority, Trustee, Registrar and Paying Agent upon such 2014 Authority Bond to the extent of the sums paid.

Section 2.5. Registration, Transfer and Exchange. So long as any 2014 Authority Bonds remain outstanding, the Registrar shall keep the register at its designated corporate trust operations office in which, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of the 2014 Authority Bonds in accordance with the terms of this 2014 Supplemental Ordinance.

Each 2014 Authority Bond shall be transferable only upon the presentation and surrender thereof at the designated corporate trust operations office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any 2014 Authority Bond for transfer, the Registrar shall authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new 2014 Authority Bond, registered in the name of the transferee or transferees, in authorized denominations and of the same series, maturity and aggregate principal amount and bearing interest at the same rate as the 2014 Authority Bond or so presented.

All 2014 Authority Bonds shall be exchangeable upon the presentation and surrender thereof at the designated corporate trust operations office of the Registrar for a 2014 Authority Bond or 2014 Authority Bonds of the same series, maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the 2014 Authority Bond or 2014 Authority Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchanged 2014 Authority Bonds in accordance with the provisions of this Section. Each 2014 Authority Bond delivered in accordance with this Section shall be entitled to the benefits and security of this 2014

Supplemental Ordinance to the same extent as the 2014 Authority Bond or 2014 Authority Bonds in lieu of which such 2014 Authority Bond is delivered.

The Authority or the Registrar may require the Owner of any 2014 Authority Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such 2014 Authority Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the Authority.

The Registrar shall not be required to transfer or exchange any 2014 Authority Bond during any period between the Record Date and the next Interest Payment Date, during the fifteen (15) days prior to the mailing of any notice of redemption, or subsequent to the mailing of any notice of redemption of such Bond by the Registrar.

If an Authorized Airport Representative determines, in the future, that it is beneficial to have the 2014 Authority Bonds held by a central depository system and have transfers of the 2014 Authority Bonds effected by book-entry in the books of the central depository system, the Authority hereby authorizes such Authorized Airport Representative to take any actions necessary to effect such change.

Section 2.6. Cancellation. All 2014 Authority Bonds paid or redeemed in accordance with this 2014 Supplemental Ordinance and all 2014 Authority Bonds or replacement 2014 Authority Bonds authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Registrar shall periodically furnish the Authority with certificates of destruction for such 2014 Authority Bonds.

Section 2.7. Replacement Bonds. Upon the presentation and surrender to the Registrar of a mutilated 2014 Authority Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement 2014 Authority Bond of like series, maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The Authority or the Registrar may require the Owner of such 2014 Authority Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar.

If any 2014 Authority Bond is lost, apparently destroyed or wrongfully taken, the Authority, pursuant to the applicable laws of the State of Indiana and in the absence of notice or knowledge that such 2014 Authority Bond has been acquired by a bona fide purchaser, shall execute and the Registrar shall authenticate and deliver a replacement 2014 Authority Bond of like series maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner thereof shall have:

(a) furnished to the Authority and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such 2014 Authority Bond;

(b) furnished to the Authority and the Registrar such security or indemnity as may be required by the Registrar and the Authority to save them harmless;

(c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and

(d) met any other reasonable requirements of the Authority, the Paying Agent, the Trustee and the Registrar.

If, after the delivery of such replacement 2014 Authority Bond, a bona fide purchaser of the original 2014 Authority Bond in lieu of which such replacement 2014 Authority Bond was issued presents for payment such original 2014 Authority Bond, the Authority, the Paying Agent and the Registrar shall be entitled to recover such replacement 2014 Authority Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and the Authority, the Paying Agent and the Registrar shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Authority, the Paying Agent or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken 2014 Authority Bond has become or is about to become due and payable, the Authority in its discretion may, instead of issuing a replacement 2014 Authority Bond, authorize the Paying Agent to pay such 2014 Authority Bond.

Each replacement 2014 Authority Bond delivered in accordance with this Section shall be entitled to the benefits and security of this 2014 Supplemental Ordinance to the same extent as the 2014 Authority Bond in lieu of which such replacement 2014 Authority Bond is delivered.

Section 2.8. Paying Agent and Registrar, Appointment and Acceptance of Duties. The Bank of New York Mellon Trust Company, N.A., Indianapolis, Indiana, is hereby appointed as Registrar and Paying Agent for the 2014 Authority Bonds. The Bank of New York Mellon Trust Company, N.A., shall signify its acceptance of the duties and obligations as Trustee, Paying Agent and Registrar, imposed upon it by the Master Ordinance and this 2014 Supplemental Ordinance by executing and delivering a written acceptance thereof to the Authority and the Trustee.

[End of Article II]

ARTICLE III.

FORM OF 2014 AUTHORITY BONDS AND CERTIFICATES

Section 3.1. Form of 2014 Authority Bonds. The 2014 Authority Bonds shall be in substantially the form attached hereto as Exhibit A, with such additions, deletions and variations as may be necessary or desirable and permitted by this 2014 Supplemental Ordinance. The 2014 Authority Bonds shall contain a recital that they are issued under IC 8-22-3.

[End of Article III]

ARTICLE IV.

PROVISIONS CONCERNING EXCHANGE AND APPLICATION OF PROCEEDS OF THE 2014 AUTHORITY BONDS

Section 4.1. Exchange of the 2014 Authority Bonds.

(a) The 2014 Authority Bonds shall be exchanged with the Bond Bank for the Refunded Authority Bonds. An Authorized Airport Representative is authorized to approve, with the Bond Bank, the sale of the 2014 Bond Bank Bonds with maturities, interest rates and prices acceptable to the Authorized Airport Representative as set forth in the Purchase Agreement and/or the Bond Purchase Agreement; provided that the price of the 2014 Bond Bank Bonds is not less than 95% of the principal amount thereof. The Bond Bank shall use a portion of the proceeds from the 2014 Bond Bank Bonds and/or transfer to the Authority a portion of the proceeds to pay the costs of issuance of the 2014 Bond Bank Bonds and the 2014 Authority Bonds, and the premium paid for the 2014 Policy, if any. The costs of issuance of (i) the 2014 Bond Bank Bonds and the 2014 Authority Bonds and the cost of securing any 2014 Policy or other credit enhancement, if any, may be allocated among any separate series or sub-series of 2014 Authority Bonds, and the costs of issuance paid from the 2014 Net Proceeds will not exceed 2% of the principal amount of the applicable issue (as determined pursuant to the Code).

(b) The 2014 Authority Bonds shall bear interest at a fixed rate payable on each Interest Payment Date, commencing as described in the Purchase Agreement but in no event higher than 6% per annum and shall mature no later than January 1, 2038, all with terms identical to the 2014 Bond Bank Bonds.

(c) Any Authorized Airport Representative is authorized to approve the delivery of the 2014 Authority Bonds, in one or more series or sub-series, and to approve the Purchase Agreement with respect thereto, subject to the following:

(i) the 2014 Authority Bonds shall be issued in an amount equal to the principal amount of the 2014 Bond Bank Bonds, which shall be sufficient, as determined by such Authorized Airport Representative together with any funds provided by the Authority, to (A) refund all of the Refunded Bond Bank Bonds, (B) finance costs of issuing the 2014 Authority Bonds and the 2014 Bond Bank Bonds, including the costs of any insurance policy or credit enhancement transaction related thereto and other expenses in connection with the refunding, and (C) costs incurred with respect to actions taken pursuant to subparagraph (e) of this Section 4.1;

(ii) the aggregate yield on the 2014 Bond Bank Bonds, taking into account the amount paid for any 2014 Policy or other credit enhancement, if any, shall not exceed 6.0%; and

(d) The President or the Vice President of the Authority is hereby authorized and directed to sign the Final Official Statement (as defined herein) and any Authorized Airport Representative is authorized to enter into and execute the Purchase Agreement, a continuing

disclosure undertaking agreement, if required by the Underwriters, the Bond Purchase Agreement, the Letter of Representations, the 2014 Authority Bonds and any ancillary certificates or agreements necessary to carry out the intent of this 2014 Supplemental Ordinance, including any continuing covenant agreement or similar document proposed by an Initial Purchaser (the “Ancillary Bond Documents”) on behalf of the Authority, each in substantially the form presented in this meeting and covering such topics as may be contemplated hereby, with such changes as may be deemed acceptable and appropriate to an Authorized Airport Representative, the execution of such documents constituting conclusive evidence of the approval of such changes. An Authorized Airport Representative shall approve, in consultation with the Bond Bank, the amount and final pricing of the 2014 Bond Bank Bonds, their final maturity dates, the final redemption features, the selection of sinking fund redemptions and all other terms and conditions for the sale and issuance of the 2014 Authority Bonds by his or her approval of the Purchase Agreement. The signatures of the President and Secretary on the 2014 Authority Bonds may be facsimiles.

(e) Each Authorized Airport Representative is authorized to evaluate financial conditions for the issuance of the 2014 Bond Bank Bonds and to structure the 2014 Authority Bonds and related transactions to include, without limitation, the termination, postponement, modification, adjustment, amendment or novation of one or more of the existing debt reserve fund purchase agreements, the solicitation for and selection of credit enhancement for the 2014 Authority Bonds or 2014 Bond Bank Bonds, if any, the redemption or defeasance of any of the Refunded Bond Bank Bonds in a manner deemed acceptable to such Authorized Airport Representative, including the use of any moneys securing the Refunded Authority Bonds as provided in Section 4.4(d) and (e). Each Authorized Airport Representative, individually, is hereby authorized to execute any documents required to effect such actions.

(f) Each Authorized Airport Representative is authorized to engage such professionals and consultants, including but not limited to an Airport Consultant and a verification agent, as such Authorized Airport Representative deems necessary in order to carry out the intent of this 2014 Supplemental Ordinance.

Section 4.2. Approval, Registration and Initial Delivery. Any Authorized Airport Representative is hereby authorized to have control and custody of the 2014 Authority Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and other officers, employees and agents of the Authority are hereby authorized and instructed to make such certifications and to execute such instruments as may be necessary to accomplish the initial delivery of the 2014 Authority Bonds. The Registrar is hereby authorized to manually authenticate said 2014 Authority Bonds and any Authorized Airport Representative is authorized to deliver said 2014 Authority Bonds to the Bond Bank upon payment therefor. Each series of 2014 Authority Bonds shall not be issued, however, unless:

(a) No Default. An Authorized Airport Representative certifies that, upon the issuance of the 2014 Authority Bonds, the Authority will not be in default under any term or provision of any Revenue Bonds then Outstanding or any ordinance pursuant to which any of such Revenue Bonds were issued, including specifically the Master Ordinance.

(b) Proper Fund Balances. An Authorized Airport Representative certifies that, upon the issuance of that series of 2014 Authority Bonds, the Revenue Bond Reserve Fund and the Revenue Bond Interest and Principal Fund will have the required amounts on deposit therein.

(c) Coverage; Refunding Exception. An Authorized Airport Representative shall submit to the Trustee those items necessary under Section 5.01(c) and (d) or Section 5.01(g) of the Master Ordinance.

Section 4.3. Offering Documents. The Authority authorizes the distribution by the Underwriters of the preliminary official statement pertaining to the 2014 Bond Bank Bonds (the "Preliminary Official Statement"). The Preliminary Official Statement is hereby authorized to be deemed and determined by an Authorized Airport Representative, on behalf of the Authority, as of its date, to constitute the "final" official statement with respect to the 2014 Bond Bank Bonds and 2014 Authority Bonds subject to completion as permitted pursuant to the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule"), and authorized and approved to be placed into final form and distributed and delivered to purchasers and potential purchasers of the 2014 Bond Bank Bonds offered thereby as the final official statement of the Bond Bank and the Authority, as of the date thereof (the "Final Official Statement"). Further, the Authority authorizes an Authorized Airport Representative to approve a preliminary and final placement memorandum used in any private placement of the 2014 Bond Bank Bonds. The Authority authorizes an Authorized Airport Representative, in cooperation with the Bond Bank, to negotiate the terms of a Bond Purchase Agreement and the form of the Letter of Representations of the Authority in connection therewith.

Section 4.4. Exchange of Bonds; Application of Proceeds of 2014 Bond Bank Bonds and Other Authority Funds. The 2014 Authority Bonds shall be delivered to the Bond Bank in exchange for the Refunded Authority Bonds for cancellation subject to the terms and under the provisions of the Purchase Agreement. An Authorized Airport Representative is authorized to approve the use of the proceeds from the sale of the 2014 Bond Bank Bonds and other funds provided by the Authority, if any, by the Bond Bank as follows:

(a) An amount, if any, determined by an Authorized Airport Representative for deposit in the Escrow Account which shall be sufficient to refund or defease the Refunded Bond Bank Bonds within ninety (90) days of the applicable closing date (the "Closing Date") for the 2014 Bond Bank Bonds that the Authorized Airport Representative determines should be paid or redeemed;

(b) An amount determined by an Authorized Airport Representative as shall be necessary to make any termination, postponement, modification, adjustment, amendment, novation or other payment related to one or more debt service reserve fund purchase agreements related to the Refunded Authority Bonds and/or the 2014 Authority Bonds, if any, shall be transferred to the applicable counterparty from the proceeds of the 2014 Bond Bank Bonds or from Authority funds; and

(c) An amount determined by an Authorized Airport Representative needed to pay the costs of issuing the 2014 Bond Bank Bonds and the 2014 Authority Bonds, including the

2014 Policy, if any, shall be used by the Bond Bank Trustee at the direction of the Bond Bank and an Authorized Airport Representative as provided in the Bond Bank Trust Indenture.

(d) The Trustee shall, as directed by an Authorized Airport Representative, transfer a portion of the funds from the account of the Revenue Bond Reserve Fund held for the Refunded Authority Bonds (the “2004 Account”), including any amounts received in connection with the modification or termination of a debt service revenue fund purchase agreement related to the Refunded Authority Bonds, to the 2014 Authority Reserve Account or to the Escrow Account to provide for the refunding of the Refunded Bond Bank Bonds.

(e) The Trustee shall also, as directed by an Authorized Airport Representative, transfer funds from the account of the Revenue Bond Interest and Principal Fund for the Refunded Authority Bonds to the Escrow Account to provide for the refunding of the Refunded Bond Bank Bonds.

Section 4.5. No Arbitrage. The Authority certifies that based upon all facts and estimates now known or reasonably expected to be in existence on the date the 2014 Authority Bonds are delivered and paid for, the Authority reasonably expects that the proceeds of the 2014 Authority Bonds will not be used in a manner that would cause any 2014 Authority Bond to be an “arbitrage bond” under Section 148 of the Internal Revenue Code of 1986, as amended and existing on the date of issuance of the 2014 Authority Bonds (the “Code”). Furthermore, all officers, employees and agents of the Authority are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Authority as of the date the 2014 Authority Bonds are delivered and paid for. In particular, all or any officers of the Authority are authorized to certify for the Authority the facts and circumstances and reasonable expectations of the Authority on the date the 2014 Authority Bonds are delivered and paid for regarding the amount and use of the proceeds thereof. Moreover, the Authority covenants that it shall make such use of the proceeds of the 2014 Authority Bonds, regulate investments of proceeds thereof and take such other and further actions as may be required so that the 2014 Authority Bonds shall not be “arbitrage bonds” under Section 148 of the Code and regulations prescribed from time to time thereunder.

Section 4.6. Refunding Bonds. The Authority conducted a public hearing on the date this Ordinance is adopted in accordance with Indiana law and Section 147(f) of the Code.

Section 4.7. Tax Covenants. In order to preserve the exclusion from gross income of the interest on any 2014 Authority Bonds issued as tax-exempt bonds under Section 103 of the Code as required by Section 6.09 of the Master Ordinance, the Authority hereby certifies and covenants as follows:

(a) The proceeds of the 2014 Bond Bank Bonds, together with certain Authority funds, will be used to refund the Refunded Bond Bank Bonds within 90 days after the Closing Date and to pay the allocable costs of issuing the 2014 Authority Bonds, the 2014 Bond Bank Bonds and the allocable costs of any insurance or other credit enhancement, including any 2014 Policy (the “Refunding Proceeds”). The refunding of the Refunded Bond Bank Bonds constitutes an indirect refunding of the Refunded Authority Bonds and the use of the proceeds of

the 2014 Bond Bank Bonds shall constitute an indirect use of the proceeds of the 2014 Authority Bonds. At least 95% of the proceeds of the Refunded Authority Bonds were used to pay Project Costs of the applicable Prior Projects. Each such Prior Project has been and will continue until the 2014 Authority Bonds are paid in full, to constitute a facility which is directly related and essential to:

- (i) Servicing aircraft or enabling aircraft to take off and land; or
- (ii) Transferring passengers or cargo to or from aircraft,

or which constitute facilities which are functionally related and subordinate to the Airport System. A facility (or part thereof) is functionally related and subordinate to the Airport System if (i) it is of a size and character commensurate with the size and character of the Airport System, and (ii) it is located at or adjacent to an airport within the Airport System. Unimproved land (including agricultural land) that is adjacent to any airport in the Airport System and that is impaired by a significant level of airport noise is functionally related and subordinate to the Airport System if after its acquisition that land will not be converted to a use that is incompatible with the level of airport noise. Adjacent land with existing improvements also may be functionally related and subordinate to the Airport System by reason of impairment of a significant level of airport noise but only if the use of such land before its acquisition was incompatible with the airport noise level, its use after the acquisition is to be compatible with the level of airport noise, and the post-acquisition use will be essentially different from the pre-acquisition use. However, notwithstanding the foregoing, an interest in such improved land acquired solely to mitigate damages attributable to Airport System noise is treated as functionally related and subordinate to the Airport System.

(b) (i) Each Prior Project has been and will be owned by the Authority for federal income tax purposes until such 2014 Authority Bonds are paid in full. Except as described in paragraphs (ii) and (iii) below, none of such Prior Projects are or will be leased to or managed by any person other than the Authority.

(ii) Certain of the Prior Projects may be leased by the Authority or otherwise used in the trade or business of a party other than the Authority under: (i) an Agreement and Lease of Premises at Indianapolis International Airport with the Authority and each respective airline (collectively, the "Airline Agreements"), pursuant to which the Authority is the owner of such projects for federal income tax purposes; or (ii) a lease (A) which has a lease term (as defined in Section 168(i)(3) of the Code) which will not be more than 80% of the reasonably expected economic life (as defined in Section 147(b) of the Code) of such respective Prior Projects to which such lease relates, if any, (B) pursuant to which the lessee has no option to purchase such Prior Projects, and (C) pursuant to which the lessee shall make an irrevocable election (binding upon it and all successors in interest) not to claim depreciation or investment credit with respect to such Prior Projects; or (iii) any other agreement or lease which in the opinion of nationally recognized bond counsel does not adversely affect the exclusion from gross income of the interest on the 2014 Authority Bonds for federal income tax purposes.

(c) At least 95% of the proceeds of the Refunded Authority Bonds were spent on portions of the Prior Projects which have not and do not constitute:

(i) A lodging facility;

(ii) A retail facility (including food and beverage facilities) in excess of a size necessary to serve passengers and employees at the Airport;

(iii) A retail facility (other than parking) for passengers or the general public located outside of the airport terminals; or

(iv) Any office building for individuals who are not employees of a governmental unit or of the operating authority for the Airport.

(v) An industrial park or manufacturing facility.

(d) Each Prior Project serves or is available on a regular basis for general public use, as contrasted with a facility which is constructed for the exclusive use of a limited number of persons in their trades or businesses. A facility will so qualify even if it is owned by, or leased to or permanently assigned to, a person other than the Authority, provided that such person directly serves the general public, such as a common passenger carrier or freight carrier. None of such Prior Projects will, by reason of a formal or informal agreement or by reason of geographic location, not be available for general public use.

(e) No reimbursement to the Authority was made from the proceeds of the Refunded Authority Bonds for any expenditure(s) paid by the Authority prior to the date which is sixty (60) days prior to the applicable Official Action, as described in the Tax Representation Certificate executed in connection with the issuance of the Refunded Authority Bonds.

(f) The weighted average maturity of the 2014 Authority Bonds shall not exceed 120% of the weighted average reasonably expected remaining economic life of the corresponding Prior Projects computed in the manner prescribed by Section 147(b) of the Code.

(g) No more than 25% of the net proceeds of the Refunded Authority Bonds were used (directly or indirectly) for the acquisition of land (or any interest therein) unless:

(i) such land is acquired for noise abatement or wetland preservation, or for future use as an airport; and

(ii) there is no other significant use of such land.

(h) Net proceeds of the Refunded Authority Bonds were used for the acquisition of property (or any interest therein), other than land, only if the first use of such property was by the Authority.

(i) No portion of the proceeds of the Refunded Authority Bonds was used to provide any airplane, skybox or other private luxury box, health club facility, facility primarily used for

gambling, or a store the principal purpose of which is the sale of alcoholic beverages for consumption off the premises.

(j) The portion of the issuance costs (excluding costs relating to bond insurance and certain other costs permitted by the Code to be excluded) payable from the 2014 Authority Bonds or the 2014 Bond Bank Bonds shall not exceed 2% of the proceeds of the 2014 Authority Bonds.

(k) Each 2014 Authority Bond shall be issued in registered form.

(l) The payment of principal or interest with respect to any 2014 Authority Bond shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality thereof. For purposes of this subparagraph, grants and entitlements received from the federal government and passenger facility charges paid to the Authority shall not constitute a guaranty of the payment of principal or interest with respect to any 2014 Authority Bond by the United States or any agency or instrumentality thereof.

(m) The proceeds of the 2014 Authority Bonds shall not be used in making loans, the payment of the principal or interest with respect to which is to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

(n) The proceeds of the 2014 Authority Bonds or the 2014 Bond Bank Bonds shall not be invested (directly or indirectly) in federally insured deposits or accounts except:

(i) proceeds of the 2014 Authority Bonds or the 2014 Bond Bank Bonds, if any, invested for an initial temporary period until used to pay the Refunded Bond Bank Bonds.

(ii) investments in a bona fide debt service fund.

(iii) investments in a reserve fund within the meaning of Section 148(d) of the Code, or

(iv) investments in bonds issued by the United States Treasury.

(o) No proceeds of the 2014 Authority Bonds or the 2014 Bond Bank Bonds shall be used to advance refund any other tax-exempt obligation.

(p) The Authority shall file or cause to be filed on or before the fifteenth day of the second calendar month following the calendar quarter in which the 2014 Authority Bonds are issued the information return for private activity bonds on Form 8038 with the Internal Revenue Service Center, Ogden, Utah, relating to the 2014 Authority Bonds.

(q) Any Authorized Airport Representative is hereby authorized to execute a definitive Tax Representation Certificate at the closing of the 2014 Authority Bonds pertaining to, among other things, the representations contained in this Section 4.7.

Section 4.8. Revenue Bond Reserve Fund. If an Authorized Airport Representative determines that the 2014 Authority Reserve Account is necessary in the Revenue Bond Reserve Fund, the Authority authorizes the creation of the 2014 Authority Reserve Account.

If the 2014 Authority Reserve Account is created, an amount necessary to make the funds on deposit in the 2014 Authority Reserve Account equal to the 2014 Debt Service Reserve Requirement shall be deposited in the 2014 Authority Reserve Account as described in Section 4.4 hereof. In any event, in any month in which the 2014 Authority Reserve Account shall contain less than the 2014 Debt Service Reserve Requirement, then, on or before the last business day of such month, after making all required payments and provisions for payment of Operation and Maintenance Expenses and after making all required transfers to the Revenue Bond Interest and Principal Fund, there shall be transferred into the 2014 Authority Reserve Account from the Airport System Fund an amount sufficient to reestablish in the 2014 Authority Reserve Account the 2014 Debt Service Reserve Requirement, as amended. After the 2014 Debt Service Reserve Requirement has been accumulated and for so long thereafter as such 2014 Authority Reserve Account contains such amount, no further transfers shall be required to be made to the 2014 Authority Reserve Account. In the event and to the extent that moneys in the 2014 Authority Reserve Account exceed the 2014 Debt Service Reserve Requirement, such excess moneys may be transferred from such account at the direction of the Authority, to the Capital Improvement Fund. Moneys in the 2014 Authority Reserve Account shall be used to pay principal of, and interest on, the 2014 Authority Bonds on a pro rata basis in the event and to the extent that available funds in the Revenue Bond Interest and Principal Fund are insufficient for such purpose, and such moneys in the 2014 Authority Reserve Account may also be used to make the final payments for the retirement or defeasance of any of the 2014 Authority Bonds then Outstanding to the extent the amount remaining in the 2014 Authority Reserve Account exceeds the 2014 Debt Service Reserve Requirement for the remaining 2014 Authority Bonds.

Notwithstanding the foregoing, if, in the opinion of nationally recognized bond counsel (“Bond Counsel”), the applicable provisions of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder, and any applicable successor to them, do not permit the use of proceeds of 2014 Authority Bonds to fund the entire 2014 Debt Service Reserve Requirement, then the Authority may, at its option, take up to twenty-four (24) months to deposit the difference between the 2014 Debt Service Reserve Requirement, and the portion of such 2014 Debt Service Reserve Requirement that may, in the opinion of Bond Counsel, be funded from proceeds of the 2014 Authority Bonds (the “Unfunded Portion”) into the 2014 Authority Reserve Account, provided that on the first business day of each month of such period the Authority shall deposit into the 2014 Authority Reserve Account, in accordance with the provisions of Section 4.05 of the Master Ordinance, an amount equal to the monthly pro rata allocation of the Unfunded Portion until the 2014 Authority Reserve Account contain the 2014 Debt Service Reserve Requirement.

The Authority may satisfy the 2014 Debt Service Reserve Requirement, by delivery to the Trustee of a surety bond, an insurance policy or a letter of credit (each, a “2014 Reserve Policy”) meeting the requirements set forth below. The issuer of each 2014 Reserve Policy must be rated at the time the 2014 Reserve Policy is delivered by each Rating Agency then rating the 2014 Authority Bonds or such Rating Agency must consent to the delivery of each such 2014

Reserve Policy. The obligation of the Authority to fund the 2014 Debt Service Reserve Requirement shall be deemed satisfied as of any date to the extent of the then available balance of any 2014 Reserve Policy; *provided, however*, that the 2014 Debt Service Reserve Requirement shall not be satisfied if, on the date of delivery of a 2014 Reserve Policy, the rating on any 2014 Authority Bond issued by any Rating Agency would be reduced or withdrawn as a result of the delivery of such 2014 Reserve Policy. If a disbursement is made pursuant to a 2014 Reserve Policy, the Authority must be obligated (i) to reinstate the maximum limits of such 2014 Reserve Policy or (ii) to deposit into the 2014 Authority Reserve Account moneys in an amount equal to the disbursement made under such 2014 Reserve Policy, or a combination of such alternatives, as would provide that the 2014 Authority Reserve Account has all of the moneys on deposit as it shall be required to have at such time.

The Authority also hereby authorizes any Authorized Airport Representative to secure the 2014 Authority Bonds, as well as any other Revenue Bonds the Authorized Airport Representative so elects either upon the issuance of the 2014 Authority Bonds or in the future (collectively, the “Secured Bonds”) on a pro rata basis with a 2014 Authority Bonds by the 2014 Authority Reserve Account or with any other account created at the time of the issuance of the Additional Revenue Bonds or any existing account of the Revenue Bond Reserve Fund that will then secure the Secured Bonds. In this event, (i) the Authority shall redefine the 2014 Debt Service Reserve Requirement to include all Secured Bonds such that all references in this Section 4.8 to the 2014 Debt Service Reserve Requirement shall refer to the amended definition; (ii) all references to the 2014 Authority Bonds in this Section 4.8 shall refer to the Secured Bonds; and (iii) all references to the 2014 Authority Reserve Account in this Section 4.8 shall refer collectively to the 2014 Authority Reserve Account and such other account.

In determining the amounts held in the 2014 Authority Reserve Account, the Authority shall value: (a) any investment in open market investments at the market value thereof on the date of valuation; (b) any investment in bank deposits or certificates of deposit at the amount invested; and (c) any investment agreement at the greater of market value or the amount that may be withdrawn from the agreement to fund a draw to pay the principal and interest on the 2014 Authority Bonds. The Authority shall value the amounts held in the 2014 Authority Reserve Account at least annually and shall provide to the Trustee appropriate documentation demonstrating the value of the amounts held in the 2014 Authority Reserve Account.

[End of Article IV]

ARTICLE V.

REDEMPTION

Section 5.1. Redemption. The 2014 Authority Bonds may be subject to optional redemption prior to their maturity in such manner and at such prices as approved by an Authorized Airport Representative and shall conform to the same redemption provisions with respect to the 2014 Bond Bank Bonds, as evidenced by the Purchase Agreement.

An Authorized Airport Representative is authorized to approve all or any of the 2014 Authority Bonds as term bonds with sinking fund provisions. To the extent that one or more of the 2014 Authority Bonds constitutes a term bond subject to sinking fund redemption (the "Term Bonds"), such Term Bonds shall be subject to mandatory redemption prior to maturity in the amounts specified in the Purchase Agreement (subject to reduction as hereinafter provided), on the dates therein stated, at a price equal to the principal amount redeemed plus accrued interest to the date fixed for redemption, subject to the conditions set forth below, all of which shall conform to the corresponding provisions of the 2014 Bond Bank Bonds.

Principal of the 2014 Authority Bonds may be redeemed in part only in Authorized Denominations. In selecting portions of 2014 Authority Bonds for redemption, the Registrar shall redeem such 2014 Authority Bonds as conform to the 2014 Bond Bank Bonds so redeemed. Upon surrender of any 2014 Authority Bond for redemption in part, the Registrar, in accordance with the provisions of the Master Ordinance, shall authenticate and deliver in exchange therefor a 2014 Authority Bond of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the 2014 Authority Bonds so surrendered.

Unless waived by the Bond Bank, on or before the day which is forty-five (45) days prior to the date in which there are mandatory redemption requirements for any Term Bonds, the Registrar shall determine the principal amount of such Term Bonds that must be mandatorily redeemed on such upcoming mandatory redemption date to conform to the 2014 Bond Bank Bonds mandatorily redeemed. If there is any optional or extraordinary optional redemption or purchase for cancellation of 2014 Authority Bonds which are Term Bonds, one or more of the sinking fund installments thereafter to become due shall, in any manner which the Authority elects, as evidenced by written instructions delivered to the Trustee (such election to occur prior to the date forty-five (45) days prior to the next sinking fund date for such 2014 Authority Bond), be credited with an amount which is equal to the amount of 2014 Authority Bonds so redeemed or purchased; provided, the 2014 Bond Bank Bonds are so credited in the same manner.

Section 5.2. Notice of Redemption. Notice of the call for redemption which includes the Redemption Notice Information (as defined in the Ordinance) shall be given by mailing a copy of such notice of redemption by registered or certified mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the Owners of the 2014 Authority Bonds to be redeemed to the address shown on the books of the Registrar; provided, however, that failure to give such notice by mailing or a defect in the notice or the mailing as to any 2014 Authority Bonds will not affect the validity of any proceedings for redemption as to any other 2014 Authority Bond for which notice is adequately given. Pursuant to the Ordinance, if a

conditional notice of redemption is provided for any or all 2014 Authority Bonds and sufficient moneys are not on deposit in the redemption account to make such redemption, in whole, on the Redemption Date, such notice of redemption shall be void and the 2014 Authority Bonds so called for redemption shall remain outstanding as if no notice of redemption had been sent.

Upon the happening of the above conditions, the 2014 Authority Bonds, or portions thereof, thus called for redemption shall not bear interest after the applicable redemption date, shall no longer be protected by this 2014 Supplemental Ordinance and shall not be deemed to be Outstanding under the provisions of the Ordinance.

[End of Article IV]

ARTICLE VI.

INSURANCE AND OTHER CREDIT ENHANCEMENT

Section 6.1. Credit Enhancement. The Authority hereby authorizes the solicitation for various credit enhancement options for the 2014 Authority Bonds and 2014 Bond Bank Bonds as well as authorizes the execution by an Authorized Airport Representative of any agreement required by an insurer or other credit enhancer for all or a portion of the 2014 Authority Bonds or the 2014 Bond Bank Bonds.

[End of Article V]

ARTICLE VII.

MISCELLANEOUS

Section 7.1. Construction and Severability. If any section, paragraph, clause or provision of this 2014 Supplemental Ordinance shall for any reason be held to be inconsistent with the 2014 Authority Bonds, invalid or unenforceable, the inconsistency, invalidity or unenforceability of such section, paragraph, clause or provision shall not affect the terms of the 2014 Authority Bonds, or any of the remaining provisions of this 2014 Supplemental Ordinance.

Section 7.2. Acceptance of Master Ordinance. By purchasing the 2014 Authority Bonds, the purchasers thereof, including any purchasers of the 2014 Bond Bank Bonds, accept the provisions of the Master Ordinance.

Section 7.3. Investment of Proceeds. Any Authorized Airport Representative is hereby authorized to bid for, negotiate and enter into an agreement or agreements regarding the investment of the proceeds of the 2014 Authority Bonds or the 2014 Bond Bank Bonds.

Section 7.4. Appointment of Airport Director. Any Authorized Airport Representative is hereby appointed to serve as the Airport Director for purposes of this 2014 Supplemental Ordinance.

Section 7.5. Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith, are hereby repealed to the extent of such inconsistency.

Section 7.6. Effective Date. This 2014 Supplemental Ordinance shall be in full force and effect on the date of its adoption.

[End of Article VI]

Adopted this 15th day of August, 2014.

INDIANAPOLIS AIRPORT AUTHORITY

By: _____
Michael W. Wells, President*

Attest:

Alfred R. Bennett, Secretary*

*Signed under authority provided in General Ordinance No. 6-2013.

APPROVAL OF MAYOR

Pursuant to IC 8-22-3-18.1, I, as the Mayor of the City of Indianapolis, Indiana, hereby approve the issuance of the 2014 Authority Bonds of the Indianapolis Airport Authority in an amount not to exceed \$200,000,000 for the various purposes described in Exhibit A hereto.

Dated this _____ day of _____, 2014.

Gregory A. Ballard, Mayor,
City of Indianapolis, Indiana

EXHIBIT A

FORM OF 2014 BOND

United States of America
State of Indiana
County of Marion

Number
14A R-____

**INDIANAPOLIS AIRPORT AUTHORITY
REFUNDING REVENUE BONDS, SERIES 2014A**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Initial Issue Date</u>
See Schedule I	See Schedule I	_____, 2014

Registered Owner: The Indianapolis Local Public Improvement Bond Bank

Principal Amount: \$_____

The INDIANAPOLIS AIRPORT AUTHORITY, a municipal corporation, located in the State of Indiana (the "Authority"), for value received, hereby promises to pay, solely from the revenues hereinafter specified and from no other source, to the Registered Owner identified above or registered assigns, on the Maturity Date or as specified in Schedule I to this Bond, the Principal Amount identified above, in installments on each Maturity Date specified in Schedule I to this Bond, and interest on the unpaid Principal Amount at the Fixed Interest Rate specified in Schedule I to this Bond, calculated on the basis of a 360-day year composed of twelve 30-day months in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due in the United States of America. Interest on this bond is payable on each January 1 and July 1 (the "Interest Payment Date"), beginning January 1, 2015, until the maturity or redemption date of this bond or until the Authority's obligation with respect to this bond has been satisfied. Interest is payable from the Interest Payment Date next preceding the date of authentication hereof shown below, except: (1) if this bond is authenticated prior to December 15, 2014, then interest is payable from the Initial Issue Date; (ii) if this bond is authenticated during the period between a Record Date (as defined herein) and the Interest Payment Date with respect thereto, then interest is payable from such Interest Payment Date; or (iii) if the payment on this bond is in default, then interest is payable from the date to which interest has been paid in full. Interest on this bond shall be payable by check or draft mailed by the Paying Agent to the Owner of record as of the previous December 15 and June 15 (the "Record Date") as shown on the books of registration kept by the Registrar.

This bond is one of a duly authorized issue of Bonds titled “Indianapolis Airport Authority Refunding Revenue Bonds, Series 2014_”, aggregating \$_____ (the “2014 Authority Bonds”), issued pursuant to General Ordinance No. 5-2014, which consolidated and restated General Ordinance No. 4-2002, as was previously amended by General Ordinance No. 7-2005 and General Ordinance No. 1-2008, as previously supplemented and as supplemented by General Ordinance No. 6-2014 (herein collectively the “Ordinance”) pursuant to the authority of Indiana Code, Title 8, Article 22, Chapter 3, as amended. The 2014 Authority Bonds are issued for the purpose of exchanging the 2014 Authority Bonds for the Refunded Authority Bonds (as defined in General Ordinance No. 6-2014). The owner of this bond is referred to, and agrees to, all the terms and provisions of the Ordinance by acceptance of this bond.

This bond and all of the 2014 Authority Bonds are special obligations of the Authority that are equally and ratably payable from and secured by a lien on certain “Net Revenues” of the “Airport System” of the Authority, on a parity with the Revenue Bonds, Series 2005A, the Revenue Bonds, Series 2006A, the Revenue Bonds, Series 2010A, the Revenue Bonds, Series 2010C Bonds, the Refunding Revenue Bonds, Series 2012A, the Refunding Revenue Bonds, Series 2013A Bonds, and the Refunding Revenue Bonds, Series 2013B (collectively, the “Outstanding Airport Bonds”), all as defined in the Ordinance, which Net Revenues, are required to be set aside for and pledged to the payment of such Revenue Bonds outstanding under the Ordinance in the Revenue Bond Interest and Principal Fund. This bond and the issue of which it is a part, together with the interest thereon, are payable solely from such Net Revenues and do not constitute a general indebtedness or general obligation of the Authority. The owner of this bond shall never have the right to demand payment of this bond or the interest thereon out of any funds raised or to be raised by taxation.

This bond shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this bond is authenticated by the Registrar by due execution of the authentication certificate manually endorsed hereon. Such duly executed certificate of authentication shall be conclusive evidence that this bond was delivered by the Registrar under the provisions of the Ordinance.

[On _____ 1, ____, or at any time thereafter the Authority shall have the option of redeeming any or all of the 2014 Authority Bonds, if the 2014 Bond Bank Bonds are also so redeemed in the same manner, maturing on and after _____ 1, ____, for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon to the date fixed for redemption, plus a redemption price (expressed as a percentage of the principal amount to be redeemed) as follows:

Redemption <u>Date</u>	<u>Price</u>
---------------------------	--------------

The 2014 Authority Bonds maturing on _____ 1, 20__ (the “Term Bonds”), are subject to mandatory redemption prior to maturity in the same manner as the 2014 Bond Bank Bonds of such maturity in the following amounts (subject to reduction as hereinafter

provided), on the following dates, at a price equal to the principal amount redeemed plus accrued interest to the date fixed for redemption, subject to the conditions set forth below:

\$ _____ Term Bonds Maturing in 20_____

Mandatory Redemption
 Date

Principal
 Amount

\$

(Final Maturity)

Principal of the 2014 Authority Bonds shall be redeemed in part only in the same manner as the 2014 Bond Bank Bonds are redeemed. Upon surrender of any 2014 Authority Bond for redemption in part, the Registrar, in accordance with the provisions of the Master Ordinance, shall authenticate and deliver in exchange therefor a 2014 Authority Bond of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the 2014 Authority Bonds so surrendered.

Unless waived by the Bond Bank, on or before the day which is forty-five (45) days prior to the date in which there are mandatory redemption requirements for any Term Bonds, the Registrar shall determine the principal amount of such Term Bonds that must be mandatorily redeemed to conform to the 2014 Bond Bank Bonds mandatorily redeemed on such date. If there is any optional or extraordinary optional redemption or purchase for cancellation of 2014 Authority Bonds which are Term Bonds, one or more of the sinking fund installments thereafter to become due shall, in any manner which the Authority elects, as evidenced by written instructions delivered to the Trustee (such election to occur prior to the date forty-five (45) days prior to the next sinking fund date for such 2014 Authority Bond), be credited with an amount which is equal to the amount of 2014 Authority Bonds so redeemed or purchased; provided, the 2014 Bond Bank Bonds are so credited in the same manner.

If there is any optional or extraordinary optional redemption or purchase for cancellation of 2014 Authority Bonds which are Term Bonds, one or more of the sinking fund installments thereafter to become due shall, in any manner which the Authority elects, as evidenced by written instructions delivered to the Trustee (such election to occur prior to the date forty-five (45) days prior to the next sinking fund date for such 2014 Authority Bond), be credited with an amount which is equal to the amount of 2014 Authority Bonds so redeemed or purchased.

Notice of the call for redemption which includes the Redemption Notice Information (as defined in the Ordinance) shall be given by mailing a copy of such notice of redemption by registered or certified mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the Owners of the 2014 Authority Bonds to be redeemed to the address shown on the books of the Registrar; provided, however, that failure to give such notice by mailing or a defect in the notice or the mailing as to any 2014 Authority Bonds will not affect the validity of any proceedings for redemption as to any other 2014 Authority Bond for which notice is adequately given. If any 2014 Authority Bonds have been called for redemption but have not

been presented to the Paying Agent for payment within sixty (60) days after the date set for the redemption of the 2014 Authority Bonds, the Registrar shall send to the Owners of those 2014 Authority Bonds a second notice of redemption, which includes the Redemption Notice Information, within seventy-five (75) days after the date set for the redemption. Pursuant to the Ordinance, if a conditional notice of redemption is provided for any or all 2014 Authority Bonds and sufficient moneys are not on deposit in the redemption account to make such redemption, in whole, on the Redemption Date, such notice of redemption shall be void and the 2014 Authority Bonds so called for redemption shall remain outstanding as if no notice of redemption had been sent.

Upon the happening of the above conditions, the 2014 Authority Bonds, or portions thereof, thus called for redemption shall not bear interest after the applicable redemption date, shall no longer be protected by the Supplemental Bond Ordinance and shall not be deemed to be Outstanding under the provisions of the Ordinance.

This bond is transferable only upon presentation and surrender at the designated corporate trust operations office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his authorized representative, subject to the terms and conditions of the Ordinance. The 2014 Authority Bonds are exchangeable at the designated corporate trust operations office of the Registrar for the 2014 Authority Bonds in denominations of \$5,000 or in integral multiples of \$5,000 in excess thereof, subject to the terms and conditions of the Ordinance. The Registrar is not required to accept any 2014 Authority Bonds for transfer or exchange during the fifteen (15) days prior to mailing of any notice of redemption, subsequent to the mailing of notice of redemption of such 2014 Authority Bonds, or during the period from a Record Date to the Interest Payment Date with respect thereto.

The Authority has issued the 2014 Authority Bonds on a parity with the Outstanding Airport Bonds, except as provided in the Ordinance with respect to the Revenue Bond Reserve Fund. The Authority has reserved the right to issue additional Revenue Bonds on a parity with the Outstanding Airport Bonds and the 2014 Authority Bonds with respect to the pledge of Net Revenues.

The 2014 Authority Bonds are secured in the manner and subject to the restrictions contained in the Ordinance. The Ordinance contains provisions permitting the Authority to provide for discharging the Authority's obligations on any bonds through defeasance, and to amend the Ordinance. Any amendment to the Ordinance shall be binding upon the Owner of this bond without endorsement hereon or any reference to such amendment, provided that no amendment shall permit (a) an extension of the maturity of the principal of or the interest on this bond, or (b) a reduction of the principal amount of this bond or the rate of interest thereon, or (c) a privilege or priority of any Revenue Bond or Revenue Bonds (as defined in the Ordinance) over any other Revenue Bond or Revenue Bonds, or (d) a reduction in the aggregate principal amount of Revenue Bonds required for consent to such amendment, without the consent of all holders of Outstanding Revenue Bonds.

It is hereby certified, recited and represented that the issuance of the 2014 Authority Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done

precedent to and in the issuance of the 2014 Authority Bonds to render the same lawful and valid have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that due provision has been made for the payment of the principal of and interest on the 2014 Authority Bonds by granting a lien on and pledge of the Net Revenues as provided in the Ordinance; and that the issuance of the 2014 Authority Bonds does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Authority has caused its corporate seal to be impressed or placed in facsimile hereon and this bond to be signed by the President and attested by the Secretary of the Board of the Authority by their manual, lithographed, or printed facsimile signatures.

INDIANAPOLIS AIRPORT AUTHORITY

President

(SEAL)

Attest:

Secretary

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - _____Custodian_____

(Cust)

(Minor)

under Uniform Gifts to Minors

Act _____

(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER)

(Print or typewrite name, address, and zip code of transferee)

the within bond and hereby irrevocably constitutes and appoints _____
_____, Attorney, to transfer said bond on the books kept for registration
thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: Signature must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

AUTHENTICATION CERTIFICATE

This bond is one of the 2014A Airport Bonds described in and delivered pursuant to the within mentioned Ordinance.

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

By: _____
Authorized Officer

Authentication Date:

Schedule I

<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Principal Amount</u>
January 1, _____	_____ %	\$ _____
July 1, _____		

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2014

REFUNDING ISSUE

RATINGS: S&P (“___”)
Fitch (“___”)
Moody’s (“___”)
See “Ratings” herein

Book-Entry-Only

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”), under federal statutes, decisions, regulations, and rulings, interest on the 2014 Bond Bank Bonds (hereinafter defined) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the 2014 Bond Bank Bonds (the “Code”), except for interest on any 2014 Bond Bank Bonds for any period during which such 2014 Bond Bank Bond is owned by a person who is a “substantial user” of the Airport System (hereinafter defined) or a “related person” as defined in Section 147(a) of the Code. Such exclusion is conditioned on continuing compliance with the Tax Covenants (hereinafter defined). The interest on the 2014 Bond Bank Bonds is a specific preference item for purposes of federal individual and corporate alternative minimum taxes. In addition, in the opinion of Bond Counsel, under existing statutes, decisions, regulations and rulings, interest on the 2014 Bond Bank Bonds is exempt from income taxation in the State of Indiana.

§ _____
**THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT
BOND BANK REFUNDING BONDS, SERIES 2014D
(Indianapolis Airport Authority Project)**

Dated: Date of Delivery

Due: January 1, As Shown on the Inside Cover

The Indianapolis Local Public Improvement Bond Bank Refunding Bonds, Series 2014D (Indianapolis Airport Authority Project) (the “2014 Bond Bank Bonds”) will be dated the date of delivery, and will bear interest from that date to their respective maturities in the amounts and at the rates set forth on the inside cover hereof. The 2014 Bond Bank Bonds are issuable only as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The 2014 Bond Bank Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), securities depository for the 2014 Bond Bank Bonds. Purchases of beneficial interests in the 2014 Bond Bank Bonds are to be made in book-entry-only form. Purchasers will not receive certificates representing their beneficial ownership interests in the 2014 Bond Bank Bonds. See “APPENDIX D—BOOK-ENTRY-ONLY SYSTEM.” Interest on the 2014 Bond Bank Bonds will accrue from the date of their delivery, and will be payable on January 1 and July 1 of each year, commencing January 1, 2015. Interest, together with the principal of and premium, if any, on the 2014 Bond Bank Bonds will be paid directly to DTC by The Bank of New York Mellon Trust Company, N.A., as trustee (the “Bond Bank Trustee”) under the Indenture, as defined and described herein, so long as DTC or its nominee is the registered owner of the 2014 Bond Bank Bonds. See “THE 2014 BOND BANK BONDS.”

The 2014 Bond Bank Bonds will be issued by The Indianapolis Local Public Improvement Bond Bank (the “Bond Bank”) pursuant to a Trust Indenture dated as of October 1, 2014, as it may be supplemented and amended from time to time by and between the Bond Bank and the Bond Bank Trustee (collectively, the “Indenture”) for the principal purpose of providing funds to: (a) refund all or a portion of the Bond Bank’s Bonds, Series 2004I (Indianapolis Airport Authority Project) (the “Refunded Bond Bank Bonds”); and (b) pay the costs of issuance of the 2014 Bond Bank Bonds and the Indianapolis Airport Authority Refunding Revenue Bonds, Series 2014A (the “2014 Authority Bonds”), and certain other related costs. The Bond Bank will accept the 2014 Authority Bonds in exchange for the Indianapolis Airport Authority Airport Revenue Bonds, Series 2004A (the “Refunded Authority Bonds”) currently held by the Bond Bank to secure the Refunded Bond Bank Bonds and will arrange for funding any deposit required to satisfy the Indianapolis Airport Authority’s account of its reserve fund held for the 2014 Authority Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS.”

THE 2014 BOND BANK BONDS ARE LIMITED OBLIGATIONS OF THE BOND BANK PAYABLE SOLELY OUT OF THE REVENUES AND FUNDS OF THE BOND BANK PLEDGED THEREFOR UNDER THE INDENTURE (AS MORE FULLY DESCRIBED HEREIN). THE 2014 BOND BANK BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR LOAN OF THE CREDIT OF THE STATE OF INDIANA OR ANY POLITICAL SUBDIVISION THEREOF, THE CITY OF INDIANAPOLIS, INDIANA (the “CITY”), THE AUTHORITY OR ANY OTHER QUALIFIED ENTITY (AS DEFINED HEREIN), UNDER THE CONSTITUTION AND THE LAWS OF THE STATE OF INDIANA OR A PLEDGE OF THE FAITH, CREDIT AND TAXING POWER OF THE STATE OF INDIANA OR ANY POLITICAL SUBDIVISION THEREOF, THE CITY OR ANY QUALIFIED ENTITY, INCLUDING THE AUTHORITY. THE SOURCES OF PAYMENT OF, AND SECURITY FOR, THE 2014 BOND BANK BONDS ARE MORE FULLY DESCRIBED HEREIN. THE BOND BANK HAS NO TAXING POWER. SEE “AUTHORITY REFINANCING PLAN” AND “SECURITY AND SOURCES OF PAYMENT OF THE 2014 BOND BANK BONDS.” Detailed maturity schedules for the 2014 Bond Bank Bonds are set forth on the inside cover of this Official Statement.

This cover page contains information for quick reference only and is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The 2014 Bond Bank Bonds are offered when, as and if issued by the Bond Bank and received by the Underwriters and subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Ice Miller LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on by Gregory Clark, as General Counsel of the Bond Bank, by Joseph Heerens, General Counsel of the Authority, by Frost Brown Todd LLC, as disclosure counsel to the Authority and by Krieg DeVault LLP, as counsel to the Underwriters. Jefferies LLC has acted as the financial advisor to the Bond Bank and the Authority. It is expected that the 2014 Bond Bank Bonds will be available for delivery through the facilities of DTC in New York, New York, on or about _____, 2014.

BofA Merrill Lynch

BMO Capital Markets

JP Morgan Securities

PNC Capital Markets LLC

Drexel Hamilton, LLC

Ramirez & Co. LLC

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without any notice. The securities described herein may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstance shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be lawful prior to registration or qualification under the applicable securities laws of any such jurisdiction.

\$ _____
**THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT
BOND BANK REFUNDING BONDS, SERIES 2014D
(INDIANAPOLIS AIRPORT AUTHORITY PROJECT)**

MATURITY SCHEDULE

SERIAL BONDS

<u>Maturity</u> (January 1)	<u>Principal</u> <u>Amount (\$)</u>	<u>Interest</u> <u>Rate (%)</u>	<u>Yield(%)</u>	<u>Price</u>	<u>CUSIP</u> ^{(1)*}

(1) The CUSIP number listed above is being provided solely for the convenience of the holders of the 2014 Bond Bank Bonds only, and neither the Bond Bank nor the Underwriters make any representations with respect to such number or undertake any responsibility for its accuracy. The CUSIP number is subject to being changed after the issuance of the 2014 Bond Bank Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the 2014 Bond Bank Bonds.

*Copyright 2011 American Bankers Association. CUSIP data herein provided by Standard & Poor's, CUSIP Service Bureau, a division of McGraw-Hill Companies, Inc. The CUSIP numbers are provided by convenience and reference only. Neither the Bond Bank nor the Underwriters are responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness as to the 2014 Bond Bank Bonds as indicated above.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

No dealer, salesperson, or other person has been authorized by the Bond Bank, the City of Indianapolis (the “City”), the Authority nor the Underwriters to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the 2014 Bond Bank Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the Bond Bank, the City, the Authority or the Underwriters (as defined herein). This Official Statement, which includes the cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2014 Bond Bank Bonds by any person, in any jurisdiction in which it is unlawful for such persons to make such offer, solicitation, or sale.

The information set forth in this Official Statement has been obtained from the Bond Bank, the City, the Authority and from the sources referenced throughout this Official Statement, which the Bond Bank, the City, and the Authority believe to be reliable. No guarantee is made by the Bond Bank, the City and the Authority, however, as to the accuracy of information provided from sources other than the Bond Bank, the City and the Authority. The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any statement nor any sale of the 2014 Bond Bank Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the Bond Bank, the City or the Authority, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their respective responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction and reasonably believe such information to be accurate and complete, but the Underwriters do not guarantee the accuracy or completeness of such information, and it is not to be construed as the promise or guarantee of the Underwriters.

THE UNDERWRITERS MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE INSIDE OF THE COVER PAGE TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE 2014 BOND BANK BONDS, THE UNDERWRITERS MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE 2014 BOND BANK BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE 2014 BOND BANK BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE BOND BANK, THE CITY, THE AUTHORITY, AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. SEE “RISKS AND OTHER INVESTMENT CONSIDERATIONS”

The statements contained in this Official Statement and any other information provided by the Bond Bank, the City or the Authority, that are not purely historical, are forward-looking statements. The forward-looking statements herein are based on various assumptions and estimates, are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements contained in this Official Statement would prove to be accurate.

Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Bond Bank, the City or the Authority on the date hereof, and the Bond Bank, the City and the Authority assume no obligation to update any such forward-looking statements.

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THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

BOARD OF DIRECTORS

James S. Carr, Chairperson
E. Sahara Williams, P.E., Vice Chairperson
Melissa R. Bailey-Comstock
Fred Miller
John F. Williams, III

Deron S. Kintner, Executive Director
Gregory Clark, Deputy Director and General Counsel

INDIANAPOLIS AIRPORT AUTHORITY

BOARD OF DIRECTORS*

Michael W. Wells, President
Kelly J. Flynn, Vice President
Alfred R. Bennett, Secretary
Karen Caswelch, Member
Steve Dillinger, Member
Jack Morton, Member
Jean Wojtowicz, Member
Lynn T. Gordon, Advisory Member

Mario Rodriguez, Executive Director
Robert Duncan, Deputy Director

BOND COUNSEL

Ice Miller LLP
Indianapolis, Indiana

DISCLOSURE COUNSEL TO AUTHORITY

Frost Brown Todd LLC
Indianapolis, Indiana

FINANCIAL ADVISOR

Jefferies LLC
Boston, Massachusetts

BOND BANK TRUSTEE AND AUTHORITY TRUSTEE

The Bank of New York Mellon Trust Company, N.A.
New York, New York

* There is currently one vacancy on the Authority Board.

\$ _____

**THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT
BOND BANK REFUNDING BONDS, SERIES 2014D
(Indianapolis Airport Authority Project)**

INTRODUCTION

General

The purpose of this Official Statement, including the cover page, the inside cover page, other preliminary pages and the appendices, is to provide certain information in connection with the issuance and sale by The Indianapolis Local Public Improvement Bond Bank (the “*Bond Bank*”) of its \$ _____ aggregate principal amount of Refunding Bonds, Series 2014D (Indianapolis Airport Authority Project) (the “*2014 Bond Bank Bonds*”). The 2014 Bond Bank Bonds are authorized by a resolution adopted by the Board of Directors of the Bond Bank on August 18, 2014 (the “*Bond Bank Resolution*”), and are issued and secured by the Trust Indenture, dated as of October 1, 2014, as supplemented and amended from time to time (the “*Indenture*”), between the Bond Bank and The Bank of New York Mellon Trust Company, N.A., as trustee (the “*Bond Bank Trustee*”), all pursuant to the laws of the State of Indiana (the “*State*”), particularly Indiana Code (“*IC*”) 5-1.4, as amended from time to time (the “*Bond Bank Act*”). Additionally, The Bank of New York Mellon Trust Company, N.A. will serve as registrar (“*Registrar*”) and paying agent (“*Paying Agent*”) for the 2014 Bond Bank Bonds, and will also serve as trustee (the “*Authority Trustee*”), registrar and paying agent under the Authority Bond Ordinance (as defined below) with respect to the 2014 Authority Bonds (as defined below). Unless otherwise defined herein, capitalized terms used in this Official Statement are defined in “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS.”

The Bond Bank and the Bond Bank Program

The Bond Bank is a body corporate and politic, separate from the City of Indianapolis, Indiana (the “*City*”) and the Indianapolis Airport Authority (the “*Authority*”), established for the public purposes set forth in the Bond Bank Act. Pursuant to the Bond Bank Act, the purpose of the Bond Bank is to purchase, sell and/or exchange securities of “qualified entities,” which includes the Authority. The Bond Bank is governed by a board of five directors, each appointed by the Mayor of the City. **The Bond Bank has no taxing power.** See “THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK.”

The offering of the 2014 Bond Bank Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the 2014 Bond Bank Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement, including the appendices and the documents summarized or described herein, and particularly the section entitled “RISKS AND OTHER INVESTMENT CONSIDERATIONS.” Detachment or other use of this “INTRODUCTION” without the entire Official Statement, including the cover page, inside cover page, other preliminary pages and appendices, is unauthorized.

Refinancing Plan

The 2014 Bond Bank Bonds will be issued by the Bond Bank pursuant to the Indenture for the principal purpose of providing funds to: (a) refund all or a portion of The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2004I (Indianapolis Airport Authority Project) (the “*Refunded Bond Bank Bonds*”); and (b) pay the costs of issuance of the 2014 Bond Bank Bonds and the 2014 Authority Bonds (as defined herein), including certain other related costs. The Bond Bank will accept the 2014 Authority Bonds in exchange for the Indianapolis Airport Authority Airport Revenue Bonds, Series 2004A (the “*Refunded Authority Bonds*”) currently held by the Bond Bank

to secure the Refunded Bond Bank Bonds and the Authority will arrange for the use of funds on deposit in the 2004 Account of the Revenue Bond Reserve Fund (as defined herein) to satisfy the Authority's account of the Revenue Bond Reserve Fund held for the 2014 Authority Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS."

The Bond Bank issued the Refunded Bond Bank Bonds for the purpose of providing funds to: (a) purchase the Refunded Authority Bonds; and (b) pay costs of issuance incurred on account of the issuance of the Refunded Bond Bank Bonds and the Refunded Authority Bonds. Contemporaneously with the issuance of the Refunded Bond Bank Bonds, the Authority issued the Refunded Authority Bonds for the purpose of (a) paying a portion of the cost of the Authority's 2001-2010 Capital Improvement Program (as defined in the supplemental ordinance authorizing such bonds) for the Airport System (as defined herein), including capitalized interest, and (b) funding a deposit to the Authority's 2004 Account of the Revenue Bond Reserve Fund.

The Refunded Authority Bonds currently held by the Bond Bank are secured by and payable from a pledge of the Net Revenues of the Airport System. The Bond Bank will accept the 2014 Authority Bonds in exchange for the Refunding Authority Bonds upon the defeasance of the Refunded Bond Bank Bonds.

The Bond Bank intends to use a portion of the proceeds of the 2014 Bond Bank Bonds, together with certain other funds of the Authority, to refund all or a portion of the Refunded Bond Bank Bonds in accordance with the terms of the Trust Indenture, dated as of January 1, 2003, as supplemented by a First Supplemental Trust Indenture dated as of November 1, 2004 (collectively, the "*Prior Indenture*") each between the Bond Bank and The Bank of New York Mellon Trust Company, N.A., at which time the Refunded Authority Bonds will be cancelled and returned to the Authority and will no longer be outstanding under the Authority Bond Ordinance. See "REFINANCING PLAN" herein.

The 2014 Bond Bank Bonds

The 2014 Bond Bank Bonds are issued solely as fully registered certificates in denominations of \$5,000, or any integral multiple thereof. The 2014 Bond Bank Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("*DTC*"), the securities depository for the 2014 Bond Bank Bonds. Purchases of the 2014 Bond Bank Bonds are to be made in book-entry-only form. Purchasers will not receive certificates representing their beneficial ownership interest in the 2014 Bond Bank Bonds. See "APPENDIX D—BOOK-ENTRY-ONLY SYSTEM." The 2014 Bond Bank Bonds mature and bear interest calculated based on a 360-day year consisting of twelve 30-day months as set forth on the inside cover page hereof. The payment of principal of and interest on the 2014 Bond Bank Bonds is described under the caption "THE 2014 BOND BANK BONDS—General Description."

The 2014 Bond Bank Bonds are subject to redemption prior to maturity as more fully described herein under the caption "THE 2014 BOND BANK BONDS—Redemption" and "-Mandatory Sinking Fund Redemption."

Security and Sources of Payment for the 2014 Bond Bank Bonds

The 2014 Bond Bank Bonds will be issued under and secured by the Indenture. The 2014 Bond Bank Bonds are issued and secured separately from any other obligations issued by the Bond Bank, including other bonds issued by the Bond Bank on behalf of the Authority. The principal of and interest on any and all of the 2014 Bond Bank Bonds and any Additional Bond Bank Bonds (as defined herein) that may be authorized and issued by the Bond Bank on a parity with the 2014 Bond Bank Bonds, are payable from the Trust Estate which is pledged pursuant to the Indenture for the benefit of the owners of the 2014 Bond Bank Bonds without priority. Additional Bond Bank Bonds may be issued on a parity with the 2014 Bond Bank Bonds only to refund (in whole or in part) bonds issued by the Bond Bank under the Indenture or to purchase Additional Authority Bonds (as defined herein) of the Authority issued for the purpose of refunding (in whole or in part) the 2014 Authority Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS."

Neither the faith, credit nor taxing power of the State or any political subdivision thereof, the City, The County (the "*County*"), the Authority, or any other Qualified Entity (as defined in the Bond Bank Act) are pledged to the payment of the principal of, premium, if any, and interest on any of the 2014 Bond Bank Bonds. The 2014 Bond Bank Bonds are not a debt, liability, loan of the credit pledge of the faith and credit of the State or of any political subdivision thereof, including the City, the County, or the Authority. **The Bond Bank has no taxing power.**

The Indenture does not establish a debt service reserve fund for the 2014 Bond Bank Bonds; however, the Authority Bond Ordinance, and specifically the 2014 Supplemental Ordinance (as defined below), establishes the 2014A Authority Reserve Account of the Revenue Bond Reserve Fund (the “2014A Authority Reserve Account”) to support the payment of the 2014 Authority Bonds, and therefore to support the payment of the 2014 Bond Bank Bonds. The 2014 Supplemental Ordinance requires that there be on deposit in the 2014A Authority Reserve Account an amount at least equal to the 2014A Debt Service Reserve Requirement (as defined herein and in APPENDIX C – Summary of the Authority Bond Ordinance).

The Authority and the 2014 Authority Bonds

The Authority is a municipal corporation, separate from the City and the County, organized and existing under I.C. 8-22-3, as amended and in effect on the issue date of the 2014 Authority Bonds (the “*Authority Act*”), with the power to own and operate public airports. The Authority owns and operates the Indianapolis International Airport (the “*Airport*”), as well as the Downtown Heliport, Eagle Creek Airpark, Metropolitan Airport, Indianapolis Regional Airport, and Hendricks County Airport-Gordon Graham Field (collectively with the Airport, the “*Airport System*”). See “THE INDIANAPOLIS AIRPORT AUTHORITY” and “THE AIRPORT AND THE AIRPORT SYSTEM” for information concerning the Authority and its assets and operations.

Prior to the issuance of the 2014 Authority Bonds, the Authority adopted General Ordinance 5-2014, on August 15, 2014 (the “*Authority Bond Ordinance*”), which consolidates and restates, without further amendment, the Authority’s General Ordinance No. 4-2002, adopted on December 20, 2002 (the “*Original Authority Ordinance*”), as amended by General Ordinance No. 7-2005, adopted on September 23, 2005, and General Ordinance No. 1-2008, adopted on June 6, 2008. The adoption of the Authority Bond Ordinance served the purpose of consolidating all of the prior amendments made to General Ordinance 4-2002 into a single ordinance without additional changes. The 2014 Authority Bonds are being issued under the Authority Act and pursuant to the Authority Bond Ordinance, as supplemented by General Ordinance No. 6-2014 adopted on August 15, 2014, relating to the 2014 Authority Bonds (the “*2014 Supplemental Ordinance*”).

Security and Sources of Payment for the 2014 Authority Bonds

The 2014 Authority Bonds are to be secured by a pledge of the Net Revenues of the Airport System on parity with other series of Authority Revenue Bonds (as defined herein) currently outstanding in the aggregate principal amount of \$1,054,515,000 (\$189,400,000* of which are the Refunded Authority Bonds that will be refunded in connection with the issuance of the 2014 Bond Bank Bonds)(such bonds, less the Refunded Authority Bonds, are referred to herein collectively as the “*Outstanding Authority Bonds*”). The Outstanding Authority Bonds are more particularly described in “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS- Pledge of 2014 Authority Bonds and Payments Thereon.”

The 2014 Authority Bonds, any Additional Authority Bonds (as defined herein) and the Outstanding Authority Bonds are collectively referred to herein as the “*Authority Revenue Bonds*.” In connection with the issuance of the 2014 Authority Bonds, the Authority will establish the 2014A Authority Reserve Account as additional security for the 2014 Authority Bonds, and therefore, the 2014 Bond Bank Bonds. The Authority will transfer all or a portion of the moneys currently on deposit in the reserve account held for the Refunded Authority Bonds to the 2014A Authority Reserve Account to satisfy the 2014 Reserve Requirement and the 2004 Account (as defined herein) will be cancelled. See, “REFINANCING PLAN – The Bonds to be Refunded and Exchanged” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS – Revenue Bond Reserve Fund.”

The Authority Revenue Bonds are special limited obligations of the Authority payable on a parity basis solely from and secured exclusively by a lien upon the Net Revenues of the Airport System and monies in certain funds established under the Authority Bond Ordinance, except with respect to the Revenue Bond Reserve Fund, and neither the Authority, the Authority Board, nor any of its officers, agents or employees, is under any obligation to pay the Authority Revenue Bonds from any other source. The Authority Revenue Bonds are not a general obligation of the Authority, the Bond Bank, the County, the City or the State, nor a charge, a lien or an encumbrance, legal or equitable, upon property of the Authority or upon income, receipts, or revenues of the Authority, other than those revenues and monies that have been specifically pledged to the payment of the Authority

* Preliminary, subject to change.

Revenue Bonds. The Authority Revenue Bonds are not payable from funds raised or to be raised by taxation. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS.”

Authority Qualified Derivative Agreements

The Authority has also entered in various Qualified Derivative Agreements (as defined in the Authority Bond Ordinance). Certain payments due under these Qualified Derivative Agreements also will be payable from Net Revenues on parity with Authority Revenue Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS” and “RISKS AND OTHER INVESTMENT CONSIDERATIONS.”

Bondholder Risks

The 2014 Bond Bank Bonds may not be suitable for all investors. Prospective purchasers of the 2014 Bond Bank Bonds should read this entire Official Statement including information under the section “RISKS AND OTHER INVESTMENT CONSIDERATIONS.”

The Official Statement; Additional Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

The information contained in this Introduction is qualified by reference to this entire Official Statement (including the appendices). This Introduction is only a brief description and a full review should be made of this entire Official Statement (including the appendices), as well as the documents summarized or described in this Official Statement. The summaries of and references to all documents, statutes and other instruments referred to in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the full text of each such document, statute or instrument. Summaries of certain provisions of the Indenture, the Authority Bond Ordinance and the Airline Agreements (as defined herein) are set forth in “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS.”

Information contained in this Official Statement with respect to the Bond Bank, the City and the Authority and copies of the Indenture, the Authority Bond Ordinance, the Airline Agreement, the and other documents and instruments referred to herein may be obtained from The Indianapolis Local Public Improvement Bond Bank, 200 East Washington Street, Room 2342, City-County Building, Indianapolis, Indiana 46204. The Bond Bank’s telephone number is (317) 327-4220.

REFINANCING PLAN

The Bond Bank Program

The 2014 Bond Bank Bonds will be issued by the Bond Bank pursuant to the Indenture for the principal purpose of providing funds to: (a) refund the Refunded Bonds; and (b) pay the costs of issuance of the 2014 Bond Bank Bonds and the 2014 Authority Bonds, including paying certain other related costs. The Bond Bank will accept the 2014 Authority Bonds in exchange for the Indianapolis Airport Authority Airport Revenue Bonds, Series 2004A (the “*Refunded Authority Bonds*”) currently held by the Bond Bank to secure the Refunded Bond Bank Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS.”

The Bonds to Be Refunded and Exchanged

The Refunded Bond Bank Bonds will be called for optional redemption on January 1, 2015 (the “*Refunding Date*”), at 100% of the principal amount thereof.

Table 1, set forth below, shows the principal and coupon due on the Refunded Bond Bank Bonds as well as their corresponding CUSIP:

Table 1
REFUNDED BOND BANK BONDS
MATURITY SCHEDULE

<u>Year</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>CUSIP</u>
2015	4,580,000	5.250	45528SFJ0
2016	4,820,000	5.250	45528SFK7
2017	5,325,000	5.250	45528SFL5
2018	5,610,000	5.250	45528SFM3
2019	5,895,000	5.250	45528SFN1
2020	6,210,000	5.000	45528SFP6
2021	6,520,000	5.000	45528SFQ4
2022	6,845,000	5.000	45528SFR2
2023	7,190,000	5.000	45528SFS0
2024	11,075,000	5.000	45528SFT8

\$16,665,000 4.85% Term Bonds due January 12, 2026, CUSIP 45528SFU5
 \$18,335,000 4.950% Term Bonds due January 1, 2028, CUSIP 45528SFV3
 \$41,970,000 4.750% Term Bonds due January 1, 2031, CUSIP 45528SFW1
 \$48,360,000 5.000% Term Bonds due January 1, 2034, CUSIP 45528SFX9

The specific principal amount of each maturity of the Outstanding Refunded Bonds to be refunded by the 2014 Bond Bank Bonds will be determined by the Bond Bank and the Authority at the time the Bond Bank and the Underwriters (as defined herein) sign the Bond Purchase Agreement (as defined herein). The issuance of the 2014 Bond Bank Bonds and the refunding of the Refunded Bonds are subject to market conditions, and the Bond Bank and the Authority will only issue the 2014 Bond Bank Bonds if such issuance and refunding result in acceptable debt service savings to the Authority.

The refunding of the Refunded Bond Bank Bonds will be accomplished by depositing, concurrently with the issuance of the 2014 Bond Bank Bonds, a portion of the proceeds thereof, together with other moneys legally available therefor, into an irrevocable escrow account (the “2004 Escrow Account”), which will be held by The Bank of New York Mellon Trust Company, N.A. as escrow agent for the Refunded Bond Bank Bonds (the “Escrow Agent”). Moneys on deposit in the 2004 Escrow Account will be gross funded and invested while on deposit therein and will be in an amount sufficient to provide for the payment of the principal of and interest on the Refunded Bond Bank Bonds called for optional redemption on the Redemption Date. Upon such deposits, the Refunded Bond Bank Bonds will no longer be outstanding under the Prior Indenture (as defined in APPENDIX B – Summary of the Authority Bond Ordinance hereto), and the indebtedness with respect thereto will be discharged.

_____, _____, _____ a firm of independent public accountants, will deliver to the Bond Bank its attestation report indicating that it has examined, in accordance with standards established by the American Institute of Certified Accountants, the information and assertions provided by the Bond Bank and others. Included in the scope of its examination will be a verification of the mathematical accuracy of the mathematical computations of the adequacy of the cash deposited into the 2004 Escrow Account to pay the principal of and interest on the Refunded Bond Bank Bonds when due and the redemption price of the Refunded Bond Bank Bonds on the Redemption Date. See “VERIFICATION OF MATHEMATICAL COMPUTATIONS” herein.

Simultaneously with the issuance of the 2014 Bond Bank Bonds, the Bond Bank will accept the 2014 Authority Bonds in exchange for the Refunded Authority Bonds and will return such Refunded Authority Bonds to the Authority for cancellation. \$_____ of Authority funds will also be deposited with the Escrow Agent for the Refunded Bond Bank Bonds.

Estimated Sources and Uses of Funds

The proceeds of the 2014 Bond Bank Bonds, together with other funds of the Authority available for such purpose, are to be applied on the issue date to refund the Refunded Bond Bank Bonds and to permit the Bond Bank to accept the 2014 Authority Bonds in exchange for the Refunded Authority Bonds currently held to secure the Refunded Bond Bank Bonds, as well as to pay costs of issuing the 2014 Bond Bank Bonds and the 2014 Authority Bonds.

The following table sets forth the estimated sources and uses of the proceeds of the 2014 Bond Bank Bonds and 2014 Authority Bonds.

Sources:

Original Principal Amount of 2014 Bond Bank Bonds	\$ _____
Plus Net Original Issue Premium	\$ _____
Transfer from 2004A Authority Reserve Account	\$ _____
Transfer from the Authority Interest and Principal Fund	\$ _____
Total	\$ _____

Uses:

Deposit to 2004 Escrow Account for Refunded Bond Bank Bonds	\$ _____
Deposit to 2014A Authority Reserve Account	_____
Cost of Issuance ⁽¹⁾	_____
Total	\$ _____

⁽¹⁾This amount represents the underwriter's discount of \$ _____ and other costs of issuance, such as legal fees, printing, financial advisor, escrow fees, rating agency fees and related expenses.

THE 2014 BOND BANK BONDS

General Description

The 2014 Bond Bank Bonds are issuable as fully registered bonds in denominations of \$5,000 or any integral multiple thereof (the "Authorized Denominations"). The 2014 Bond Bank Bonds will be dated the date of their delivery, anticipated to be October _____, 2014. The 2014 Bond Bank Bonds are initially to be registered in the name of "Cede & Co.," as nominee for DTC, the securities depository for the 2014 Bond Bank Bonds. See "APPENDIX D—BOOK-ENTRY-ONLY SYSTEM."

Interest on the 2014 Bond Bank Bonds will be payable on January 1 and July 1 of each year, commencing January 1, 2015 (each an "Interest Payment Date"). The 2014 Bond Bank Bonds will bear interest (calculated on the basis of a 360-day year consisting of twelve 30 day months) at the rates and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. Each 2014 Bond Bank Bond will bear interest from the Interest Payment Date next preceding the date on which it is authenticated unless it is (a) authenticated prior to the close of business on December 15, 2014, in which event it will bear interest from the date of delivery, or (b) authenticated after the fifteenth day of the calendar month immediately preceding an Interest Payment Date (a "Record Date"), in which event it will bear interest from such Interest Payment Date; provided, however, that if, at the time of authentication of any 2014 Bond Bank Bond, interest is in default, such 2014 Bond Bank Bond will bear interest from the date to which interest has been paid.

When issued, all 2014 Bond Bank Bonds will be registered in the name of and held by Cede & Co., as nominee for DTC. Purchase of beneficial interests from DTC in the 2014 Bond Bank Bonds will be made in book-entry-only form (without certificates) in Authorized Denominations. So long as DTC or its nominee is the registered owner of the 2014 Bond Bank Bonds, payments of the principal of and interest on the 2014 Bond Bank Bonds will be made directly by the Paying Agent by wire transfer of funds to Cede & Co., as nominee for DTC. Disbursement of such payments to the participants of DTC (the “*DTC Participants*”) will be the sole responsibility of DTC, and the ultimate disbursement of such payments to the Beneficial Owners of the 2014 Bond Bank Bonds will be the responsibility of the DTC Participants and the Indirect Participants, as defined herein. See “APPENDIX D—BOOK-ENTRY-ONLY SYSTEM.”

If DTC or its nominee is not the registered owner of the 2014 Bond Bank Bonds, principal of and premium, if any, on all of the 2014 Bond Bank Bonds will be payable at maturity upon the surrender thereof at the delivery office of the Paying Agent. Interest on the 2014 Bond Bank Bonds, when due and payable, will be paid by check dated the due date mailed by the Paying Agent one business day before the due date (or, in the case of an owner of 2014 Bond Bank Bonds in an aggregate principal amount of at least \$1,000,000, by wire transfer on such due date, upon written direction of such registered owner to the Paying Agent not less than five business days before the Record Date immediately prior to such Interest Payment Date, which direction shall remain in effect until revoked in writing by such owner). Interest payments shall be mailed to the persons in whose names such 2014 Bond Bank Bonds are registered, at their addresses as they appear on the bond registration books maintained by the Registrar on the Record Date, irrespective of any transfer or exchange of such 2014 Bond Bank Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Bond Bank shall default in payment of interest due on such Interest Payment Due.

Except as provided in “APPENDIX D—BOOK-ENTRY-ONLY SYSTEM,” in all cases in which the privilege of exchanging or transferring 2014 Bond Bank Bonds is exercised, the Bond Bank will execute and the Registrar will deliver 2014 Bond Bank Bonds in accordance with the provisions of the Indenture. The 2014 Bond Bank Bonds will be exchanged or transferred at the designated corporate trust office of the Registrar only for 2014 Bond Bank Bonds of the same tenor and maturity. In connection with any transfer or exchange of 2014 Bond Bank Bonds, the Bond Bank, the Registrar and Paying Agent or the Bond Bank Trustee may impose a charge for any applicable tax, fee, or other governmental charge incurred in connection with such transfer or exchange, which sums are payable by the person requesting such transfer or exchange.

The person in whose name a 2014 Bond Bank Bond is registered will be deemed and regarded as its absolute owner for all purposes, and payment of principal and interest thereon will be made only to or upon the order of the registered owner or its legal representative, but such registration may be changed as provided above. All such payments shall be valid to satisfy and discharge the liability upon such 2014 Bond Bank Bond to the extent of the sum or sums so paid.

Redemption

Optional Redemption. The 2014 Bond Bank Bonds maturing on or after _____ are subject to redemption prior to maturity, in whole or in part, in order of maturity determined by the Bond Bank, at the direction of the Authority, and by lot within a maturity, commencing _____, at par value, plus accrued interest to the date fixed for redemption, and without premium.

Mandatory Sinking Fund Redemption.

The 2014 Bond Bank Bonds maturing _____ (the “*___Term Bonds*”), the 2014 Bond Bank Bonds maturing _____ (the “*___Term Bonds*”), and the 2014 Bond Bank Bonds maturing _____ (the “*___Term Bonds*”) are subject to mandatory sinking fund redemption prior to maturity at the redemption price of 100% of the principal amount thereof, plus accrued interest to the date of redemption, and will be redeemed on January 1 of the respective years and in the respective principal amounts set forth below:

Term Bonds

Year Principal Amount

Term Bonds

Year Principal Amount

Term Bonds

Year Principal Amount

Selection of Bonds to be Redeemed. If fewer than all of the 2014 Bond Bank Bonds shall be called for redemption, the principal amount and maturity of the particular 2014 Bond Bank Bonds to be redeemed shall be selected by the Bond Bank, at the direction of the Authority, or, if no such selection is made, pro rata by maturity and by lot within such maturity by the Bond Bank Trustee from among all outstanding 2014 Bond Bank Bonds eligible for redemption. If it is determined that one or more, but not all, of the Authorized Denomination increments of principal amount represented by any 2014 Bond Bank Bond are to be called for redemption, then, upon notice of intention to redeem such Authorized Denomination increments of principal amount of such 2014 Bond Bank Bond, the owner of such 2014 Bond Bank Bond, upon surrender of such 2014 Bond Bank Bond to the Bond Bank Trustee for payment to such owner of the redemption price or the principal amount of such 2014 Bond Bank Bond called for redemption, shall be entitled to receive a new 2014 Bond Bank Bond or 2014 Bond Bank Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such 2014 Bond Bank Bond. New 2014 Bond Bank Bonds representing the unredeemed balance of the principal amount of such 2014 Bond Bank Bond shall be issued to the owner thereof without charge therefor.

Notice of Redemption. In the case of redemption of the 2014 Bond Bank Bonds, notice of the call for any such redemption identifying the 2014 Bond Bank Bonds, or portions of 2014 Bond Bank Bonds to be redeemed shall be given by the Bond Bank Trustee by mailing a copy of the redemption notice by first class mail at least 30 days but not more than 45 days prior to the date fixed for redemption to the registered owner of each 2014 Bond Bank Bond to be redeemed at the address shown on the registration books. Failure to give such notice by mailing to any bondholder, or any defect in the notice, shall not affect the validity of any proceeding for the redemption of any other 2014 Bond Bank Bonds. On the date fixed for redemption of any 2014 Bond Bank Bond, funds for the payment thereof shall be on deposit in the Redemption Account (as defined in APPENDIX C) representing monies deposited by the Authority with the Bond Bank Trustee and the Bond Bank Trustee hereby is directed to apply such funds to the payment of each 2014 Bond Bank Bond or portion thereof called for redemption, together with accrued interest thereon to the redemption date and any required premium. On the date so designated for redemption, notice having been given in the manner and under the conditions herein above provided for, and any conditions precedent to such redemption having been satisfied, any 2014 Bond Bank Bond or portion thereof so called for redemption shall become due and payable at the redemption price provided for in the Indenture.

SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS

The 2014 Bond Bank Bonds Are Limited Obligations

The 2014 Bond Bank Bonds will be limited obligations of the Bond Bank, issued under the Indenture, payable solely from and secured exclusively by the Trust Estate, which consists of the following:

- i. the 2014 Authority Bonds, and the earnings thereon and all proceeds thereof, including all amounts paid or required to be paid for principal and interest by the Authority to the Bond Bank on the 2014 Authority Bonds (“*Qualified Obligation Payments*”);
- ii. the Funds and Accounts established under the Indenture and all moneys and investments therein; and

- iii. the income, revenues and profits of the Funds and Accounts, including the Qualified Obligation Payments, and earnings and profits (after consideration of any accrued interest paid and/or amortization of premiums or discount on the investment) on the moneys in the Funds and Accounts.

The 2014 Bond Bank Bonds, together with interest thereon, are limited obligations of the Bond Bank payable solely from the Trust Estate and will be a valid claim of the respective owners thereof only against the Trust Estate. The 2014 Bond Bank Bonds do not constitute a debt, liability or loan of the credit of the State, any political subdivision thereof, the City, the County or any Qualified Entity, including the Authority, under the constitution and laws of the State or a charge against or a pledge of the faith, credit and taxing power of the State, any political subdivision thereof, the City, the County or any Qualified Entity, including the Authority, but will be payable solely from the Trust Estate. The issuance of the 2014 Bond Bank Bonds under the provisions of the Bond Bank Act does not directly, indirectly or contingently, obligate the State, any political subdivision thereof, the City, the County or any Qualified Entity, including the Authority, to levy any form of taxation for the payment thereof or to make any appropriation for their payment. Neither the State or any political subdivision thereof, the City, the County, any Qualified Entity, including the Authority, nor any agent, attorney, member, officer, director or employee of the State or any political subdivision thereof, the City, the County, any Qualified Entity, including the Authority, or of the Bond Bank will in any event be liable for the payment of the principal of or interest on the 2014 Bond Bank Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bond Bank. No breach by the Bond Bank of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any political subdivision thereof, the City, the County or any Qualified Entity, including the Authority, or upon any agents, members, attorneys, employees, officers or directors of the State, any political subdivision, the City, the County, any Qualified Entity, including the Authority, or the Bond Bank or any charge upon the general credit of the State or any political subdivision thereof, the City, the County or any Qualified Entity, including the Authority, or a charge against the taxing power of the State, any political subdivision thereof, the City, the County or any Qualified Entity, including the Authority. **The Bond Bank has no taxing power.**

Pledge of 2014 Authority Bonds and Payments Thereon

To secure the payment of the principal of, premium, if any, and interest on the 2014 Bond Bank Bonds, the Indenture creates the continuing pledge of, and lien on, the 2014 Authority Bonds and all earnings thereon and proceeds thereof, for the benefit of the owners of the 2014 Bond Bank Bonds. The principal, premium, if any, and interest payments to be made by the Authority on the 2014 Authority Bonds, together with other available revenues, are identical to the principal of, premium, if any, and interest due on the 2014 Bond Bank Bonds. See “RISKS AND OTHER INVESTMENT CONSIDERATIONS” and “VERIFICATION OF MATHEMATICAL COMPUTATIONS.”

The payments on the 2014 Authority Bonds and the investments thereof, if any, and the proceeds of such investments, if any, and all Funds and Accounts established by the Indenture are pledged for the payment of the principal of and interest on the 2014 Bond Bank Bonds in accordance with the terms and provisions of the Indenture. Under the Bond Bank Act and IC 5-1-14-4, such pledge will be valid and binding from and after the date of delivery of the 2014 Bond Bank Bonds under the Indenture, and the 2014 Authority Bonds and the payments thereon shall be immediately subject to the lien of such pledge without any physical delivery of the payments or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Bond Bank, irrespective of whether such parties have notice thereof.

As purchaser and owner of the 2014 Authority Bonds, the Bond Bank has available to it all remedies available to owners or holders of securities issued by qualified entities. The Bond Bank Act provides that upon the sale and the delivery of any qualified obligation (such as the 2014 Authority Bonds) to the Bond Bank, a qualified entity (such as the Authority) will be deemed to have agreed that all statutory defenses to nonpayment are waived if such qualified entity fails to pay principal of or interest on such qualified obligation when due. In such instance, the Bond Bank will be considered a holder or owner of securities that are in default. The Bond Bank is obligated under the Indenture to avail itself of all remedies and provisions of law applicable in the circumstances and the failure to exercise any right or remedy within a time or period provided by law may not, according to the Bond Bank Act, be raised as a defense by the defaulting Authority. The Bond Bank will monitor the compliance and consult regularly with the Authority with respect to its requirements under the 2014 Authority Bonds, including the making of payments on the 2014 Authority Bonds to the Bond Bank.

As owner of the 2014 Authority Bonds, the Bond Bank may consent to amendments to the Authority Bond Ordinance and other modifications of the 2014 Authority Bonds. However, the Bond Bank has agreed in the Indenture that it will not permit or agree to any material change in the 2014 Authority Bonds unless the Bond Bank supplies the Bond Bank Trustee with a cash flow certificate to the effect that, following such change, revenues expected to be received by the Bond Bank in each Fiscal Year, together with monies expected to be held in the funds and accounts established under the Indenture, will at least equal the debt service on all outstanding 2014 Bond Bank Bonds in each such Fiscal Year.

There is no debt service reserve fund for 2014 Bond Bank Bonds created under the Indenture. However, the Bond Bank holds the 2014 Authority Bonds as security for the 2014 Bond Bank Bonds and the Authority has established the 2014A Authority Reserve Account in accordance with the 2014 Supplemental Ordinance to provide additional security for the payments to be made to the Bond Bank on the 2014 Authority Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK 2014 AUTHORITY BONDS” below.

The Bond Bank has also determined to consult with the Authority, as necessary from time to time, with regard to the action needed to be taken by the Authority to preserve the exclusion of the interest on the 2014 Bond Bank Bonds from the gross income of the holders of the 2014 Bond Bank Bonds. See “TAX MATTERS.”

SECURITY AND SOURCES OF PAYMENT FOR THE 2014 AUTHORITY BONDS

Outstanding Authority Bonds and 2014 Authority Bonds

The Authority’s General Ordinance No. 4-2002, adopted on December 20, 2002 (the “*Original Authority Ordinance*,” which amended and restated General Ordinance No. 6-1985 adopted on November 4, 1985) has subsequently been supplemented and amended from time to time. The Authority has consolidated and restated the Original Authority Ordinance and its subsequent amendments in the Authority’s General Ordinance No. 5-2014, adopted August 15, 2014 (the “*Authority Bond Ordinance*”).

The 2014 Authority Bonds are special obligations of the Authority which have been authorized by the Authority Board and are designated “Indianapolis Airport Authority Refunding Revenue Bonds, Series 2014A.” The 2014 Authority Bonds are issued under and secured by the Authority Bond Ordinance. The 2014 Authority Bonds are secured by a pledge of Net Revenues on parity with the following Authority Revenue Bonds and any other Additional Authority Bonds (as defined herein) issued by the Authority in the future under the Authority Act and the Authority Bond Ordinance, except differences as described below with respect to the Authority’s Revenue Bond Reserve Fund. As of the date hereof, the Authority has \$1,054,515,000 of Outstanding Airport Revenue Bonds, all of which are payable on a parity basis from Net Revenues of the Airport System:

- Airport Revenue Bonds, Series 2004A(the “Refunded Authority Bonds”), outstanding in the aggregate principal amount of \$189,400,000 (corresponding to the Refunded Bonds of the Bond Bank), which the Authority anticipates will be refunded in whole, with the 2014 Authority Bonds;
- Airport Revenue Bonds, Series 2005A (the “*2005 Authority Bonds*”), outstanding in the aggregate principal amount of \$197,385,000 (corresponding to the Bond Bank Bonds, Series 2005B);
- Airport Revenue Bonds, Series 2006A (the “*2006A Authority Bonds*”), outstanding in the aggregate principal amount of \$234,405,000 (corresponding to the Bond Bank Bonds, Series 2006F);
- Airport Revenue Bonds, Series 2010A (the “*2010A Authority Bonds*”), outstanding in the aggregate principal amount of \$23,495,000;
- Multi-Mode Airport Revenue Bonds, Series 2010C (the “*2010C Authority Bonds*”), outstanding in the aggregate principal amount of \$337,280,000 (corresponding to the Bond Bank Bonds, Series 2010L)*;
- Refunding Revenue Bonds, Series 2012A (the “*2012 Authority Bonds*”), outstanding in the aggregate principal amount of \$37,285,000 (corresponding to the Bond Bank Bonds, Series 2012H)*;

* Privately placed bonds.

- Refunding Revenue Bonds, Series 2013A (the “*2013A Authority Bonds*”), outstanding in the aggregate principal amount of \$12,570,000 (corresponding to the Bond Bank Bonds, Series 2013I)*; and
- Refunding Revenue Bonds, Series 2013B (the “*2013B Authority Bonds*”), outstanding in the aggregate principal amount of \$22,695,000 (corresponding to the Bond Bank Bonds, Series 2013J)*. (The 2005 Authority Bonds, the 2006A Authority Bonds, the 2010A Authority Bonds, the 2010C Authority Bonds, the 2012 Authority Bonds, the 2013A Authority Bonds and the 2013B Authority Bonds are collectively referred to herein as the “*Outstanding Authority Bonds*”).

The 2014 Authority Bonds are secured by the 2014A Authority Reserve Account of the Authority’s Revenue Bond Reserve Fund created pursuant to the Authority Bond Ordinance. The 2014A Authority Reserve Account shall be funded in an amount equal to the 2014 Reserve Requirement (as defined herein). The Authority may elect, in the future, to have the 2014A Authority Reserve Account secure additional Authority Revenue Bonds. However, the 2014A Authority Reserve Account currently supports only the 2014 Authority Bonds and not any other Authority Revenue Bonds. In addition, the Authority has other accounts of the Revenue Bond Reserve Fund that secure other Authority Revenue Bonds, but such other accounts do not currently secure the 2014 Authority Bonds.

The 2014 Authority Bonds will be issued in a principal amount equal to the aggregate principal amount of the 2014 Bond Bank Bonds, and will be dated their date of delivery. The 2014 Authority Bonds will mature in the same amounts and on the same maturity dates as the 2014 Bond Bank Bonds, and will bear interest payable on each January 1 and July 1 beginning January 1, 2015, at the same per annum interest rates as the 2014 Bond Bank Bonds. Principal of, premium, if any, and interest on the 2014 Authority Bonds will be paid directly to the Bond Bank Trustee (for the account of the Bond Bank). The 2014 Authority Bonds are subject to redemption prior to maturity upon terms identical to the terms of redemption of the 2014 Bond Bank Bonds. See “THE 2014 BOND BANK BONDS.”

The 2014 Authority Bonds and interest on the 2014 Authority Bonds are not a general obligation of the Authority, the Authority Board, the Bond Bank, the County or the City nor a charge, a lien or an encumbrance, legal or equitable, upon property of the Authority or the Authority Board or upon income, receipts or revenues of the Authority or the Authority Board, other than those revenues that have been specifically pledged to the payment of the 2014 Authority Bonds. The 2014 Authority Bonds are not payable from funds raised or to be raised by taxation.

Qualified Derivative Agreements

In an effort to provide a synthetic fixed rate for the variable rate 2010C Authority Bonds, the Authority entered into interest rate swap agreements with various counterparties (each a “*Counterparty*”), including J.P. Morgan Chase Bank, N.A. (“*JP Morgan Chase*”), UBS AG (“*UBS*”), and Merrill Lynch Capital Services, Inc. (“*Merrill*”). Such agreements are “Qualified Derivative Agreements” under the Authority Bond Ordinance, as defined in Exhibit C – Summary of Authority Bond Ordinance, and certain of the Authority’s payment obligations under such agreements are on parity with the 2014 Authority Bonds and other Authority Revenue Bonds.

The terms of four of these swap agreements, other than the fixed-rate payer portion, are substantially similar and provide for payments to or from the applicable Counterparty equal to the difference between the fixed rate payable by the Authority to the applicable Counterparty and 75% of one-month LIBOR payable by such Counterparty to the Authority, on the notional principal amount shown in the table below, which amounts amortize with the corresponding 2010C Authority Bonds. The Counterparties, notional amounts, fixed rates of interest payable by the Authority to the Counterparties under such agreements, termination dates and credit ratings of the Counterparties are shown on Table 2 below. (See “CREDIT RATINGS” for definitions of “Moody’s,” “S&P” and “Fitch” and information about these ratings.)

* Privately placed bonds.

Table 2

QUALIFIED DERIVATIVE AGREEMENTS				
Indianapolis International Airport				
Counterparty	<u>JP Morgan Chase</u>	<u>JP Morgan Chase</u>	<u>UBS</u>	<u>Merrill</u>
Outstanding Notional Amount	\$116.845 million	\$70.435 million	\$100.0 million	\$50.0 million
Fixed Rate	4.0325%	4.1500%	3.775%	3.7860%
Termination Date	January 1, 2036	January 1, 2037	January 1, 2033	January 1, 2033
Moody's	Aa3	Aa3	A2	Aa3
S&P	A+	A+	A	A+
Fitch	A+	A+	A	A+

Sources: Indianapolis Airport Authority; credit rating agencies

In addition to the four Qualified Derivative Agreements described above, the Authority is also a party to an additional interest rate swap agreement with DeutscheBank A.G. (“DeutscheBank”), the net effect of which is that beginning after July 1, 2019, the Authority will receive 75% of the ten-year LIBOR, less 43.7 basis points, and pay 75% of one-month LIBOR on a notional amount of \$100.0 million, amortizing with the UBS swap described above. DeutscheBank is currently rated A2 by Moody’s, A by S&P and A+ by Fitch.

All the swap agreements referred to under “-Qualified Derivative Agreements” above are collectively referred to as the “Hedge Agreements” and will each be treated by the Authority as Qualified Derivative Agreements (defined herein) under the Authority Bond Ordinance. As a result, payments other than termination payments, if any, under the Hedge Agreements will be made by the Authority from the Net Revenues in the Revenue Bond Interest and Principal Fund on parity with payments on the Revenue Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR 2010 BONDS – Pledge of Net Revenues” and “-Qualified Derivative Agreements, Repayment Obligations” and “BONDHOLDER RISKS – Hedge Agreements.”

Pursuant to the Authority Bond Ordinance, a “Qualified Derivative Agreement” means a derivative agreement entered into by the Authority with a counterparty that is rated, at the time of execution, (i) at least as high as the then current rating on the Authority Revenue Bonds (without regard to credit enhancement), or (ii) in a category not lower than the A category now used by each rating agency. The Authority must file a certificate with the Authority Trustee indicating that such derivative agreement is to be treated as a Qualified Derivative Agreement under the Authority Bond Ordinance. A derivative agreement is an agreement between the Authority and a counterparty with respect to Authority Revenue Bonds or Subordinate Securities (as defined herein) pursuant to which the parties agree to exchange payments in the future including, without limitation, swap agreements, option agreements in which the counterparty can require the Authority to issue refunding revenue bonds, cap and floor agreements and interest rate swap agreements.

Variable Rate Direct Purchase Bonds

The Authority has approximately \$337.28 million principal amount of index floater variable rate 2010C Authority Bonds outstanding that were purchased by various banks. All such bonds are subject to mandatory tender on certain dates in 2015 or 2017, as shown in Table 3 below, whereupon the bonds will be remarketed or placed with another bank or similar investor. See “RISKS AND OTHER CONSIDERATIONS-Liquidity Risks Surrounding Bank Purchase Bonds.” Table 3 below provides summary information with respect to the 2010C Authority Bonds:

Table 3

	Series 2010C-1 Bonds	Series 2010C-2 Bonds	Series 2010 C-3 Bonds	Series 2010C-4 Bonds	Series 2010C-5 Bonds
Outstanding Principal Amount	\$100,000,000	\$50,000,000	\$46,740,000	\$70,105,000	\$70,435,000
Mandatory Purchase Date	12/29/2017	12/29/2017	12/31/2015	12/31/2015	12/29/2017
Purchaser	Wells Fargo	J.P. Morgan	Union Bank	US Bank	J.P. Morgan

Pledge of Authority Net Revenues

The 2014 Authority Bonds are special obligations of the Authority and are payable solely from and secured exclusively by a lien upon the Net Revenues of the Airport System and monies in the Revenue Bond Interest and Principal Fund, on parity with other Outstanding Authority Bonds, as well as the 2014A Authority Reserve Account. Neither the Authority nor the Authority Board is under any obligation to pay the 2014 Authority Bonds except from such revenues. See “—Revenue Bond Reserve Fund” herein concerning the debt service reserve for 2014 Authority Bonds.

Net Revenues are (i) Gross Revenues (as defined herein) less (ii) Operation and Maintenance Expenses (as defined herein).

“Gross Revenues” consist of all revenues, income, accounts and general intangibles derived from the Airport System, including but not limited to rents, charges, landing fees, user charges, revenues from concessionaires, ground rents from Special Purpose Facilities (as defined herein) and similar revenues, but excluding revenue ad valorem taxes or payments in lieu of taxes, payments received on any investment swap or derivative agreement (other than a Qualified Derivative), Federal Payments (as defined herein), PFCs and similar charges, grants-in-aid, gifts, investment income, bond or loan proceeds, proceeds from the sale of Airport System capital assets, revenues derived from the reversion of an interest in property following the expiration of a lease, Released Revenues (as defined in the Authority Bond Ordinance) and rental payments made for Special Purpose Facilities to provide for debt service and for an allocable portion of administrative costs for such facilities. “Special Purpose Facilities” are facilities which are leased from the Authority pursuant to which the lessee agrees to pay to the Authority rentals or fees sufficient to pay the principal and interest on bonds issued to pay the cost of construction of the Special Purpose Facility plus such further rentals or fees necessary to maintain all reserves or pay necessary administrative expenses required for Special Purpose Facilities. “Federal Payments” are those funds received by the Airport System from the federal government or any agency thereof as payments for the use of any facilities or services of the Airport System, but excluding grants-in-aid and all mandated payments, including payments from the Transportation Security Administration. Federal Payments do not include PFCs or similar charges. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS – Qualified Derivative Agreements.” APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of Authority Bond Ordinance.”

Dedicated Revenues. Although PFC revenue and CFC revenue (as each one are defined herein, including in APPENDIX C- SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS - Summary of the Authority Bond Ordinance) are not Gross Revenues, the Authority may adopt resolutions irrevocably dedicating, to the extent collected, such amounts as Dedicated Revenues under the Authority Bond Ordinance as described under the headings, “PFCs and CFCs” and “Dedicated Revenues” below. Dedicated Revenues will be used exclusively by the Authority to pay debt service on Authority Revenue Bonds, including the 2014 Authority Bonds, through the designated time period. Dedication of PFC revenue and CFC revenue is not a pledge of PFC revenue and CFC revenue to payment of Authority Revenue Bonds. Instead, it is an agreement on the part of the Authority to hold such Dedicated Revenues exclusively to pay a portion of the debt service on Authority Revenue Bonds to the extent allowed by law. See “PFCs and CFCs,” “Dedicated Revenues” and “-Rate Covenant” below.

Released Revenues. Further, the Authority may designate certain revenues (including revenues, fees, income and receipts that would otherwise be considered to be Gross Revenues) as “Released Revenues” by filing the required items with the Authority Trustee, including either (i) an Accountant’s Certificate to the effect that Net Revenues excluding the revenues proposed to become Released Revenues for each of the two latest Fiscal Years for which audited financial reports are available were equal to at least 135% of the Debt Service Requirement for each of such Fiscal Years; or (ii) a certificate of an Airport Consultant to the effect that based upon current knowledge of the operation of the Airport, Net Revenues, excluding the revenues proposed to become Released Revenues, for the current Fiscal Year will be equal to at least 135% of the Debt Service Requirement for such Fiscal Year. Upon filing of the required items, the Released Revenues will not be deposited in the Airport System Fund and will not be pledged as security for the Authority Revenue Bonds. See “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of Authority Bond Ordinance.”

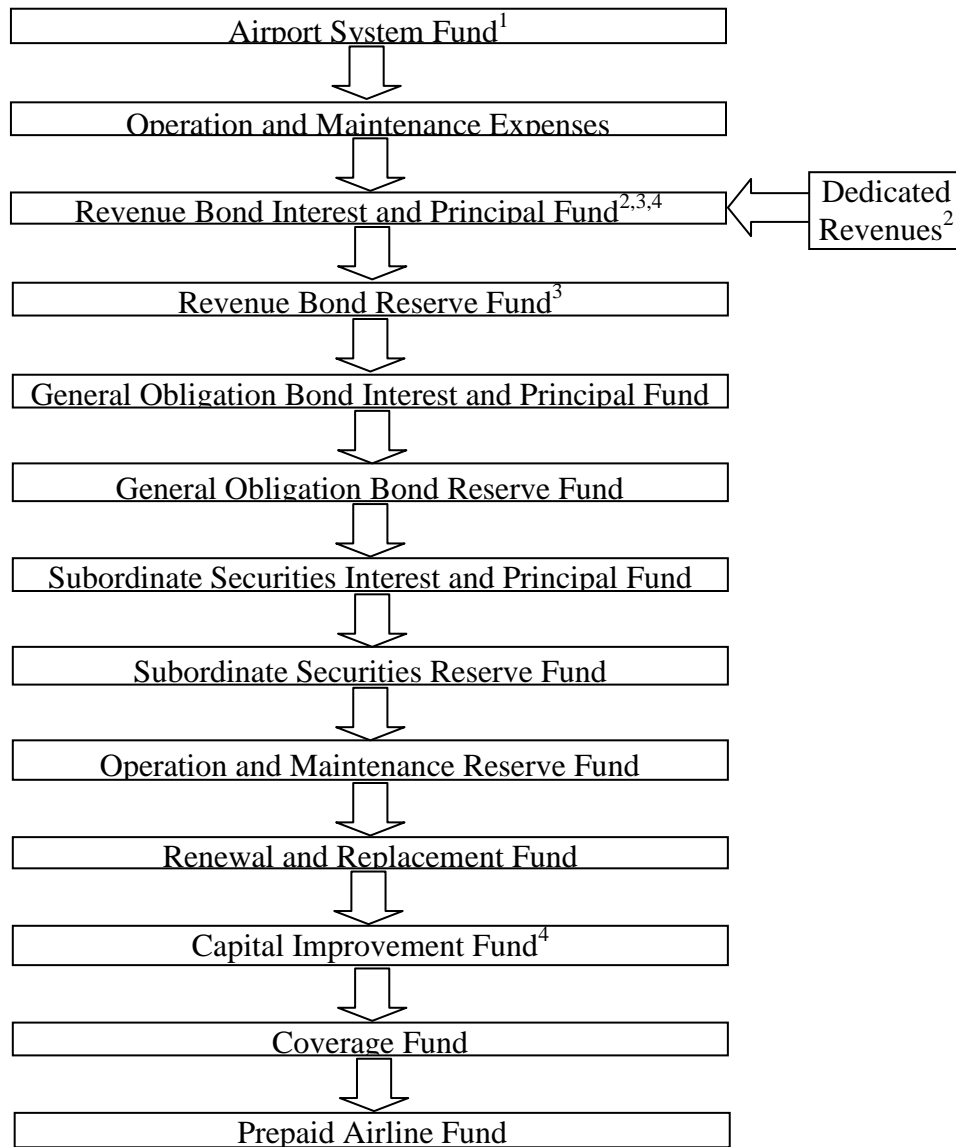
“Operation and Maintenance Expenses” consist of the reasonable and necessary current expenses of the Authority paid or accrued in operating and maintaining the Airport System, including, but not limited to: (i) costs of collecting Gross Revenues and making refunds; (ii) engineering, audit reports, legal and administrative expenses; (iii) salaries, wages, and other compensation; (iv) costs of routine repairs, replacements and renewals; (v) costs of utility services; (vi) general administrative overhead of the Authority; (vii) material and supplies used in the ordinary course of business; (viii) contractual and professional services; (ix) costs of insurance and fidelity bonds; (x) costs of carrying out provisions of the Authority Bond Ordinance; (xi) costs of any single item of \$100,000 or less, as adjusted for inflation (or such other amount, if any, specified in the Airline Agreement) or which has a useful life of less than two years; and (xii) all other routine costs and expenses or costs and expenses required by law to be paid by the Authority. However, “Operation and Maintenance Expenses” do not include any allowance for depreciation, any debt service, any payment due on a derivative agreement, and do not include any operation and maintenance expenses incurred in connection with Special Purpose Facilities which are reimbursed by the lessee thereof, nor any expenses paid (or the portion) by assets, grants or other moneys received by the Authority, but only to the extent such assets, grants or other moneys are not included in Gross Revenues. See “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of Authority Bond Ordinance.”

Authority Funds and Accounts

The application of Gross Revenues is governed by the provisions of the Authority Bond Ordinance. Capitalized terms used in this section that are not otherwise defined have the meanings set forth in the Authority Bond Ordinance, as discussed in APPENDIX C – SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS - Summary of the Authority Bond Ordinance. The Authority Bond Ordinance creates a special fund designated as the Airport System Fund which is held by the Authority, in which the Authority is required to deposit all Gross Revenues upon receipt by the Authority. Monies held in the Airport System Fund are then applied and deposited into the funds and accounts established pursuant to the Authority Bond Ordinance, as illustrated in the chart below. Gross Revenues in the Airport System Fund are to be applied first to the payment of all current Operation and Maintenance Expenses and then to the Revenue Bond Interest and Principal Fund and Revenue Bond Reserve Fund in the amounts required by the Authority Bond Ordinance. Although certain PFCs and other monies of the Authority may be irrevocably designated as Dedicated Revenues pursuant to the Authority Bond Ordinance, such monies will not be pledged to secure Authority Revenue Bonds pursuant to such designations. The Authority may agree to hold such PFCs and other monies of the Authority exclusively to pay a portion of the debt service on Authority Revenue Bonds, to the extent allowed by law. Gross Revenues and Federal Payments remaining after the payment of Operation and Maintenance Expenses, debt service on all outstanding Authority Revenue Bonds, General Obligation Bonds and Subordinate Securities (as each are defined herein) and other fund deposit requirements (including the Coverage Fund) are transferred to the Prepaid Airline Fund. See “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of the Authority Bond Ordinance.”

TABLE 4

The following chart depicts the flow of funds under the Authority Bond Ordinance:



¹ All Gross Revenues are deposited to the Airport System Fund.

² Dedicated Revenues are transferred to the Revenue Bond Interest and Principal Fund at such time as is needed to pay debt service on the Authority Bonds to which such Dedicated Revenues are dedicated. Amounts in the Revenue Bond Interest and Principal Fund are also pledged to payments due under Qualified Derivative Agreements and Repayment Obligations and are paid on the same basis as payments of debt service on Revenue Bonds.

³ Funds or Accounts held by the Authority Trustee.

⁴ Termination payments under the Hedge Agreements are not payable on parity with the payment of the Revenue Bonds from the Revenue Bond Interest and Principal Fund, but are payable from amounts on deposit in the Capital Improvement Fund, if any, after making the previously required deposits to other funds under the Authority Bond Ordinance.

Amounts in the Airport System Fund are not pledged to secure the Authority Revenue Bonds, and all current Operation and Maintenance Expenses of the Airport System are paid prior to making any deposits to the Revenue Bond Interest and Principal Fund. Further, amounts deposited in the General Obligation Bond Interest and Principal Fund and the General Obligation Bond Reserve Fund, if any, are pledged solely for the purpose of securing General Obligation Bonds, if any, and amounts transferred to the Subordinate Securities Interest and Principal Fund and Subordinate Securities Reserve Fund, if any, are pledged solely to secure the Subordinate Securities, if any. Amounts in the Operation and Maintenance Reserve Fund may be used by the Authority to pay Operation and Maintenance Expenses for which amounts are not otherwise available in the Airport System Fund and to pay costs and expenses payable from the Renewal and Replacement Fund. Amounts in the Renewal and Replacement Fund may be used to pay for any extraordinary costs of replacing depreciable property and equipment of the Airport System and for making extraordinary repairs, replacements or renovations to the Airport System or to pay Operation and Maintenance Expenses for which insufficient amounts are available in the Airport System Fund. Amounts in the Capital Improvement Fund may be used for any lawful Airport System purpose, including without limitation, payment for capital improvements and swap termination payments, if any. Amounts in the Coverage Fund may be used for any lawful purpose of the Authority as set forth below. Amounts in the Prepaid Airline Fund (as described and defined in the Authority Bond Ordinance) may be used for any Airport System purpose deemed necessary by the Authority. Except for amounts in the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund, no amounts in any other Funds and Accounts are pledged to secure the Authority Revenue Bonds. See “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of the Authority Bond Ordinance.”

As permitted by the Authority Bond Ordinance, the Authority may modify the flow of funds set forth above (except for the requirement to first pay Operation and Maintenance Expenses and then to fund the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund) at any time without the consent of any other party, including the Bond Bank (as the owner of the 2014 Authority Bonds), the Authority Trustee, the owners of the 2014 Bond Bank Bonds or the Bond Bank Trustee.

Pursuant to the Authority Bond Ordinance, the Authority has created a Coverage Fund. Gross Revenues deposited to the Airport System Fund and not needed for payment of Operation and Maintenance Expenses, or for deposit to the Revenue Bond Interest and Principal Fund, Revenue Bond Reserve Fund, General Obligation Bond Interest and Principal Fund, General Obligation Bond Reserve Fund, Subordinate Securities Interest and Principal Fund, Subordinate Securities Reserve Fund, Operation and Maintenance Reserve Fund, Renewal and Replacement Fund and Capital Improvement Fund, may be deposited in the Coverage Fund. Although there is no obligation to fund the Coverage Fund, the Authority currently maintains an amount equal to 25% of the Debt Service Requirements on all outstanding Authority Revenue Bonds for the subsequent year in the Coverage Fund. Amounts in the Coverage Fund will be used for the purposes of establishing historic and future coverage on Outstanding Authority Revenue Bonds, and will be considered in meeting the additional bonds test for the issuance of new Authority Revenue Bonds. In particular, for purposes of determining compliance with the Rate Covenant (as defined herein), amounts in the Coverage Fund, together with amounts in the Prepaid Airline Fund, will be added to Net Revenues received in a Fiscal Year for purposes of determining whether Net Revenues received in such Fiscal Year are equal to the greater of (a) amounts required to be deposited in such Fiscal Year to the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund, or (b) an amount not less than 125% of the annual principal and interest due for all Authority Revenue Bonds in such Fiscal Year. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS —Rate Covenant” and “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of the Authority Bond Ordinance.” Amounts on deposit in the Coverage Fund will also be taken into consideration in satisfying the tests for the issuance of Additional Authority Bonds. Accordingly, to the extent that the Authority has amounts on deposit in the Coverage Fund, the Authority may establish rentals, rates, fees and other charges for the use of the Airport System that in any particular Fiscal Year do not provide sufficient Net Revenues (without regard to amounts on deposit in the Coverage Fund or in the Prepaid Airline Fund) to satisfy the coverage requirements set forth in the Rate Covenant.

Revenue Bond Reserve Fund

The Authority is permitted to establish separate accounts within the Revenue Bond Reserve Fund for one or more series of Authority Revenue Bonds at any time. Each separate reserve fund account would be subject to the lien of only those particular series of Authority Revenue Bonds for which such account was created and pledged. In addition, the Authority may issue Additional Authority Bonds which do not have a lien on the Revenue Bond Reserve Fund, and if such Additional Authority Bonds are issued, the Authority would not take the debt service for such series of Additional Authority Bonds into account for purposes of determining any Debt Service Reserve Requirement.

Upon the issuance of the 2014 Authority Bonds, and pursuant to the Authority Bond Ordinance and the 2014 Supplemental Ordinance, the Authority shall establish an account in the Revenue Bond Reserve Fund securing, on a pro rata basis, the 2014 Authority Bonds and any Additional Authority Bonds the Authority shall determine, now and in the future, to secure by such account (the “2014A Authority Reserve Account”). The 2014A Authority Reserve Account shall contain funds in an amount equal to the least of the following: (1) the maximum annual principal and interest due on the 2014 Authority Bonds in any future calendar year; (2) 125% of the average annual principal and interest payments due on the 2014 Authority Bonds; and (3) 10% of the principal amount of the 2014 Authority Bonds, which amounts shall be calculated by an Authorized Airport representative and communicated to the Authority Trustee. In the event the Authority elects to secure other Authority Revenue Bonds with the 2014A Authority Reserve Account, all Authority Revenue Bonds secured thereby, including the 2014 Authority Bonds, shall be Secured Bonds (as defined below), and the 2014 Debt Service Requirement shall be defined by the Authority to measure parts 1-3 above based upon all of the Secured Bonds (the “2014 Debt Service Reserve Requirement”). As used above, “Secured Bonds” shall mean the 2014 Authority Bonds and any other Additional Authority Bonds the Authority elects to secure with the 2014A Authority Reserve Account. Each Secured Bond, including the 2014 Authority Bonds, is secured on a pro rata basis with respect to all bonds secured by the 2014A Authority Reserve Account. The Authority has previously established separate accounts within the Revenue Bond Reserve Fund securing the Prior Authority Bonds (collectively, the “Prior Authority Bond Reserve Accounts”), including the account securing the Refunded Authority Bonds, (the “2004 Account”) and the account securing the 2005 Authority Bonds, the 2006 Authority Bonds and the 2010A Authority Bonds (the “05/06/10 Account”), all of which are fully cash funded on the date hereof. On the issue date of the 2014 Bond Bank Bonds, the funds on deposit in the 2004 Account will be used to fund the 2014A Authority Reserve Account and the 2004 Account will be dissolved. The 2014A Authority Reserve Account will not secure the Prior Authority Bonds; the 05/06/10 Account currently does not secure the 2014 Authority Bonds; and amounts in the 05/06/10 Account are not currently available to pay debt service on the 2014 Authority Bonds. There is no Authority reserve account for the 2010C Authority Bonds, the 2012 Authority Bonds, the 2013A Authority Bonds or the 2013B Authority Bonds.

Upon the issuance of future Authority Revenue Bonds under the Authority Bond Ordinance, the Authority may establish a separate reserve fund account securing such future Authority Revenue Bonds, may secure such future Authority Revenue Bonds with an existing reserve fund account, including the Prior Authority Bond Reserve Accounts or the 2014A Authority Reserve Account, or may hold no reserve fund account to secure such Authority Revenue Bonds, all as provided in the supplemental bond ordinance authorizing such future Authority Revenue Bonds. If Additional Authority Bonds are issued, Authority will establish a new Debt Service Reserve Requirement applicable to such Additional Authority Bonds. The Authority may satisfy the Debt Service Reserve Requirement for any or all reserve fund accounts, in whole or in part, by the delivery to the Authority Trustee of a surety bond, an insurance policy or a letter of credit. See “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of the Authority Bond Ordinance.”

In any month, if any account in the Revenue Bond Reserve Fund contains less than the respective Debt Service Reserve Requirement for the applicable Authority Revenue Bonds, then on or before the last business day of such month, after making all required payments and provisions for payment of Operation and Maintenance Expenses and after making all required transfers to the Revenue Bond Interest and Principal Fund, the Authority will transfer to such accounts on a pro rata basis an amount sufficient to reestablish the Debt Service Reserve Requirement for such Authority Revenue Bonds. After each Debt Service Reserve Requirement has been accumulated and for so long thereafter as each account of the Revenue Bond Reserve Fund contains such amount, no transfers will be required to be made to the Revenue Bond Reserve Fund. In the event and to the extent that moneys in the Revenue Bond Reserve Fund exceed the total of the combined Debt Service Reserve Requirements, such excess moneys may be transferred to the Capital Improvement Fund. Moneys in a particular account will be used to pay the principal of and

interest only on the applicable Authority Revenue Bonds in the event and to the extent that available funds in the Revenue Bond Interest and Principal Fund are insufficient for such purpose, and such moneys may also be used to make the final payments for the retirement or defeasance of such Authority Revenue Bonds then outstanding.

Additionally, if the Authority obtains an opinion of bond counsel that the applicable provisions of the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder, and any applicable successor to them, do not permit the use of proceeds of a particular series of Authority Revenue Bonds to fund the entire amount needed to meet the Debt Service Reserve Requirement for such Authority Revenue Bonds, then the Authority may, at its option, take up to 24 months to deposit the difference between the Debt Service Reserve Requirement for such Authority Revenue Bonds and the portion of such Debt Service Reserve Requirement that may be funded, in the opinion of bond counsel, by such Authority Revenue Bonds (the “*Unfunded Portion*”) into the applicable account, provided that on the first business day of each month of such period the Authority will deposit into the applicable account an amount equal to the monthly pro rata allocation of the Unfunded Portion until the Debt Service Reserve Requirement for such Authority Revenue Bonds is otherwise funded in full. The Authority expects to transfer funds currently on deposit in the 2004 Account of the Revenue Bond Reserve Fund to the 2014A Authority Reserve Account so that the amount of deposit in the 2014A Authority Reserve Account is equal to the 2014A Debt Service Reserve Requirement.

PFCs and CFCs

PFCs. The Authority is authorized by the Federal Aviation Administration (“FAA”) to collect a passenger facility charge (“PFC”) of \$4.50 per eligible enplaned passenger. The Authority received “use approval” from the FAA for \$524.9 million of PFC revenue for eligible project costs or to pay debt service on Authority Revenue Bonds issued to finance and refinance certain capital improvements at the Airport. As of June 30, 2014, the Authority had \$251.4 million of PFC use authority remaining to pay debt service on Authority Revenue Bonds, a portion of which are designated as Dedicated Revenues.

CFCs. On March 17, 2006, the Authority adopted an ordinance establishing a customer facility charge (“CFC”) to be collected by rental car companies serving the Airport. Effective May 1, 2006, the rental car companies began to collect a \$3.00 CFC per contract day (up to a maximum of 14 contract days) to be remitted to the Authority for use to pay debt service, and capital and operating costs related to the rental car facilities. Under the Authority’s current rate ordinance, the Authority may modify the CFC rate upon 60 days’ notice to the rental car companies to a maximum of \$4.00 per contract day (up to a maximum of 14 contract days). To date, the Authority has used all its CFC revenue for payment of debt service on Authority Revenue Bonds. From January 1 through June 30, 2014, the Authority collected CFC revenue (excluding interest income) of approximately \$3.0 million.

See “SECURITY AND SOURCES OF PAYMENT FOR 2010 BONDS – Rate Covenant” and “Additional Bonds – Revenue Bonds.”

Dedicated Revenues

Pursuant to the Authority Bond Ordinance, the Authority may adopt an ordinance or resolution irrevocably designating certain PFCs, CFCs, state and/or federal grants or other moneys not otherwise treated as Gross Revenues, to the extent collected, as Dedicated Revenues (including, without limitation, PFCs and CFCs, as each are defined in “APPENDIX C – Summary of Authority’s Bond Ordinance” herein) to be used exclusively to pay debt service on Authority Revenue Bonds. Although such Dedicated Revenues will not be pledged to secure the Authority Revenue Bonds, by such designation, the Authority will agree to hold and use such Dedicated Revenues exclusively for the payment of debt service on such Authority Revenue Bonds to the extent allowed by law. In such ordinance or resolution, the Authority will elect to exclude the debt service on Authority Revenue Bonds in an amount equal to such Dedicated Revenues for purposes of determining compliance with the Rate Covenant and the requirements for issuance of Additional Authority Bonds. See “—Additional Bonds.” In the event that the Authority adopts an ordinance or resolution irrevocably designating certain Dedicated Revenues as described above, the Authority will transfer such Dedicated Revenues into the Revenue Bond Interest and Principal Fund at such time as is necessary to pay debt service when due on such Authority Revenue Bonds.

The Authority has adopted resolutions irrevocably designating \$13,200,000 of PFC revenue in 2015 and \$6,200,000 million of CFC revenue in 2015 as Dedicated Revenues under the Authority Bond Ordinance, to the

extent either are collected, to be used exclusively to pay debt service on Authority Revenue Bonds. However, as described above, any Dedicated Revenues are not pledged to secure the Authority Revenue Bonds and the application of PFCs to pay debt service on Authority Revenue Bonds will be subject to applicable PFC regulations. Accordingly, the Authority intends to exclude principal of and interest on Authority Revenue Bonds equal to such Dedicated Revenues for purposes of demonstrating debt service coverage under the Rate Covenant and the requirements for issuance of Additional Authority Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS – Qualified Derivative Agreements.”

To the extent the Authority collects less PFC revenue or CFC revenue than dedicated, the Authority must use other revenues to pay debt service on Revenue Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR 2014 AUTHORITY BONDS – Rate Covenant” and “—Additional Bonds—Revenue Bonds.” At the same time, the Authority could choose to use additional PFC and CFC revenue to make the debt service payments on Authority Revenue Bonds in any given year, even if the Authority has not designated such PFC and CFC Revenues as Dedicated Revenues.

From 2004 through 2013, the Authority collected PFC revenue (excluding interest income) in the following amounts:

Table 5

PFC Collections - Indianapolis International Airport				
(000s)				
<u>Year</u>	<u>CFCs</u>	<u>Dedicated CFCs</u>	<u>PFCs (excludes interest income)</u>	<u>Dedicated PFCs</u>
2004	--		16,723	
2005	--		17,460	
2006	3,527		17,480	
2007	5,137		16,774	
2008	5,115		16,853	
2009	4,208		15,430	
2010	5,365		15,654	
2011	6,065		15,418	
2012	6,316		14,606	
2013	6,098		14,474	

Source: Indianapolis Airport Authority

Rate Covenant

The Authority Bond Ordinance establishes a covenant of the Authority that the Authority will at all times fix, charge, impose and collect rentals, rates, fees and other charges for the use of the Airport System sufficient to provide Net Revenues, together with moneys on deposit in the Coverage Fund, for each Fiscal Year equal to the larger of (i) all amounts required to be deposited in such Fiscal Year into the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund; or (ii) an amount equal to not less than 125% of the annual principal and interest due for all Authority Revenue Bonds for such Fiscal Year (the "Rate Covenant"). For the purpose of complying with the Rate Covenant, the Authority will: (a) include within Net Revenues in any Fiscal Year amounts transferred or credited from the Prepaid Airline Fund pursuant to the Authority Bond Ordinance; (b) exclude from interest due on Authority Revenue Bonds any interest paid from moneys in the Capitalized Interest Account; (c) include in such calculation moneys in the Coverage Fund; and (d) exclude from the calculation, debt service excluded from the Debt Service Reserve Requirement by reason of the dedication of Dedicated Revenues for payment of such debt service as described above under the heading “Dedicated Revenues” above.

The following table summarizes Historical Net Revenues, Gross Debt Service Requirements, Dedicated Revenues and debt service coverage over the period 2009 through 2013. This information is compiled from information reported in the Authority’s Comprehensive Annual Financial Report (“CAFR”) for the year ended December 31, 2013.

Table 6

Historical Revenues and Debt Service Coverage (amounts in thousands except for coverage)				
Fiscal Year	Historical Net Revenues (including amounts in the Prepaid Airline Fund and Coverage Fund)[A]	Gross Debt Service Requirements ⁽¹⁾⁽²⁾ [B]	Dedicated Revenues [C]	Debt Service Coverage Ratio {A/[B-C]}
2009	79,358	56,191	17,676	2.06
2010	96,665	79,759	18,524	1.66
2011	93,801	77,465	19,188	1.61
2012	98,058	75,430	19,311	1.66
2013	92,680	73,823	19,477	1.71

⁽¹⁾Gross Debt Service Requirements on the Authority Revenue Bonds were provided by the Authority’s Financial Advisor.
⁽²⁾Amounts shown exclude Dedicated Revenues shown in Column [C] above that the Authority has designated as Dedicated Revenues pursuant to the Ordinance. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 AUTHORITY BONDS” and “AUTHORITY REFINANCING PLAN.”

SOURCE: Indianapolis Airport Authority

The Airline Agreements (as defined herein) provide a mechanism for setting rates and charges for use of the Airport System based on an annual budget approved by the Authority which estimates sufficient amounts for, among other things, Operation and Maintenance Expenses, the Debt Service Requirement and debt service coverage. The Airline Agreements include a residual rate-making feature that is designed to ensure that the Authority's debt service and related coverage obligations will be met. The Airline Agreements authorize the Authority to make adjustments to the rates and charges in the event of a projected revenue shortfall. The current Airline Agreement expires on December 31, 2015. The Authority and the airlines are beginning negotiations regarding a new Airline Agreement. The rate-making mechanisms contained in any new Airline Agreement may be materially different than that in the current Airline Agreements, if no agreement is reached, the rates may be set by Ordinance of the Authority. See “THE AIRPORT AND THE AIRPORT SYSTEM—Certain Authority Agreements—*Airline Agreements*,” “RISKS AND OTHER INVESTMENT CONSIDERATIONS — Risk of Airline Bankruptcies” and “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of the Airline Agreements.”

As described above, the Authority may establish rentals, rates, fees and other charges for the use of the Airport System that, in any particular fiscal year, do not provide sufficient Net Revenues (without consideration of moneys on deposit in the Coverage Fund or the Prepared Airline Fund) to satisfy the coverage requirements set forth in the Rate Covenant. In the event that Net Revenues (after including amounts in the Prepaid Airline Fund as described above), together with moneys on deposit in the Coverage Fund, in any Fiscal Year are insufficient to allow the Authority to satisfy the Rate Covenant, the Authority will be required under the Authority Bond Ordinance, promptly upon receipt of the annual audit for such Fiscal Year or upon earlier notice of a deficiency by the Treasurer of the Authority, to request an independent airport consultant or airport consulting firm appointed by the Authority to recommend actions to enable the Authority to secure additional funds for remedying such insufficiency, including revising the Authority's rentals, rates, fees and other charges, reducing Operation and Maintenance Expenses or otherwise changing the method of operation of the Airport System in accordance with law. So long as the Authority substantially complies in a timely fashion with the recommendations of such airport consultant, the Authority will not be deemed to have defaulted in the performance of its duties under the Authority Bond Ordinance even if the resulting Net Revenues, together with moneys on deposit in the Coverage Fund, are not sufficient to be in compliance with the Rate Covenant, so long as there is no other default under the Authority Bond Ordinance.

Additional Bonds

Bond Bank Additional bonds of the Bond Bank may be issued on a parity with the 2014 Bond Bank Bonds, pursuant to the Indenture only for the purpose of (a) refunding (in whole or in part) bonds issued by the Bond Bank

pursuant to the Indenture and exchanging new Authority Revenue Bonds for the 2014 Authority Bonds (“*Additional Bond Bank Bonds*”).

Authority Revenue Bonds. The Authority Bond Ordinance provides that the Authority may issue, for any lawful Airport System purpose, one or more series of additional revenue bonds (“*Additional Authority Bonds*”), payable from and secured by a lien on Net Revenues on parity with the Authority Revenue Bonds, except with respect to the Revenue Bond Reserve Fund, upon satisfaction of the following conditions:

a) No Default. An Authorized Airport Representative must certify that, upon the issuance of such series of Additional Authority Bonds, the Authority will not be in default under any term or provision of any Authority Revenue Bonds then outstanding or any ordinance authorizing the issuance of such Authority Revenue Bonds;

b) Proper Fund Balances. An Authorized Airport Representative must certify that, upon the issuance of such series of Additional Authority Bonds, (i) the Revenue Bond Interest and Principal Fund will contain the amounts required to be deposited therein and (ii) the account of the Revenue Bond Reserve Fund, if any, which is held for the benefit of such series of Additional Authority Bonds will contain the amounts required at such time to be on deposit therein;

c) Historical Coverage on Outstanding Authority Revenue Bonds. An Authorized Airport Representative must certify that, either for the Authority's most recent complete Fiscal Year or for any consecutive 12 out of the most recent 18 months, Net Revenues, together with monies in the Coverage Fund, were equal to at least 125% of the Debt Service Requirement for all Authority Revenue Bonds for such period (without taking into account the Debt Service Requirement for the proposed Additional Authority Bonds);

d) Coverage for Additional Authority Bonds. The Authority must also submit to the Authority Trustee either of the following: (i) a certification by an Authorized Airport Representative of the Authority that, for either the Authority's most recent Fiscal Year or for any consecutive 12 months out of the most recent 18 months, the Net Revenues, together with monies in the Coverage Fund, were equal to at least 125% of the Debt Service Requirement for all Outstanding Authority Revenue Bonds, including the proposed Additional Revenue Bonds in any future Fiscal Year; or (ii) a report of an airport consultant setting forth projections indicating that the estimated Net Revenues for each of three consecutive Fiscal Years beginning on the earlier of (A) the first Fiscal Year following the estimated date of completion and initial use of any of the revenue producing facilities to be financed with such series of Additional Authority Bonds, based upon a certified, written estimated completion date by the consulting engineer for such facility or facilities, or (B) the first Fiscal Year in which the Authority will have any scheduled payments of interest on or principal of the series of Additional Authority Bonds to be issued, for the payment of which provision has not been made as indicated in the report of such airport consultant from the proceeds of such series of Additional Authority Bonds, investment income thereon or other appropriated sources (other than Net Revenues) are, together with the moneys in the Coverage Fund, at least equal to 125% of the Debt Service Requirement for all Authority Revenue Bonds for such period scheduled to occur during each such respective Fiscal Year after taking into consideration the additional Debt Service Requirement for the series of Additional Authority Bonds to be issued; and

For all purposes, (i) any principal or interest on Authority Revenue Bonds which is payable from Dedicated Revenues may be excluded from the Debt Service Requirement for such Authority Revenue Bonds; (ii) any amount transferred or credited from the Prepaid Airline Fund to the Airport System Fund is included in Net Revenues for such Fiscal Year; and (iii) any interest due on Authority Revenue Bonds that is paid from moneys in the Capitalized Interest Account is excluded from the Debt Service Requirement.

e) Bond Ordinance Requirement. The supplemental bond ordinance authorizing such series of Additional Authority Bonds must meet the applicable requirements set out in the Authority Bond Ordinance.

See “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of the Authority Bond Ordinance.”

Authority Refunding Revenue Bonds. If the Additional Authority Bonds are being issued for the purpose of refunding all or a portion of the previously issued Authority Revenue Bonds which remain outstanding as of the date of such issuance, none of the certifications described under subparagraph (c) and (d) above will be required so long as (for each Fiscal Year during which Authority Revenue Bonds would otherwise have been outstanding) the Debt Service Requirement for all Outstanding Authority Revenue Bonds in such Fiscal Year (after giving effect to the issuance of such Refunding Authority Bonds), will not exceed the scheduled Debt Service Requirement for all Outstanding Authority Revenue Bonds in such Fiscal Year (prior to giving effect to the issuance of such Additional Authority Bonds). The 2014 Authority Bonds are issued to refund the Refunded Authority Bonds and have met the above-described provisions of the Authority Bond Ordinance, therefore, the certifications in paragraphs (c) and (d) above do not apply for the 2014 Authority Bonds.

Authority Completion Revenue Bonds. The Authority reserves the right in the Authority Bond Ordinance to issue one or more series of Additional Authority Bonds to pay the cost of completing any project for which Authority Revenue Bonds have been previously issued (individually and collectively, “*Completion Revenue Bonds*”) without complying with the general requirements for Additional Authority Bonds described under subparagraphs (c) and (d) under “—*Authority Revenue Bonds*” above. Prior to the issuance of any series of Completion Revenue Bonds, the Authority must provide, in addition to the applicable certificates required by subparagraphs (a) and (b) under “—*Authority Revenue Bonds*” above, (a) a certificate from the consulting engineer engaged by the Authority to design the project for which the Completion Revenue Bonds are to be issued stating that such project has not been materially changed in scope since the issuance of the most recent series of Authority Revenue Bonds issued for such purpose (except as permitted in the applicable ordinance authorizing such Authority Revenue Bonds) and setting forth the aggregate cost of such project which, in the opinion of such consulting engineer, has been or will be incurred; and (b) a certificate of an Authorized Airport Representative (i) stating that all amounts allocated to pay the costs of such project from the proceeds of the most recent series of Authority Revenue Bonds issued in connection with such project for which the Completion Revenue Bonds are being issued were used or are still available to be used to pay the costs of such project, (ii) containing a calculation of the amount by which the aggregate cost of such project as furnished in the consulting engineer's certificate exceeds the sum of the costs of such project paid to such date plus the monies available at such date within any construction fund or other like account applicable to such project plus any other monies which the Authorized Airport Representative, in his discretion, has determined are available to pay such costs in any other fund, and (iii) certifying that, in the opinion of the Authorized Airport Representative, the issuance of the Completion Revenue Bonds is necessary to provide funds for the completion of such project.

Subordinate Securities

Under the Authority Bond Ordinance, the Authority may issue, for any lawful Airport System purpose, one or more series of revenue bonds, notes or other obligations secured in whole or in part by a lien on Net Revenues junior and subordinate to the lien on Net Revenues securing payment of the 2014 Authority Bonds and other outstanding Authority Revenue Bonds (“*Subordinate Securities*”). Subordinate Securities may be further secured by any other lawfully available source of payment and need not be issued on parity with one another. The agreements with respect to the issuance of the Subordinate Securities cannot require that a default or an event of default thereunder will create an event of default under the Authority Bond Ordinance. The Authority does not currently have any Subordinate Securities outstanding and has no current plans to issue Subordinate Securities, however, the Authority may nevertheless, issue Subordinate Securities in the future.

Other Obligations

General Obligation Bonds. The Authority Act permits the Authority Board to authorize the issuance of general obligation bonds of the Authority (“*General Obligation Bonds*”) for the purpose of procuring funds to pay the costs of acquiring real property, or constructing, enlarging, improving, remodeling, repairing or equipping buildings, structures, runways or other facilities, for use as or in connection with or for administrative purposes of the Airport System. For the purpose of raising money to pay all General Obligation Bonds and any interest on them, the Authority Board may levy each year a special tax upon all of the property, both real and personal, located within the territorial limits of the County, in a manner and in an amount to meet and pay the principal of the General Obligation Bonds as they severally mature, together with all interest accruing on them. Any taxes collected for the purpose of paying principal and interest on General Obligation Bonds are not Gross Revenues and are not pledged to payment of Authority Revenue Bonds. The Authority Bond Ordinance provides that after funding of the Revenue

Bond Interest and Principal Fund and the Revenue Bond Reserve Fund, Net Revenues may be deposited into the General Obligation Bond Interest and Principal Fund to pay debt service on General Obligation Bonds.

Although the Authority has no General Obligation Bonds outstanding and has no plans to issue General Obligation Bonds, the Authority may nevertheless decide to issue General Obligation Bonds in the future.

Special Purpose Facilities Bonds. Under the Authority Bond Ordinance, the Authority reserves the right to issue one or more series of bonds to finance and refinance the cost of any Special Purpose Facilities (“*Special Purpose Facilities Bonds*”), including all reserves required therefor, all related costs of issuance and other amounts reasonably relating thereto; provided, that such Special Purpose Facilities Bonds will be payable solely from payments by Special Purpose Facilities lessees and other security not provided by the Authority. Each Special Purpose Facilities lease must provide that an Airport System improvement or facility is leased by the Authority to a lessee which agrees to pay (i) all of the debt service requirements for the Special Purpose Facilities Bonds issued to finance the Special Purpose Facility and (ii) all administrative expenses allocable to the Special Purpose Facility. In no event will any Gross Revenues or Net Revenues or any other amounts held in any other fund or account maintained by the Authority as security for the Authority Revenue Bonds or for the construction, operation, maintenance or repair of the Airport System be pledged to the payment of Special Purpose Facilities Bonds or to the payment of any lessee expenses of operation and maintenance of Special Purpose Facilities. The Authority has issued and, in the future, may issue one or more additional series of Special Purpose Facilities Bonds for one or more airlines or entities which conduct operations at the Airport System. See “THE AIRPORT AND THE AIRPORT SYSTEM—Facilities—*Maintenance Facilities*” herein.

Events of Defaults and Remedies; No Acceleration

The “Events of Default” under the Authority Bond Ordinance and related remedies are described in “APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of the Authority Bond Ordinance,” in particular, in the section “—Defaults and Remedies.” The occurrence of an Event of Default does not grant any right to accelerate payment of the Authority Revenue Bonds to either the Authority Trustee, the Bond Bank, as owner of the Authority Revenue Bonds, or to the Bond Bank Trustee or the holders of the Bond Bank Bonds. The Authority Trustee and the Bond Bank are authorized to take certain actions upon the occurrence of an Event of Default, including initiating proceedings to enforce the obligations of the Authority under the Authority Bond Ordinance. See “—General.” However, because (a) Net Revenues constitute Gross Revenues after payment of all Operation and Maintenance Expenses, and (b) the Authority is not subject to involuntary bankruptcy proceedings, the Authority may be able to continue indefinitely collecting revenues and applying them to the operation of the Airport System even if an Event of Default has occurred and no payments are being made on the Authority Revenue Bonds. In the event that no payments or insufficient payments are being made on the Authority Revenue Bonds, there will be insufficient amounts available for payment of the Bond Bank Bonds.

Bond-Related Risks

Limited Liability of the Authority; No Additional Security. The 2014 Authority Bonds are payable solely from Net Revenues of the Airport System as described in the Authority Bond Ordinance. THE 2014 BOND BANK BONDS ARE LIMITED OBLIGATIONS OF THE BOND BANK PAYABLE SOLELY OUT OF THE REVENUES AND FUNDS OF THE BOND BANK PLEDGED THEREFOR UNDER THE INDENTURE (AS DEFINED AND MORE FULLY DESCRIBED HEREIN). THE 2014 BONDS BANK BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR LOAN OF THE CREDIT OF THE STATE OF INDIANA OR ANY POLITICAL SUBDIVISION THEREOF, THE CITY OR ANY QUALIFIED ENTITY (AS DEFINED HEREIN), INCLUDING THE AUTHORITY, UNDER THE CONSTITUTION AND THE LAWS OF THE STATE OF INDIANA OR A PLEDGE OF THE FAITH, CREDIT AND TAXING POWER OF THE STATE OF INDIANA OR ANY POLITICAL SUBDIVISION THEREOF, THE CITY OR ANY QUALIFIED ENTITY, INCLUDING THE AUTHORITY. THE SOURCES OF PAYMENT OF, AND SECURITY FOR, THE 2014 BOND BANK BONDS ARE MORE FULLY DESCRIBED HEREIN. THE BOND BANK HAS NO TAXING POWER. SEE “SECURITY AND SOURCES OF PAYMENT OF THE 2014 BOND BANK BONDS.”

AUTHORITY REVENUE BOND DEBT SERVICE REQUIREMENTS

The following table shows the annual Debt Service Requirements due on all Outstanding Authority Revenue Bonds, including the 2014 Authority Bonds (assumes the Refunded Authority Bonds are refunded, in whole, by the 2014 Authority Bonds):

Table 7

Fiscal Year Ended <u>December 31</u>	Debt Service Requirements of Outstanding Authority Revenue Bonds ⁽¹⁾⁽²⁾⁽⁴⁾	<u>Plus 2014 Authority Bonds⁽¹⁾</u>		<u>Total Authority Revenue Bond Debt Service Requirements⁽³⁾</u>
		Principal or Sinking Fund <u>Installment</u>	<u>Interest</u>	
2014	73,853,615.91			\$
2015	73,869,861.43			
2016	74,248,268.31			
2017	83,273,465.23			
2018	93,126,407.76			
2019	65,874,292.83			
2020	64,470,505.03			
2021	64,475,114.53			
2022	64,779,310.29			
2023	67,927,140.01			
2024	71,317,344.76			
2025	71,367,655.50			
2026	71,276,813.00			
2027	69,869,960.00			
2028	66,290,093.50			
2029	66,360,412.50			
2030	66,266,772.00			
2031	66,342,246.00			
2032	66,246,618.50			
2033	23,167,619.50			
2034	59,178,721.00			
2035	61,756,156.00			
2036	<u>9,843,712.75</u>			
Total	\$ 1,495,182,106	\$ _____	\$ _____	\$1,807,843,899

SOURCE: Indianapolis Airport Authority

(1) Reflects all principal and interest due on the outstanding Authority Revenue Bonds on July 1 of the current year and January 1 of the following year. For instance, the number listed for Debt Service Requirements in the row for 2014 is due on or before January 1, 2015.

(2) A portion of principal and interest due on the Outstanding Authority Revenue Bonds, including the 2014 Authority Bonds, may be paid with PFCs and CFCs (each as defined in the CAFR). Totals may not add due to rounding.

(3) The interest on the 2010C Authority Bonds included in the Outstanding Authority Revenue Bonds column reflects the sum of (i) the fixed rates payable by the Authority under the Qualified Derivative Agreements (as defined in the Ordinance), plus (ii) the applicable spreads currently in effect under the current bank terms; and a rate of 5.217% thereafter.

(4) Outstanding Authority Revenue Bonds in this Table 7 exclude Debt Service Requirements for the Refunded Authority Bonds.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

Powers and Purposes

The Bond Bank is a body corporate and politic separate from the City. The address of the Bond Bank is Suite 2342, City-County Building, 200 East Washington Street, Indianapolis, Indiana 46204. The Bond Bank was created by the Bond Bank Act for the purpose of buying and selling securities of certain qualified entities, including the City, the County, all special taxing districts of the City, all entities whose tax levies are subject to review and modification by the Council and certain authorities or entities that lease land or facilities to other qualified entities. The Bond Bank was created pursuant to the Bond Bank Act to help the qualified entities lower their respective borrowing costs by having the Bond Bank purchase their debt obligations at interest rates favorable to the qualified entities. The Authority is a qualified entity under the Bond Bank Act. To accomplish its purpose, the Bond Bank may issue bonds or notes. The Bond Bank also has general powers which include the power to enter into, make and perform contracts of every lawful kind to accomplish its purpose. The Bond Bank has no taxing power.

Board of Directors of the Bond Bank

The Bond Bank is governed by a five (5) member board of directors appointed by the Mayor of the City. The directors appoint an executive director who serves as secretary-treasurer of the board. The directors each serve for terms of three (3) years and may be reappointed. A director serves until their replacement is appointed and qualified. No director may be an officer of the City, the County or any other Qualified Entity. The current members of the board of directors, their positions and their principal occupations are as follows:

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>	<u>Occupation</u>
James S. Carr	Chairperson	May 30, 2015	Vice President, FORUM Commercial Group
E. Sahara Williams	Vice Chairperson	May 30, 2015	Engineer, Business Proprietor Engenuity Management
Melissa R. Bailey-Comstock	Member	May 30, 2015	Simon Group, Risk Management
Fred Miller	Member	May 30, 2015	Attorney, Private Practice
John F. Williams, III	Member	May 30, 2015	Attorney, Private Practice

Management of the Bond Bank

Deron S. Kintner serves as Executive Director to the Bond Bank and as Deputy Mayor for Economic Development. Mr. Kintner holds a B.S. degree and J.D. from Indiana University – Bloomington. Prior to joining the Bond Bank, Mr. Kintner worked as an attorney at the Indianapolis law firm of Bingham McHale LLP from 2001-2008, where his practice focused primarily in the area of public finance.

Gregory Clark serves as Deputy Director/General Counsel to the Bond Bank. Before joining the Bond Bank, Mr. Clark served as Special Counsel to the Indianapolis Department of Public Safety. Mr. Clark also previously served as Assistant Corporation Counsel for the City of Indianapolis where he handled pending litigation in state and federal court on behalf of the City. Prior to working in Indianapolis, Mr. Clark practiced law in Jeffersonville, Indiana, where he represented several municipal entities, including the Jeffersonville City Council. Mr. Clark earned his B.S. degree from Indiana University – Bloomington and his law degree from the Indiana University School of Law – Bloomington.

Kyle Willis has served the Bond Bank since November 2005, and is a Senior Project Manager. Mr. Willis worked as a financial analyst for the Indianapolis Airport Authority from August 2004 to October 2005 before joining the Bond Bank. He holds a B.S. in Finance from Marian College.

Isaiah Kuch joined the Bond Bank in 2010 and serves as a Project Manager. He received his Bachelor's degree in Economics from La Salle University in Philadelphia, Pennsylvania in 2007, shortly after he entered the United States through *The Lost Boys of Sudan Program*. While at La Salle, he also minored in Business Administration. After his undergraduate studies, Mr. Kuch won a full scholarship to Indiana University, School of Public and Environmental Affairs (SPEA) where he received his Master's degree in Public Financial Administration, Economic Development, and Policy Analysis. During his tenure at SPEA, as the Eads Fellow and the City of Indianapolis Urban Fellow, he worked at the Mayor's Office of Enterprise Development. In the summer of 2009, he interned with the Bond Bank.

Other Programs; Outstanding Indebtedness

Under the Bond Bank Act, the Bond Bank is authorized to issue other series of notes or bonds to finance different programs to accomplish its purposes. Under separate Indentures and other instruments authorized under the Bond Bank Act, the Bond Bank has previously issued and had outstanding as of August 1, 2014, an aggregate long-term principal amount of approximately \$4,229,432,468.76 in separate program obligations. All such obligations are and will be secured separately and independently and do not and will not constitute Bonds under the Indenture or for purposes of this Official Statement.

Further, as of the date of this Official Statement, the Bond Bank is considering undertaking other types of financings for qualified entities other than the Authority for purposes authorized by and in accordance with the procedures set forth in the Bond Bank Act. The obligations issued by the Bond Bank in connection with any and all such financings, if any, will be secured separately from the 2014 Bond Bank Bonds and will not constitute Bonds under the Indenture or for purposes of this Official Statement.

THE INDIANAPOLIS AIRPORT AUTHORITY

Powers and Purposes

In 1962, the City Council of the City, the Mayor of the City and the County Council of the County created the Authority pursuant to the Authority Act as a municipal corporation, separate from the City and the County. The Authority Act authorizes the Authority to own and operate public airports. The Authority is empowered to do all things necessary or reasonably incident to carrying out the purposes of the Authority Act, including the power to (i) acquire, establish, construct, improve, equip, maintain, control, lease and regulate municipal airports, landing fields and other air navigation facilities, either inside or outside the County; (ii) manage and operate airports, landing fields and other air navigation facilities acquired or maintained by the Authority; (iii) adopt a schedule of reasonable charges to and collect them from all users of facilities and services within the County; (iv) lease all or any part of an airport, a landing field or any buildings or other structures, and fix, charge and collect rentals, tolls, fees, and charges to be paid for the use of the whole or a part of the airports, landing fields or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; (v) make rules and regulations, consistent with laws regarding air commerce, for management and control of its airports, landing fields, air navigation facilities and other property under its control; and (vi) incur indebtedness in accordance with the Authority Act.

Authority Board

The Authority is governed by the Authority Board, which is its executive and legislative body. The Authority Board consists of nine members: (a) five of whom are appointed by the Mayor of the City, (b) one of whom is appointed by the President of the City-County Council of the City, (c) one of whom is appointed by each of the following: the Hendricks County Board of Commissioners, the Hamilton County Board of Commissioners and the Hancock County Board of Commissioners. No more than four of the Authority Board members appointed under clauses (a) and (b) may belong to the same political party, and at least one member of the Authority Board appointed by the Mayor of the City must reside in Decatur Township or Wayne Township of The County. The Hendricks County appointee must reside in Guilford Township of Hendricks County, in which a portion of the Airport is situated.

Each Authority Board member is appointed for a term of four years and serves until a successor is appointed and qualified by the officer or entity that appointed such Authority Board member. Each Authority Board member is also eligible for reappointment and is subject to removal by impeachment. Any vacancy on the Authority Board is filled by appointment by the entity that appointed such Authority Board member, for the remainder of the unexpired term.

The Authority Board also includes an advisory member appointed by the Morgan County Board of Commissioners. Advisory members have no right to vote on any matters brought before the Authority Board.

The members of the Authority Board are:

Michael W. Wells, as President of the Authority, was appointed by the Mayor of the City. He is President/CEO of REI Real Estate Services, LLC, a real estate development company headquartered in Indianapolis. Over the past 30 years, Mr. Wells has been involved in a number of significant real estate projects, included the J.W. Marriott Hotel/Marriott Place, Circle Center Mall, Wellpoint Operations Center, Emmis Communications Headquarters, and the Indianapolis Marriott Hotel, all in downtown Indianapolis. Prior to his career with REI, he was a practicing attorney in Indianapolis, specializing in the real estate and tax-exempt financing area. Mr. Wells previously served on the Authority Board for 16 years, serving as President for 8 of those years, prior to his reappointment to the Authority Board in January 2012.

Kelly J. Flynn, as Vice President of the Authority, was appointed by the Mayor of the City in 2004. He is a senior partner of the commercial real estate investment firm Flynn & Zinkan Realty Company. Mr. Flynn specializes in construction, financing, and management of real estate for clients including The Kroger Co., Walgreen Co., and Sears. A licensed pilot, he holds ratings for instrument flying and single and multi-engine aircraft, including seaplanes and hot air balloons. Mr. Flynn serves on the boards of the Greater Indianapolis Foreign Trade Zone (GIFTZ) and Visiting Nurse Service. Mr. Flynn earned a B.A. degree in Economics from the University of Notre Dame.

Alfred R. Bennett, as Secretary of the Authority, was appointed by the Hendricks County Board of Commissioners in 2005. Mr. Bennett also serves as chair of the Reliever Airports Committee. He is a retired superintendent of the Indiana Boys' School and a retired Deputy Commissioner of the Indiana Department of Correction. Mr. Bennett founded Bennett Associates, a criminal justice consulting firm specializing in quality assurance operations of jails and prisons. Mr. Bennett chairs the board of the Greater Indianapolis Foreign Trade Zone (GIFTZ), the Authority participant in the federal Foreign-Trade Zone program and non-profit entity that promotes Hoosier goods abroad, helping foster key Indiana economic development efforts. Mr. Bennett earned an undergraduate degree from Anderson University and a master's degree from Indiana State University.

Dr. Philip C. Borst, as a member of the Authority, was appointed by the Mayor of the City in January 2013. Dr. Borst's career-long commitment to public service includes membership on the Indianapolis City-County Council from 1980 to 2007. During his tenure, he held the positions of minority leader, majority leader, vice president, and president. Dr. Borst is the owner of the Shelby Street Animal Clinic where he has practiced since 1975. Dr. Borst is a graduate of the Purdue University School of Veterinary Medicine and also holds a B.S. in Agriculture from the university.

Karen Caswelch, as a member of the Authority, was appointed by the Mayor of the City in April 2012. She is the CEO of Akoya, Inc., a supply-chain management solution provider. Ms. Caswelch has an MBA from Harvard Graduate School of Business Administration and a B.S. in mechanical engineering from MIT. She holds the Managerial Excellence Award from National Women of Color, the Quarterly Diversity Champion Award from Allison Transmission, and the Distinguished Achievement Award from the Center for Leadership Development. She also served as Chief Marketing Officer for the International School of Indiana in 2009.

Steven Dillinger, as a member of the Authority, was appointed by the Hamilton County Board of Commissioners in November 2011. Mr. Dillinger is a member of such Board of Commissioners. He is owner of S.C. Dillinger & Associates Insurance Agency and has provided insurance and financial planning services to a variety of clients. He has served as Hamilton County Commissioner since 1989, and is a member of the county's solid waste, drainage, and finance boards. A past member of the Noblesville City Council and the Hamilton County Council, he is a member of M&I Bank's Advisory Board of Directors.

Jack Morton, as a member of the Authority, was appointed by the Hancock County Board of Commissioners in 2004. He has an extensive professional background in information technologies, primarily in the banking industry. Mr. Morton earned a B.S. degree in Mathematics from Ball State University and an M.B.A. degree in Information Systems Management from Indiana University.

Jean Wojtowicz, as a member of the Authority, was appointed by the Mayor of the City in 2009. In 1983, she founded and is currently President of Cambridge Capital Management Corp., a manager of non-traditional sources of capital for businesses. Since that time, Cambridge has provided more than \$444 million to more than 1,205 Indiana businesses in the manufacturing, service, and retail sectors for growth and expansion purposes. Ms. Wojtowicz is also a co-general partner for Cambridge Ventures, LP and utilizes her fund management expertise for consulting across the U.S. She earned a B.A. degree in Real Estate and Urban Land Economics and a B.B.A. degree in Finance, Investment and Banking from the University of Wisconsin-Madison. Ms. Wojtowicz serves as Chair of the Authority's finance committee.

The advisory member of the Authority Board is *Lynn T. Gordon*. Mr. Gordon was appointed by the Morgan County Board of Commissioners in 2004 and has been President of Citizens Bank in Mooresville since 2001. He has served on the board of the Indiana Banking Association from 1987 to 1989. Mr. Gordon earned a B.A. degree from Indiana University. There is also one vacancy on the Authority Board.

Management of Authority

The Airport and Airport System are managed by professional managers and staff. The Authority's managers include:

Mario Rodriguez is the Authority's Executive Director. Mr. Rodriguez was appointed as the executive director of the Indianapolis Airport Authority on June 1, 2014. He is an aviation expert with over 26 years of experience in the private and public sectors. Prior to his position at the Authority, Mr. Rodriguez led the Long Beach Airport, successfully transforming it into an award-winning organization with world-class facilities and exceptional financial performance. Mr. Rodriguez was also the president of the California Airports Council, and he sits on the board of Airports Council International (ACI). Mr. Rodriguez also served as the deputy director at Louis Armstrong New Orleans International Airport. His leadership there enabled the rapid recovery of the airport after Hurricane Katrina in 2005. Two years later, he was recognized for his expertise in environmental management and awarded the prestigious Environmental Achievement Award from ACI. Prior to his position at Armstrong International, Mr. Rodriguez oversaw and served at airports from Hong Kong to Palm Beach. Mr. Rodriguez is an engineering graduate of the University of Miami in 1987. He is an accomplished author and speaker on issues affecting the aviation industry, including Business Recovery and Disaster Management, and is currently authoring a textbook on airport financial management.

Robert A. Duncan is the Authority's Deputy Executive Director and has been involved with the airport in various capacities since 1973. Mr. Duncan received his B.A. from Hanover College and his Doctor of Jurisprudence from Indiana University Robert H. McKinney Indianapolis Law School. His responsibilities while with the Authority included Staff Attorney, Managing Director, Vice President, General Counsel, Airport Director and Special Advisor to the CEO. In addition, Mr. Duncan is an Adjunct Professor of Law at the Robert H. McKinney Indianapolis Law School teaching Aviation Law. He currently holds an Airline Transport Pilot certificate, Flight Instructor certificates and serves as a Federal Aviation Administration Designated Pilot Examiner. Mr. Duncan is a member of the Indiana State, Indianapolis and Hendricks County Bar Associations. He has served on the Indianapolis Air Show Committee in various capacities since 2005 and for the last three years has served as Chairman. He also served as a member of the Brownsburg Public Library Board for the period of 1996-2012.

Robert B. Thomson is the Authority's Senior Director of Finance and Treasurer. After earning his B.A. in Accounting from Cedarville University, Mr. Thomson began his career in Indianapolis with Geo. S. Olive & Co. (now BKD, LLP), where he was an audit and tax specialist with focus on manufacturing, dealerships, and employee benefits. Subsequently he served as controller of Indianapolis Newspapers Inc. and developed a flair for systems implementation and profit driven financial management. From 2001 to 2004, he served as chief financial officer for a local family owned manufacturer, rounding out his financial management and experience portfolio and adding direct management of IT systems, risk management, and human resources management while exposing him to quality process systems and continuous improvement methodologies. Mr. Thomson was Accounting Director for BAAI from 2004 to 2007 and was responsible for operating budgets, reporting and financial systems. When the BAAI contract was terminated by the Authority in 2007, Mr. Thomson accepted a position in private business. He returned to the Authority in May 2009 to serve as Finance Director, in 2013 was promoted to Senior Director of Finance and in 2014 was appointed as Treasurer of the Authority.

Heidi Babkowski is the Authority's Financial Planning Manager and Assistant Treasurer with responsibilities for all treasury functions, airline rates and charges, grant funding, and capital budgeting. Ms. Babkowski joined the Authority as Senior Accountant under BAAI in August 2003 and transitioned into the Financial Planning Manager role in 2006, and was appointed Assistant Treasurer in September 2013. Ms. Babkowski began her career in public accounting with Harding Shymanski, Inc. in 2000 and moved into an audit role working mostly with nonprofit organizations and benefit plans. Ms. Babkowski earned her B.S. degree from University of Evansville and became a Certified Treasury Professional (CTP) in July 2013.

Marsha A. Stone is the Authority's Senior Director of Commercial Enterprise. Ms. Stone joined the Authority as Director of Internal Audit in 1994, after passing the CPA exam and spending five years in public accounting. She spent 12 years in various financial roles working for a UK based airport operator, BAA, while BAA held the management contract for the Indianapolis Airport Authority. After transitioning back to Airport Authority managements in 2007, Ms. Stone held the top financial role at the Airport through October 2013, when she transitioned into her current role, which oversees all revenue producing areas and business development for the

Authority, Air Service Development, Customer Service, Marketing, Public Affairs and Strategy. Ms. Stone earned her B.S. Degree from Indiana State University. Ms. Stone currently serves on the board of Airports Council International-North America (ACI) and chairs their audit committee. Ms. Stone is Vice-Chair and Finance/Audit Committee Chair of IU Health West – Hospital Board and also serves on the boards of the Cabaret and The International Center.

Mike Medvescek is the Authority's Senior Director of Operations, with responsibilities for all operation, safety, security, compliance, and physical assets of the Authority and its five Reliever Airports. Mr. Medvescek's career started with the Authority in 1989 serving in Airport Operations. Mr. Medvescek has a B.S. degree in Business Management from the University of Phoenix and is an accredited airport executive (AAE) by the American Association of Airport Executives.

Joseph R. Heerens is the Authority's General Counsel, with responsibility for legal matters, ethics, insurance, risk management, government affairs, real estate acquisitions, and other administrative functions. Mr. Heerens joined the Authority in April 2010. Prior to the Authority, Mr. Heerens served as legal counsel and policy director to former Indiana Governor Mitch Daniels. He has also served as a law clerk for an appellate judge, engaged in the private practice of law, and served as a senior vice president with a publicly-held company. Mr. Heerens studied at DePauw University and Georgetown University, receiving his B.A. degree in 1984. He earned his law degree from Indiana University Maurer School of Law in 1987. Mr. Heerens currently serves on the board of the Indiana Legal Foundation; as a commissioner (and immediate past chairman) of the State Employees' Appeals Commission; as the legislative director for the Aviation Association of Indiana; as a member of the Indianapolis General Counsel Forum; and as a panel member at the National Academy of Sciences (Transportation Research Board, ACRP).

Shannetta Griffin is the Authority's Senior Director of Planning and Development. Ms. Griffin is responsible for engineering, environmental and conservation management for the Authority. She oversees the implementation of all projects associated with the capital improvement and operating budgets. In her 30 year aviation career, Ms. Griffin has developed experience in many areas of transportation engineering, planning and design and business development, which include aviation applications such as runways, taxiways, aprons, roadways, terminal parking, and environmental engineering. Projects in which she has managed and been involved include program management, master planning, construction administration, airside design, storm and sanitary sewer design, deicing, storm water management and permitting. Ms. Griffin earned a B.S. degree in Civil Engineering from the University of Toledo.

THE AIRPORT AND AIRPORT SYSTEM

Overview

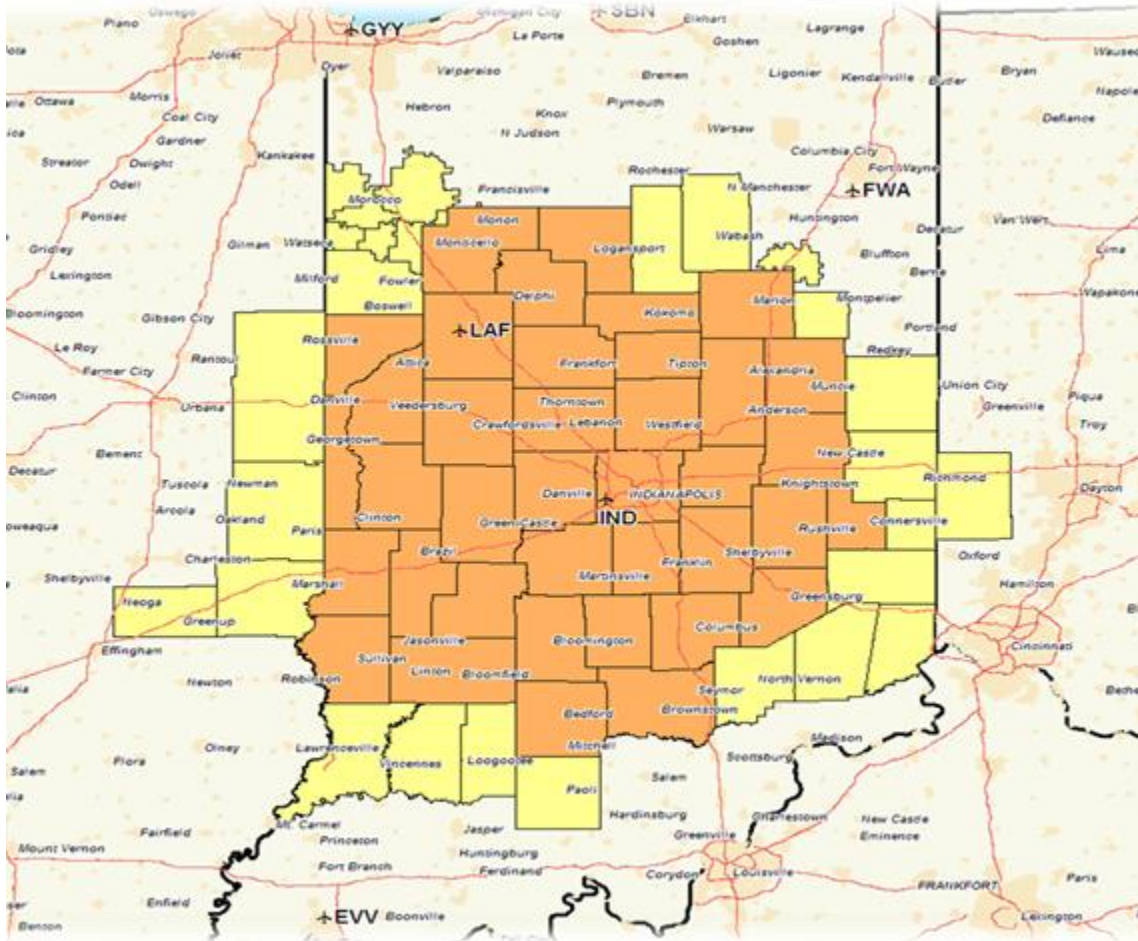
The Authority operates Indianapolis International Airport (the "*Airport*"), the Downtown Heliport and four general aviation facilities (the "*General Aviation Airports*"): Eagle Creek Airpark, Metropolitan Airport, Hendricks County Airport–Gordon Graham Field and Indianapolis Regional Airport (collectively, the "*Airport System*"). The General Aviation Airports are located in and around the County. Eagle Creek Airpark, Metropolitan Airport, the Downtown Heliport and Indianapolis Regional Airport (formerly known as Mount Comfort Airport) are classified as reliever airports and are part of an airport system plan for the Indianapolis Metropolitan Statistical Area (the "*Indianapolis MSA*"). The reliever airports are designed to reduce congestion at the Airport and have been developed by the Authority in accordance with the metropolitan airport system plan. Indianapolis Regional Airport has a full instrument landing system and Eagle Creek Airpark has a partial instrument landing system.

The Airport, the largest part of the Airport System, is the principal air carrier airport serving Indianapolis and central Indiana. According to Airports Council International—North America, the Airport was the 50th largest airport in the United States in 2013, in terms of total passengers, and the 8th overall in North America in terms of total air cargo tonnage. The Airport is located seven miles west of downtown Indianapolis in Marion and Hendricks counties, Indiana, and encompasses approximately 7,700 acres. The Airport proper, the area inside and outside the perimeter fence, is approximately 4,700 acres of the total 7,700 airport property acreage. The Airport first opened in 1931 as Indianapolis Municipal Airport. In 1976, the Authority changed the name of the Airport to Indianapolis International Airport. In 2014, the Airport was named the best airport in North America by Airports Council International ("*ACI*") as part of ACI's annual Airport Service Quality Awards for performance excellence. This is the second consecutive year the Airport has received this honor and the third time in the previous five years.

The Airport Service Region

The Airport’s primary service region is defined as the primary area in which the Airport draws its customer base (the “*Airport Service Region*”). A map of the primary service region of the Airport is shown below.

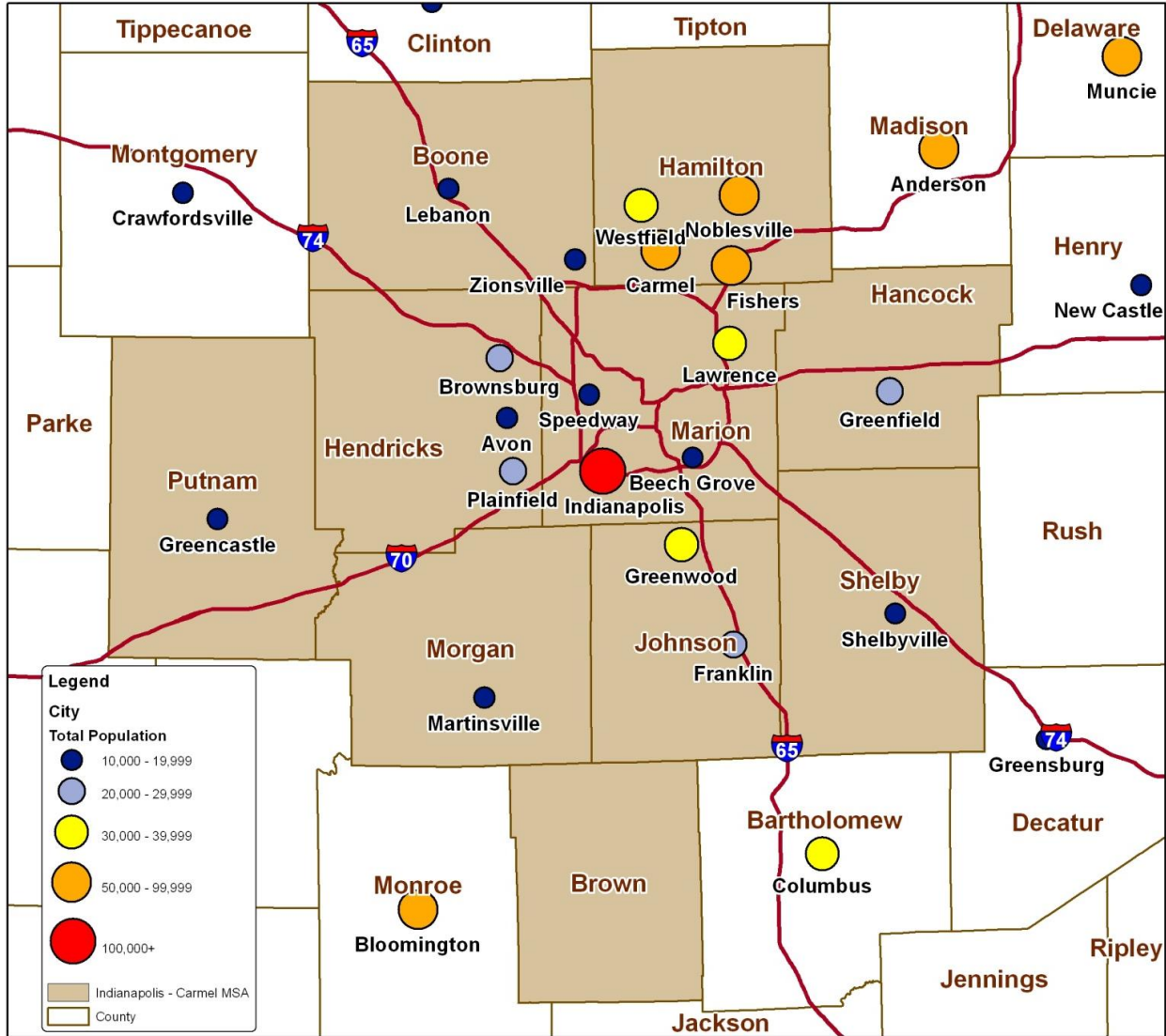
Table 8



The Airport Service Region includes a primary area consisting of the following counties: Marion, Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Morgan, Putnam and Shelby, known as the Indianapolis – Carmel MSA (the “*Indianapolis-Carmel MSA*”). A map of the Indianapolis-Carmel MSA is included below as Table 9.

Table 9

Indianapolis-Carmel MSA



Source: 2010 U.S. Census

The Airport Service Region also includes a secondary area surrounding the Indianapolis-Carmel MSA, the limits of which are defined by the distance to other airports (including Cincinnati/Northern Kentucky International Airport, Dayton International Airport, Louisville International Airport, Chicago O'Hare International Airport and Chicago Midway Airport) as well as the availability, price and quality of airline service at those other airports.

Table 10 below shows the population of the Indianapolis-Carmel MSA, Indiana and the United States, and the average annual increase in such populations. Table 11 below describes the distribution of population in the Indianapolis-Carmel MSA according to county.

Table 10
HISTORICAL POPULATION

<u>Year</u>	<u>Population (thousands)</u>			<u>Average Annual Increase</u>		
	<u>Indianapolis-Carmel MSA (a)</u>	<u>Indiana</u>	<u>United States</u>	<u>Indianapolis-Carmel MSA (a)</u>	<u>Indiana</u>	<u>United States</u>
Historical						
2010	1,760,720	6,483,797	308,745,538	0.98%	0.40%	0.60%
2011	1,778,964	6,515,336	311,587,816	1.04%	0.49%	0.92%
2012	1,798,634	6,437,782	313,914,040	1.11%	-1.19%	0.75%
2013	1,823,479	6,570,902	316,128,839	1.38%	2.07%	0.71%

(a) The Indianapolis-Carmel MSA consists of Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Marion, Morgan, Putnam, and Shelby counties. Historical data has been adjusted to reflect the current MSA

Source: 2013 U.S. Census Bureau

Table 11
POPULATION DISTRIBUTION IN INDIANAPOLIS-CARMEL MSA

<u>County</u>	<u>Estimated Population</u>	<u>% of Indianapolis-Carmel MSA</u>
Marion	928,281	50.9
Hamilton	296,693	16.3
Johnson	145,535	8.0
Hendricks	153,879	8.4
Morgan	69,782	3.8
Hancock	71,575	3.9
Boone	60,477	3.3
Shelby	44,729	2.5
Putnam	37,505	2.1
Brown	15,023	0.8
Total	1,823,479	100%

Source: 2013 US Census Bureau

The median household incomes of the residents in the Indianapolis-Carmel MSA are shown in Table 12 below as prepared by the Department of Metropolitan Development of the City from 2010 U.S. Census data. Table 13 shows the unemployment rates for the Indianapolis-Carmel MSA, as compared to the entire state of Indiana and the United States as a whole.

Table 12
2006-2010 MEDIAN HOUSEHOLD INCOME

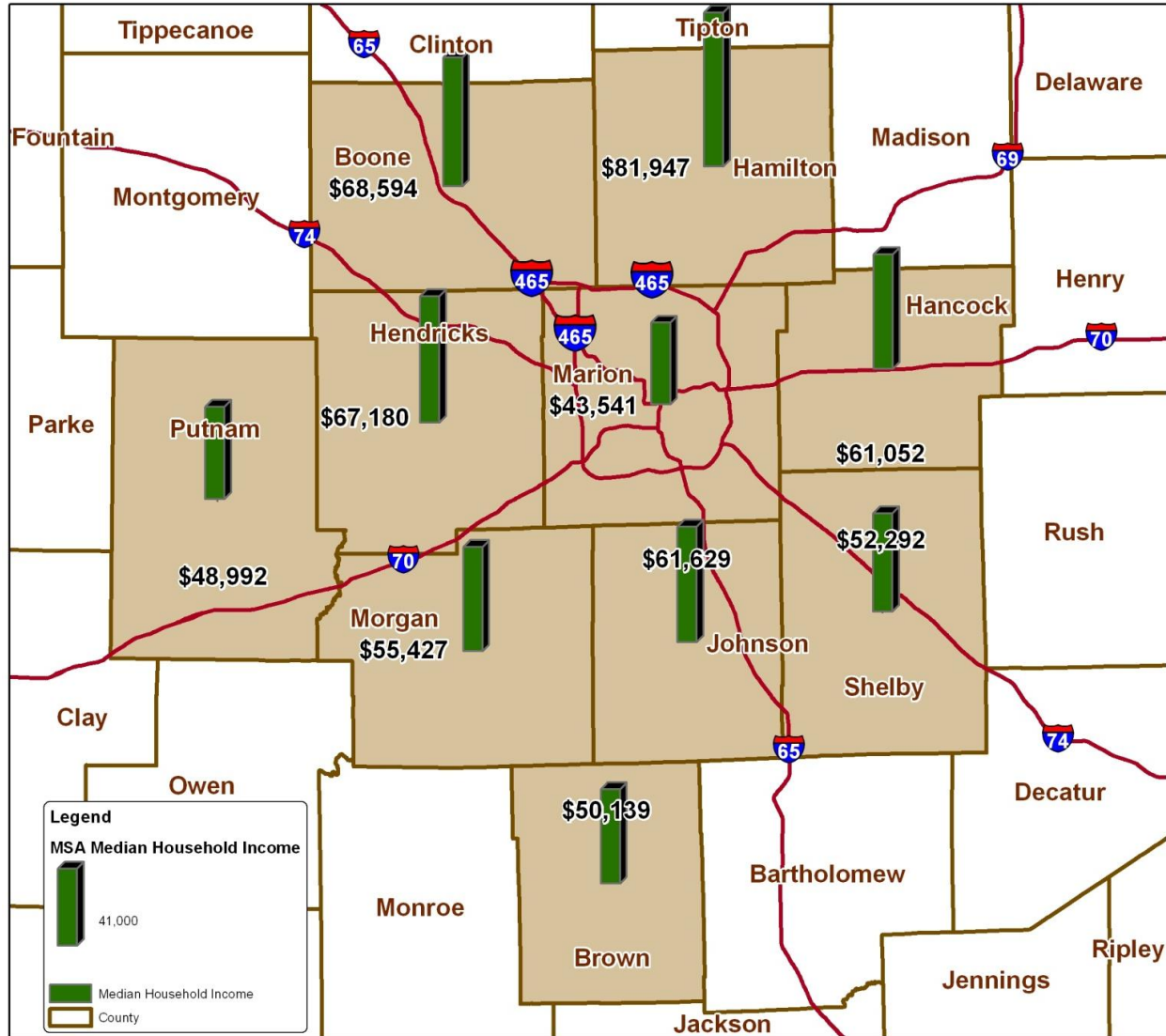


Table 13
UNEMPLOYMENT RATES
Percentage Unemployed

Year	Indianapolis Carmel MSA	State of Indiana	United States
2011	9.0%	10.0%	9.6%
2012	8.3%	8.8%	8.9%
2013	7.6%	8.1%	8.1%
2014	6.9%	7.5%	7.4%

Source: U.S. Department of Labor, Bureau of Labor Statics (annual average).

The Indianapolis –Carmel MSA has a number of large employers. The principal employers in the Indianapolis-Carmel MSA as of December 31, 2013 are shown in Table 14 below.

Table 14

**PRINCIPAL EMPLOYERS IN INDIANAPOLIS-CARMEL MSA
As of December 31, 2013**

Employer Name	% of Total Employed in MSA	Number of Employees
Indiana University Health	2.11%	20,292
Eli Lilly and Company	1.15%	11,075
St. Vincent Hospital and Health Services	1.09%	10,500
Wal-Mart	0.94%	9,000
Marsh Supermarkets	0.93%	8,890
Community Health Network	0.84%	8,100
Federal Express	0.63%	6,000
Wishard Health Services	0.58%	5,576
Wellpoint, Inc.	0.50%	4,825
Franciscan St. Francis Health	0.44%	4,200
Total Employed by Principal Employers	9.22%	88,458
Total Employed in Indianapolis – Carmel MSA	100.00%	959,840

1-Principal employers for the Indianapolis-Carmel MSA (Local, state and federal employers are excluded).
Sources: Principal employers – The Indy Partnership (www.indypartnership.com) Total employed in the Indianapolis-Carmel MSA from Indiana Department of Workforce Development, as of December 31, 2013.

Facilities

Airfield Facilities. The Airport has three runways. Runway 5R-23L, which opened in June 1990, runs northeast and southwest, and is 10,000 feet long and 150 feet wide. Runway 5L-23R, which opened in January 1996, is on the northwest side of the Airport, is 11,200 feet long and 150 feet wide, and runs parallel to Runway 5R-23L. The parallel runways are equipped with precision instrument landing systems and CAT III operational capability. Runway 14-32 is a crosswind runway, running northwest and southeast and is 7,280 feet long and 150 feet wide.

Terminal Facilities. The Authority opened its new terminal on November 11, 2008, and closed all of the then-existing terminal facilities. The terminal is situated between the two parallel runways. The terminal building is approximately 1.2 million square feet in total size, is a four-story structure consisting of two concourses (A and B) with 40 aircraft gates. Two dedicated international gates are located within Concourse A, with a direct connection to the federal inspection service area. The federal inspection service area is situated so that customers can reclaim their baggage and conveniently walk to ticket counters to connect with another flight.

Public Parking Facilities. The Authority owns and operates substantially all the parking facilities at the Airport, including a garage at the terminal, two surface parking lots and an employee parking lot. In June 2013, the Authority unveiled new customer-focused parking options at the Airport. The new parkIND program offers several new parking options to help improve Airport visitor experience. Hourly parking is available in the garage to make short trips to the Airport more convenient. A new premium parking section with valet and self-park options is available in the garage alone with an array of premium services including car washing, detailing, oil changes, and other benefits. Additionally, the parkIND Plus program was launched to offer corporate or frequent travelers rewards for utilizing the parkIND options. These new programs provide convenient, customer-focused parking options for all Airport visitors.

The Airport’s total parking capacity is approximately 19,850 vehicles. The parking garage includes approximately 7,500 spaces, including 1,500 that are reserved for the rental car companies, with the balance

dedicated to public parking, including valet service which is operated by a third-party. The two public surface lots include approximately 12,350 spaces, approximately 4,400 in the employee/overflow lot and approximately 7,950 in the economy lot.

Parking revenue of approximately \$39.5 million represented 28.6% of the Authority's total operating revenue in 2013. For the first six months of 2014, parking revenue was \$21.9 million representing 30.4% of total operating revenue.

Cargo Facilities. Cargo facilities at the Airport total approximately 1.5 million square feet of interior space.

FedEx. FedEx began operations at the Airport in June 1988, and has expanded its facility to become the second largest hub for all of FedEx operations. The largest facility at the Airport is the FedEx package-sorting complex located on the south side of the Airport, which includes a sortation facility, a fuel storage facility and aircraft parking apron capable of accommodating up to 65 aircraft. After FedEx's most recent expansion, the total size of their leasehold is 13,771,860 square feet. In December 2011, FedEx completed Phase IV of the apron expansion project. Phases I through IV now encompasses a total of 39.53 acres. All four phases of the apron expansion were partially financed with proceeds of Special Purpose Facilities Bonds and Airport Revenue Bonds issued by the Authority.

Cargo/Warehouse Buildings North. On the north side of the Airport, there are two cargo/warehouse buildings with approximately 69,093 square feet of interior space. These facilities also include 864,000 square feet of aircraft parking apron. The facilities are leased by Integrated Airline Service (aircraft and cargo handler), Jet Pro Line Maintenance, Hawker Beechcraft and FedEx, which utilizes the building for aircraft parts storage. The Authority currently has 21,625 square feet of vacant space that is utilized on a regular basis by various tenants.

Former Eagle Air Hub. The Eagle Air Hub facility, also located on the north side of the Airport, served as the national hub for the U.S. Postal Service (“USPS”) Express Mail operations until the end of August 2001, after which it has since been utilized as a ground transportation hub for the USPS in where bulk mail and packages are distributed across the Midwest. The facility consists of two buildings totaling 356,043 square feet of space on 107 acres of real estate leased from the Authority and includes more than 46 acres of aircraft parking apron. The lease with the USPS expired on November 30, 2012 and the Authority released a large portion of the facility to the contractor processing mail on behalf of the USPS.

Cargo/Warehouse Buildings East. On the east side of the Airport, there are three cargo/warehouse buildings with approximately 48,532 square feet of interior space. These facilities are leased by Greater Indianapolis Foreign Trade Zone, PK IND, LLC, and Metro Air Service.

Airline Cargo Building. A new cargo and ground equipment maintenance facility was constructed in connection with the construction of the terminal and opened in September 2010. The building consists of approximately 40,000 square feet and is located on the south side of Col. H. Weir Cook Memorial Drive near the new terminal. Current tenants included Quantem Aviation (cargo handler), FirstFlight Ground Services Global Aviation, ASIG (ground equipment maintenance provider), and Southwest Airlines Co.

Maintenance Facilities. The Airport includes four significant maintenance facilities as further described below:

IMC. Since February 13, 2004, the Authority has operated the Indianapolis Maintenance Center (“IMC”), the former United Airlines maintenance and overhaul facility, pursuant to a settlement agreement (the “Settlement Agreement”) with the trustee of special purpose facility bonds that were issued to construct and equip a portion of the IMC. Under the Settlement Agreement, the Authority is entitled to be reimbursed from IMC revenues, including lease revenues, for all operating expenses and certain other costs incurred by the Authority in operating and maintaining the IMC. In 2013, the Authority incurred \$7.9 million of operating expenses and certain other costs and recognized reimbursement revenue of \$9.4 million from IMC revenues to offset those expenses as well as expenses incurred in previous years for which there had not been funds available to reimburse immediately. From January 1 through June 30, 2014, the Authority incurred \$4.0 million of operating expenses and recognized reimbursement revenue of \$4.6 million from IMC, a portion of which is reimbursing expenses incurred in previous years.

To the extent the Authority is not fully reimbursed for IMC operating expenses in any given year, the Settlement Agreement provides for reimbursement from future IMC revenues of prior unreimbursed IMC operating expenses. All current and prior operating expenses are payable prior to payment of principal and interest on the special facility bonds that were issued to construct and equip a portion of the IMC. To date, through June 30, 2014, the Authority has incurred approximately \$21.0 million in unreimbursed operating expenses which may be reimbursed from IMC revenues in the future, to the extent such revenues are available. After payment or reimbursement of payment of such expenses, IMC revenues must be used to pay such special facility bonds.

AAR Aircraft Services, Inc. (“AAR”) leases approximately 970,000 square feet of the approximately 1.6 million square foot IMC, including ten of twelve hangar bays. As of July 14, 2014, AAR occupied nine of ten hangar bays, plus some office space, machine shop space and space in the supply building. In addition, AAR occupies the other bay from time to time on an “as needed” basis. The AAR lease expires December 1, 2014, however, IAA and AAR are currently in discussions regarding a new lease.

Chautauqua Airlines, Inc. leases the remaining two IMC hangar bays under a lease that expires April 14, 2015. Other IMC tenants include Acredo (Express Scripts), Schenker Logistics and Cargolux International.

FedEx Maintenance Hangar. FedEx occupies and operates a maintenance facility containing approximately 147,000 square feet of interior space. The FedEx maintenance facility was financed for US Airways with proceeds of Special Purpose Facilities Bonds. US Airways subsequently assigned the leasehold interest to FedEx. The FedEx maintenance facilities were acquired, constructed and equipped on real property located at the Airport, which real property is leased, with the maintenance facilities and certain other property identified in the lease, by FedEx from the Authority that currently expires on December 31, 2028.

Comlux America, LLC. Comlux completed construction (under the Comlux Realty, LLC) on a 134,140 square foot hanger and support facility located on the east side of the Airport in August 2012. The hanger facility is capable of housing multiple narrow-body commercial aircraft under one roof, for the fitting of executive interiors. Included in the facility is 69,680 square feet of office and support space which houses engineering, accounting, aircraft mechanics, designers and other support staff to support Comlux’s business.

PK IND, LLC. PK IND, LLC, occupies and operates a maintenance hangar facility at the Airport containing approximately 152,000 square feet, together with office space containing approximately 120,000 square feet, which is attached to the maintenance facility. PK IND, LLC, is a real estate investor and development company. PK IND, LLC, has subleased the hangar facility to FedEx, with FedEx taking possession on December 1, 2007. Additionally, PK IND, LLC, has signed a lease agreement with Rolls Royce and ACS to lease space in the office area portion of the facility. In the spring of 2009, PK IND completed construction of two new facilities located within the leased premises of the maintenance hangar; a 32,000 square foot hangar facility and a 44,400 square foot training facility, both of which are leased to Rolls Royce.

Other Facilities. In addition to the facilities described above, the Airport also contains:

1. General aviation hangars and related facilities are situated in several Airport locations, including:

- a. Hawker Beechcraft Global Customer Support, LLC. Hawker occupies 80,340 square foot, executive terminal, maintenance hangar and support shop facilities, partially financed with special purpose facility bonds issued by the Authority, but payable by Hawker. The facilities opened in July 2009. Hawker continues to occupy four buildings/hangars, comprising approximately 58,986 square feet.
- b. Signature Flight Support, Inc. Signature occupies nine buildings/hangars comprised of approximately 195,400 square feet. These facilities include a new executive terminal which opened in March 2006.
- c. Vacant Hangars. The Authority currently has one vacant hanger facility consisting of 9,203 square feet.

2. North Campus Facilities. In November 2008, ATA vacated its corporate facilities at the Airport and returned the premises to the Authority. The facilities consist of three buildings. The Authority has since leased one of the buildings to Ivy Tech Community College. The Authority’s engineering and accounting staff occupy

approximately 40% of the second building. The third building is currently vacant and being marketed for lease by a commercial real estate firm.

3. Corporate Hangars. A number of hangers housing corporate aircraft are located on the north and east sides of the Airport. They house such tenants as the Colt's, Bindley Aviation, Simon and Eli Lilly.

4. FedEx Trade Networks. FedEx Trade Networks leases a 27,165 square foot building from the Authority located on the north side of the Airport. FedEx Trade Networks tracks all international package shipments for FedEx and ensures packages clear customs at various points around the world.

5. Aviation Technology Center. The "ATC" is operated by Vincennes and Purdue universities for educating and training those seeking employment in aviation technology and other fields related to aircraft, aircraft maintenance and airport operations. ATC operates out of a 69,085 square foot hanger and office space facility.

6. ProTrans International. ProTrans leases 6.5 acres of land from the Authority under a long-term lease which contains a 44,128 square foot building utilized as their corporate headquarters.

7. Support Facilities. The Airport includes a range of support facilities, including navigational aids, a safety facility and a fuel storage/distribution system.

8. Hush House. This three-sided aircraft ground enclosure is comprised of noise resistant panels and designed to absorb engine noise during testing. The Authority's hush house will accommodate most types of aircraft, including the Boeing 777.

Authority Agreements

Airline Agreements. As of the date of this Official Statement, seven passenger carriers and two cargo air carriers (the "*Signatory Airlines*") operate at the Airport under an Agreement and Lease of Premises (individually, an "Airline Agreement" and, collectively, the "*Airline Agreements*"), between each Signatory Airline and the Authority. The term of each Airline Agreement is for the period from the date of execution through December 31, 2015. As of the date hereof, the Authority has begun discussions with the Signatory Airlines regarding a new airline agreement. While the Authority does not currently anticipate that any new airline agreement negotiated between the parties will contain a materially different methodology for determining airline rates and charges, there can be no assurance on the form or terms of any final agreement, or even whether an agreement will be consummated. In the event the Airline Agreements are not replaced or extended prior to the termination of the existing agreements, airline rates will be determined by ordinance of the Authority in accordance with FAA regulations.

Under the Authority Bond Ordinance, the Authority is obligated to fix rentals, fees and charges sufficient, together with other Net Revenues, to meet the Rate Covenant in each Fiscal Year. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS—Rate Covenant." The Airline Agreements represent residual cost agreements, obligating the Signatory Airlines to make payments (the "*Signatory Airline Revenue Requirement*") to the Authority, in proportion to the use of Airport System facilities by each Signatory Airline, sufficient in the aggregate to pay in each Fiscal Year, together with other available Net Revenues, Federal Payments and any amounts in the Prepaid Airline Fund available to be applied to the Signatory Airline Revenue Requirement for such Fiscal Year in amount equal to (i) Operation and Maintenance Expenses of the Airport System for such Fiscal Year; (ii) the debt service for the Authority Revenue Bonds for such Fiscal Year, plus debt service coverage; (iii) any deposits required to be made in such Fiscal Year to the Revenue Bond Reserve Fund; (iv) net amounts of any assessments, judgments, settlements or charges payable by the Authority and allocated to the Airport System for such Fiscal Year; (v) 12.5% of the amount of Gross Revenues, plus Federal Payments derived during each Fiscal Year from Airport System concessions and rentals, charges and fees from non-Signatory Airlines and other Airport System tenants and users; up to \$90 million, and 62.5% for those revenues greater than \$90 million and (vi) adjustments for deficiencies in any of the above payments for the preceding Fiscal Year.

To the extent that the Authority determines to classify certain PFCs, CFCs or other revenues as Dedicated Revenues, the Authority anticipates that the debt service that is excluded from Debt Service Requirements pursuant to the Authority Bond Ordinance also will be excluded for purposes of setting rates and charges under the Authority Bond Ordinance. However, if, in the additional bonds test, the Authority identifies the Debt Service Requirements

on certain series of Authority Revenue Bonds in a manner different from the actual principal and interest that is due, the setting of rates and charges will be based upon such actual principal and interest payments, not Debt Service Requirements (defined in the Authority Bond Ordinance).

The Airline Agreements' residual rate-making features are designed to ensure that the Authority's debt service and related coverage obligations, including the Rate Covenant, will be met. The Airline Agreements authorize the Authority to adopt an amended budget any time during the Fiscal Year and to implement new fees and charges based on such amended annual budget. Further, if at any time the revenues and balances available in any fund and account are not sufficient to pay when due all items included in the annual budget or to pay any other expense or cost incidental or necessary to, or arising out of, the operation of the Airport System, then the Authority may upon notice to and consultation with the airlines increase landing fees to such amount as is sufficient to assure that all such items, expenses and costs can be paid in full solely from revenues of the Airport System. See "RISKS AND OTHER INVESTMENT CONSIDERATIONS—Risk of Airline Bankruptcies."

The Airline Agreements provide for rental of terminal complex space, use of apron areas and other facilities and services by such Signatory Airline and the periodic and non-discretionary adjustment of the amounts and ratios of the rentals, charges and landing fees to be paid by such Signatory Airline to reflect changing requirements of the Authority's operating and capital budgets. The Authority must submit certain capital improvements for approval by the Signatory Airlines if they are funded by Revenue Bonds. For capital improvements less than \$5 million that are funded by Revenue Bonds (subject to inflation adjustment from 2010), the Signatory Airlines may vote to defer such improvements for a year. The Authority may not construct capital improvements in excess of \$5 million if funded by Revenue Bonds if concurrence is specifically withheld by a majority of the Signatory Airlines paying more than 50% of the Signatory Airlines' fees and rentals, subject to certain other exceptions. See "APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of Airline Agreements," —Annual Recalculation of Lease Rentals and Fees" and "—Capital Improvements."

Each Airline Agreement provides that the Authority may not enact any bond resolution or ordinance or subsequently amend a bond resolution or ordinance so as to require a material change in the method of calculation of rentals and fees payable under such Airline Agreement or so as to materially affect the rights of the Signatory Airlines subject to such Airline Agreements without the prior written consent of such Signatory Airline. If the Authority adopts a bond resolution or ordinance or a subsequent amendment to a bond resolution or ordinance, either of which materially affects the method of calculation of such rentals and fees or materially affects the rights of the Signatory Airline under such Airline Agreement, such Signatory Airline may, in writing, cancel such Airline Agreement within 15 days after the adoption date of the bond resolution or ordinance or amendment by the Authority. The Authority has determined that the Authority Bond Ordinance does not materially change the method of calculation of rentals and fees payable under the Airline Agreements or materially affect their rights under the Airline Agreements and, accordingly, is not required to seek prior written consent of the Signatory Airlines.

For additional information about the Airline Agreements, see "APPENDIX C—SUMMARY OF PROVISIONS OF CERTAIN LEGAL DOCUMENTS – Summary of Airline Agreements."

Table 15 below shows the airlines that provide scheduled service at the Airport as of June 30, 2014, as well as the historic numbers relating to various airlines serving the Airport.

TABLE 15

HISTORICAL AIRLINE MARKET SHARES OF ENPLANED PASSENGERS
Indianapolis International Airport
1990-2013

Airline (a)	Market Share (%)								Six Months	Six Months
	1990	2000	2005	2009	2010	2011	2012	2013	Ended	Ended
									June 30,	June 30,
Delta Air Lines	7.7%	11.5%	8.8%	26.4%	25.5%	25.1%	25.4%	26.5%	25.8%	26.1%
Southwest Airlines	5.1%	11.6%	11.9%	17.3%	17.4%	18.0%	19.2%	17.5%	17.7%	23.5%
United Airlines	7.3%	11.3%	8.9%	7.3%	7.3%	8.1%	13.7%	15.3%	15.1%	14.9%
US Airways (b)	38.7%	15.2%	10.9%	14.0%	13.4%	13.8%	13.6%	14.7%	14.5%	14.0%
American Airlines	14.0%	12.4%	10.9%	10.2%	9.2%	10.9%	10.0%	10.2%	10.0%	11.5%
AirTran Airways	-	-	3.5%	13.5%	15.2%	12.7%	11.2%	11.1%	12.4%	5.8%
Frontier Airlines	-	-	2.5%	3.5%	4.1%	4.2%	3.7%	3.7%	3.4%	3.2%
Continental Airlines (d)	5.2%	6.7%	5.7%	6.0%	6.2%	6.3%	2.1%	-	-	-
Northwest Airlines (c)	11.8%	13.0%	22.6%	-	-	-	-	-	-	-
ATA Airlines	4.5%	12.9%	10.5%	-	-	-	-	-	-	-
America West Airlines (b)	-	3.2%	1.9%	-	-	-	-	-	-	-
Other	<u>5.7%</u>	<u>2.2%</u>	<u>1.9%</u>	<u>1.8%</u>	<u>1.7%</u>	<u>0.9%</u>	<u>1.1%</u>	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(a) Includes regional partners

(b) Due to merger, America West is included in US Airways from 2006 forward.

(c) Due to merger, Northwest is included in Delta from 2009 forward.

(d) Due to merger, Continental is included in United from 2013 forward.

Source: Indianapolis Airport Authority

Use Permits. Other airlines operate at the Airport under an Airport Use Permit (“Use Permit”), which generally has a term of three to five years (after which the Authority may allow a holdover period under the terms of the Use Permit on a month-to-month basis). Both Allegiant Airlines and Miami Air hold Use Permits and pay landing fees and terminal complex fees based upon the Authority’s annual Schedule of Rates, Fees and Charges for Use of the Airport Facilities. In addition, the many carriers hold Use Permits and pay signatory rates as affiliate carriers to their respective major/national passenger airlines. See Table 20 herein.

Concession Agreements. The principal concession revenues at the Airport are from rental car and terminal retail operations, including food and beverage, specialty retail and news and gifts. The Authority also derives revenues from telephones, advertising, ground transportation services and other concessions. The discussion below relates to concession revenues related to rental car and concession operations at the new terminal.

Rental Car Facility Concession Agreements. There are eight on-airport rental car operators at the Airport, including Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National and Thrifty. Ace Rent A Car is situated off-airport.

Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National and Thrifty operate under concession agreements providing for payment to the Authority of the greater of (1) a guaranteed minimum fee and (2) 10% of gross concession revenues. The Authority also receives 10% of reported sales from Ace Rent A Car under an ordinance governing off-airport operations. In addition, the rental car operators lease counters, office areas, a “quick turn-around” facility, telephone banks and a “ready return” area on the first floor of the parking garage at the Airport at prevailing rental rates. Rental car concessions revenues of approximately \$9.1 million represented 5.6% of total operating revenue in 2013. For the first six months of 2014, rental car concessions revenues were approximately \$4.6 million representing 6.4% of total operating revenue.

Terminal Concession Agreements. The Authority has agreements to lease space to concessionaires who provide food and beverage, news and gifts, specialty retail and other sundry items in the new terminal complex at the Airport. Concession agreements generally obligate the concessionaires to pay to the Authority a common use fee *plus* the greater of (1) a minimum annual guarantee and (2) a percentage of gross revenues. The minimum annual guarantee varies based on the offering location, size, exposure to passengers and sales performance. A total of 59,802 square feet of concession and related space is occupied, as follows:

Civic Plaza (Pre-Security Area)	24,375 square feet
Concourse A (Post-Security Area)	17,135 square feet
Concourse B (Post-Security Area)	16,808 square feet
Ticketing and Baggage Claim Areas (Pre-Security Area)	1,484 square feet

There are 23 food and beverage offerings, eight news and gift stores and 21 specialty retail concepts at the Airport. The agreements provide for payment to the Authority of the greater of (1) a minimum annual guarantee and (2) a percentage of gross revenues, with the percentages ranging from 8% to 16% of gross revenues.

The five largest concession operators are Areas USA IND, LLC with eight units, Paradies-Muse, LLC with eight units, Host International, Inc. with seven units, Relay at IND, LLC with six units, and SSP America, Inc. with four units.

In addition to the in-line concession stores, the Authority has concession agreements for advertising, retail merchandising units, pay telephones, ATMs and other.

In 2013, terminal concession revenue totaled \$7.5 million, representing 5.4% of total operating revenue in each year. Through June 30, 2014, concession revenues were approximately \$3.8 million, representing 5.3% of total operating revenue.

HISTORICAL AIRPORT ACTIVITY

Aircraft Operations

Table 9 below shows the number of historical aircraft operations (landings and takeoffs) at the Airport from 1990 through 2013 for air carrier, air taxi and commuter, general aviation, and military operations. Generally there have been changes in air carrier and air taxi/commuter operations trends in passenger enplanements, in aircraft fleet mix, and the hubbing activities of passenger and cargo airlines. General aviation and military operations decreased from their peak historical levels and have remained relatively consistent in recent years.

As of June 30, 2014, seven major and national passenger airlines and 14 regional and commuter passenger airlines provided scheduled service at the Airport, as shown on Table 12 “AIRLINES PROVIDING SCHEDULED PASSENGER SERVICE.” The major and national airlines provided an average of 57 daily nonstop departures from the Airport to 29 cities, and the regional and commuter airlines provided an average of 78 daily scheduled departures from the Airport to 24 cities. The Airport serves primarily origin and destination (“O&D”) passengers, as compared with connecting passengers. During 2013, approximately 96.4% of enplaned passengers at the Airport were O&D passengers. In addition, FedEx and Cargolux International provide regularly scheduled air cargo service at the Airport. FedEx also operates a national distribution and sortation hub at the Airport.

In 2013, 153,382 aircraft operations (takeoffs and landings) were performed at the Airport. These operations consisted of 99,691 air carrier operations, 34,850 air taxi/commuter operations, 15,182 general aviation operations, and 3,659 military operations. For the first six months of 2014, 73,721 aircraft operations (takeoffs and landings)

were performed at the Airport. These operations consisted of 49,228 air carrier operations, 17,299 air taxi/commuter operations, 6,825 general aviation operations, and 369 military operations.

Table 16

HISTORICAL AIRCRAFT OPERATIONS							
Indianapolis International Airport							
1990-2013							
<u>Year</u>	<u>Air carrier</u>	<u>Air taxi / commuter</u>	<u>General aviation</u>	<u>Military</u>	<u>Total</u>	<u>Annual percent increase (decrease)</u>	
1990	114,187	55,779	56,103	2,271	228,340	2.8%	
2000	133,257	72,519	53,104	1,897	260,777	0.6%	
2005	76,896	112,795	31,224	1,360	222,275	4.6%	
2006	96,968	86,984	28,742	1,046	213,740	(3.8%)	
2007	108,458	67,501	26,391	786	203,136	(5.0%)	
2008	110,878	63,486	21,948	890	197,202	(2.9%)	
2009	98,192	54,599	17,660	867	171,318	(13.1%)	
2010	97,732	49,795	17,582	1,249	166,358	(2.9%)	
2011	99,532	41,577	17,309	1,279	159,697	(4.0%)	
2012	100,697	39,016	16,774	1,713	158,200	(0.9%)	
2013	99,691	34,850	15,182	3,659	153,382	(3.0%)	
Six Months Ended June 30,							
2013	48,666	19,140	7,746	509	76,061		
2014	49,228	17,299	6,825	369	73,721	(3.1%)	
						(a)	
		<u>Average annual percent increase (decrease)</u>					
1990-2000	1.6%	2.7%	(0.5%)	(1.8%)	1.3%		
1990-2010	(0.8%)	(0.6%)	(5.6%)	(2.9%)	(1.6%)		
2000-2010	(3.1%)	(3.7%)	(10.5%)	(4.1%)	(4.4%)		
2000-2013	(3.6%)	(8.8%)	(14.5%)	8.6%	(6.4%)		
2005-2013	(5.4%)	(20.9%)	(17.3%)	(15.0%)	(12.9%)		
2010-2013	0.2%	(4.4%)	(1.8%)	14.4%	(1.0%)		

(a) % change is calculated using the first six months of 2014 comparable to the first six months of 2013.
Source: Indianapolis Airport Authority

Historical information regarding aviation activity at the Airport is set forth in the following Table 17:

Table 17

Historical Airport Activity - Indianapolis International Airport							
Indianapolis International Airport							
2009-2013							
	Year Ended December 31,					Six Months	Six Months
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Ended</u>	<u>Ended</u>
						<u>June 30,</u>	<u>June 30,</u>
						<u>2013</u>	<u>2014</u>
Enplaned Passengers (thousands)	3,741	3,770	3,770	3,687	3,599	1,788	1,834
Air Cargo Enplaned (tons):							
Air Freight/Express	516,227	547,238	529,289	530,744	567,640	276,697	268,331
Air Mail	<u>1,078</u>	<u>805</u>	<u>842</u>	<u>1,021</u>	<u>1,903</u>	<u>680</u>	<u>1,224</u>
Total Air Cargo	517,305	548,043	530,131	531,765	569,543	277,377	269,555
Landed Weight in 1000-pound units:							
Passenger Airlines	4,644,777	4,448,508	4,444,206	4,433,783	4,258,982	2,113,650	2,143,210
Cargo Airlines	<u>4,595,377</u>	<u>4,738,013</u>	<u>4,834,014</u>	<u>4,962,628</u>	<u>5,291,446</u>	<u>2,567,334</u>	<u>2,511,641</u>
Total Landed Weight	9,240,154	9,186,521	9,278,220	9,396,411	9,550,428	4,680,984	4,654,851
SOURCE: Indianapolis Airport Authority							

Introduction

As shown in Table 18 below, the number of enplaned passengers at the Airport has hovered just above three and a half million annually since 2009. The cost per enplaned passengers charged to the Airline from 2009 to 2013 are shown in Table 19 below.

Table 18

HISTORICAL ENPLANED PASSENGERS				
Indianapolis International Airport				
1980-2013				
<u>Year</u>	<u>Major / National Airlines (a)</u>		<u>Total enplaned passengers</u>	
	<u>Regional / Commuter Airlines</u>	<u>Number</u>	<u>Average Annual % increase (decrease)</u>	
1980	1,502,650	39,729	1,542,379	
1990	2,631,135	220,680	2,851,815	
2000	3,470,067	404,555	3,874,622	
2005	3,470,873	787,181	4,258,054	
2006	3,089,708	955,296	4,045,004	(5.0%)
2007	3,396,979	745,678	4,142,657	2.4%
2008	3,352,591	735,935	4,088,526	(1.3%)
2009	2,810,653	930,220	3,740,873	(8.5%)
2010	2,339,363	1,431,020	3,770,383	0.8%
2011	2,496,460	1,274,009	3,770,469	0.0%
2012	2,145,428	1,542,314	3,687,742	(2.2%)
2013	2,132,902	1,465,816	3,598,718	(2.4%)
<u>Average annual percent increase</u>				
1980-1990	5.8%	18.7%	6.3%	
1980-2000	4.3%	12.3%	4.7%	
1980-2010	1.5%	12.7%	3.0%	
1990-2000	2.8%	6.2%	3.1%	
1990-2010	(0.6%)	9.8%	1.4%	
2000-2010	(3.9%)	13.5%	(0.3%)	
2005-2013	(5.9%)	8.1%	(2.1%)	

(a) Includes some commuter activity reported with major airline activity.
Source: Indianapolis Airport Authority

Table 19

HISTORICAL TOTAL COSTS PER ENPLANED PASSENGER AT THE AIRPORT	
<u>Year</u>	<u>Cost</u>
2009	\$11.33
2010	\$11.35
2011	\$10.44
2012	\$10.23
2013	\$10.41

These passengers at the Airport flew on the passenger airlines shown below, with the Signatory Airlines marked therein:

Table 20

AIRLINES PROVIDING SCHEDULED SERVICE AT THE AIRPORT JUNE 2014	
PASSENGER AIRLINES	
<u>Major / National</u>	<u>Regional / Commuter</u>
Air Tran*	Air Wisconsin (US Airways Express)
American Airlines*	Chautauqua Airlines (US Airways Express, American Connection, United Express, and Delta Connection)*
Delta Air Lines*	Compass Airlines (Delta Connection)
Frontier Airlines*	Copa Airlines (United Express)
Southwest Airlines*	Envoy Air (American Eagle)
United Airlines*	Endeavor Airlines (Delta Connection)
US Airways*	ExpressJet (Delta Connection, United Express)
	GoJet Airlines (Delta Connection)
	Jazz Air (Air Canada Express)
	Mesa Airlines (United Express, US Airways Express)
	Midwest Airlines (Frontier)
	Republic Airlines (US Airways Express)
	Shuttle America (Delta Connection, United Express)
	Skywest (Delta Connection, and United Express)
	ALL-CARGO AIRLINES
Cargolux Airlines International*	
FedEx*	
*Signatory Carriers	
Sources: Indianapolis Airport Authority	

Airline Service

As shown in Table 20 above, the Airport is served by most major airlines operating to their midcontinental and East Coast hubs. In addition, point-to-point service is provided to major business destinations across the nation, including New York (LaGuardia and JFK), Washington, D.C. (Reagan National and Dulles), Boston (Logan International), Chicago (O'Hare), Dallas and Fort Worth, Houston, San Francisco and Los Angeles (Los Angeles International). A significant amount of nonstop service is also provided to leisure destinations in Florida and the desert Southwest. The Airport also has international service to Toronto, to Cancun and to Montego Bay on a seasonal basis. See Table 21 showing the top ten destinations of flights from the Airport.

Table 21

TOP 10 DESTINATIONS FROM THE AIRPORT IN 2013	
No.	Destination
1	New York City (LGA, JFK, EWR)
2	Washington DC (DCA, IAD, BWI)
3	Orlando (MCO)
4	Los Angeles (LAX, SNA, LGB, ONT, BUR)
5	Denver (DEN)
6	Atlanta (ATL)
7	Tampa (TPA)
8	Las Vegas (LAS)
9	Ft. Myers (RSW)
10	Phoenix (PHX)

Source: Indianapolis Airport Authority

In the past year, the Airport has started to experience an increase in airline service as the global economy continues to rebound from the recent economic downturn, as well as an increase in airline competition and market activity. There were 136 average daily departures scheduled from the Airport in June, 2014, down from 140 in December 2013, however, the average aircraft size has grown causing seat capacity for the same period to increase by 1.74%.

Recent Trends in Airline Traffic

As shown in Table 18, the long term annual average growth rate in enplaned passengers declined between 2000 and 2013. The number of enplaned passengers had been on the rise from 1990 to 2005 but began to experience a decline in 2006. The subsequent decline between 2006 and 2013 was the product of the slowing global economy, which caused airlines to reduce capacity and flights from their respective networks. Toward the end of 2013, the number of enplaned passengers again began to grow and has continued to increase for the first six months of 2014. The main drivers of the increase in enplaned passengers was the launch, by United Airlines, of new nonstop service to San Francisco, California, both Delta and American Airlines added a direct flight to Los Angeles, California, Frontier added a nonstop flight to Trenton Mercer, New Jersey, which is approximately 50 miles from New York City and 30 miles from Philadelphia, and the airlines increased capacity (outbound seats) during peak spring break weeks in 2014. The added flights have been successful and opened up new travel opportunities to both the west and east coast markets from the Airport. From 2009 through 2012, there were minimal flights added by the airlines, almost all of which were not successful and were subsequently dropped.

In 2013, the number of enplaned passengers decreased 2.4% compared to 2012 due to a lack of market activity and minimal airline competition. For the first six months of 2014, the number of enplanements increased 2.6% compared to the same period in 2013.

Airline Market Shares of Enplaned Passengers

Table 15 shows airline market shares of enplaned passengers at the Airport from 1990 through 2013. Market shares have changed since 1990, as US Airways reduced its presence at the Airport, while Delta and Southwest have significantly increased their presence and the overall Indianapolis market has evolved.

Southwest Airlines merged with AirTran Airlines in 2011, but Southwest has maintained the AirTran brand separate. The AirTran brand is expected to be retired at the end of 2014 and completely transitioned to Southwest. Combined, the two airlines accounted for a 28.6% market share of enplanements at the Airport in 2013. For the first six months of 2014, their combined enplanements increased to 29.3%. Delta and United are the airlines with the next largest shares of the Airport's enplanements at 26.5% and 15.3%, respectively in 2013. For the first six months of 2014, their shares were 26.1% and 14.9%, respectively. American Airlines increased their market share presence from 10.0% in 2013, to 11.5% for the first six months in 2014. American Airlines and U.S. Airways combined, represented a ____% market share in the first six months of 2014.

The diversity of the airline market share at the Airport helps to ensure that competitive service is available and that the Airport traffic base is not dependent on the financial success or service provided by any one airline. Low cost airlines such as AirTran, Frontier and Southwest collectively represented approximately 32.5% of the service provided at the Airport in the first six months of 2014.

O&D Markets

The Airport is primarily an O&D Airport and over the past 19 years, connecting traffic has become a declining percentage of the Airport's enplanements. In 2009, less than 7% of the Airport's enplanements were connecting traffic, as shown in Table 18.

Table 18

RELATIVE SHARES OF O&D VERSUS CONNECTING PASSENGERS									
Year Ended December 31,									
	1990	2000	2005	2009	2010	2011	2012	2013	Average Annual increase 1990-2013
Enplaned Passengers									
O&D	2,042,216	3,534,536	3,689,989	3,523,667	3,563,360	3,630,961	3,517,131	3,456,848	2.3%
Connecting	<u>809,599</u>	<u>340,086</u>	<u>568,065</u>	<u>17,206</u>	<u>207,023</u>	<u>39,508</u>	<u>70,611</u>	<u>1,870</u>	(7.3%)
Total	2,851,815	3,874,622	4,258,054	3,740,873	3,770,383	3,770,469	3,687,742	3,598,718	(100.0%)
Percent of Total									
O&D	71.6%	91.2%	86.7%	94.2%	94.5%	96.3%	95.4%	96.1%	
Connecting	<u>28.4%</u>	<u>8.8%</u>	<u>13.3%</u>	<u>5.8%</u>	<u>5.5%</u>	<u>3.7%</u>	<u>4.6%</u>	<u>3.9%</u>	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Sources: Indianapolis Airport Authority; U.S. Department of Transportation, Airline Passenger Origin and Destination Survey and T-100 Onboard Database.

Air Cargo Activity

As shown in Table 19, Cargo activity for 2013 was 569,543 tons, which was an increase of 7.1% as compared to the 531,765 tons of cargo activity for 2012. For the first six months of 2014, the amount of air cargo enplaned at the Airport decreased by 2.8% compared to the same period in 2013 principally as a result of slowing economic activity which impacted the significant level of domestic air cargo activity handled at the Airport. Approximately 99.7% of total enplaned cargo was freight and express, and the remaining 0.3% was air mail. In the first six months of 2014, approximately 99.5% of total enplaned cargo was freight and express, and the remaining 0.5% was air mail.

International freight service expanded at the Airport begin in January 2006, with scheduled Cargolux service into the European Union, which complimented existing FedEx departures into the same region. Tonnage of international inbound freight has continued to grow. In 2013 inbound international freight was up 12.3% from 9,234 tons in 2012 to 10,472 tons. For the first six months of 2014 inbound international freight was up 87.5% from 5,075 tons in June 2013 to 9,516 tons.

Table 19

HISTORICAL ENPLANED CARGO					
Indianapolis International Airport					
1990-2013					
<u>Tons</u>					
<u>Year</u>	<u>Air mail</u>	<u>Freight and Express</u>	<u>Total</u>	<u>Annual Percent increase (decrease)</u>	
1990	60,449	107,763	168,212	23.6%	
2000	226,607	421,236	647,843	1.9%	
2005	4,584	574,976	579,560	11.3%	(a)
2006	2,458	591,574	594,032	2.5%	
2007	1,534	595,030	596,564	0.4%	
2008	1,570	573,041	574,611	(3.7%)	
2009	1,078	516,227	517,305	(10.0%)	
2010	805	547,238	548,043	5.9%	
2011	842	529,289	530,131	(3.3%)	
2012	1,021	530,744	531,765	0.3%	
2013	1,903	567,640	569,543	7.1%	
Six Months Ended June 30,					
2013	680	276,697	277,377		
2014	1,224	268,331	269,555	(2.8%)	(b)
Average annual percent increase					
1990-2000	14.1%	14.6%	14.4%		
1990-2010	(19.4%)	8.5%	6.1%		
2000-2010	(43.1%)	2.7%	(1.7%)		
2000-2013	(45.0%)	3.8%	(1.6%)		
2005-2013	(10.4%)	(0.2%)	(0.2%)		
2010-2013	11.4%	0.5%	0.5%		

(a) Reflects the cessation of airmail activities at the U.S. Postal Service hub at the Airport on August 31, 2001.
(b) % change is calculated using the first six months of 2014 comparable to the first six months of 2013.
Source: Indianapolis Airport Authority

Landed Weight

In 2013, total aircraft landed weight was 9,550,428 thousand pound units, a 1.6% increase from 2012. Passenger airlines accounted for approximately 44.8% of total landed weight at the Airport in 2013 compared to the prior year of 47.2%. The cargo airlines accounted for the remaining 55.2% of the total aircraft landed weight at the Airport in 2013, compared to the prior year of 52.8%. Passenger airline landed weight decreased 3.9% in 2013 from prior year, and the cargo airline landed weight decreased 6.6% from prior year. The growth in cargo landed weight was the result of an increase in aircraft gauge from the previous year as FedEx scheduled more product flow through the Airport, their second largest hub. A table showing the historical landed weight at the Airport over the last 33 years is shown on Table 20 below, followed by Table 21 showing the various airline shares of such landed weight.

Table 20

HISTORICAL LANDED WEIGHT					
Indianapolis International Airport					
2000-2013					
<u>1,000-pound units</u>					
<u>Year</u>	<u>Passenger Airlines</u>	<u>Cargo Airlines</u>	<u>Total</u>	<u>Annual percent increase (decrease)</u>	
1990	5,555,566	2,020,626	7,576,192	8.5%	
2000	5,865,754	6,037,796	11,903,550	1.3%	
2005	5,964,045	5,080,482	11,044,527	4.7%	
2006	5,341,912	5,271,325	10,613,237	(3.9%)	
2007	5,244,913	5,325,616	10,570,529	(0.4%)	
2008	5,192,566	5,250,166	10,442,732	(1.2%)	
2009	4,644,777	4,595,377	9,240,154	(11.5%)	
2010	4,448,508	4,738,013	9,186,521	(0.6%)	
2011	4,444,206	4,834,014	9,278,220	1.0%	
2012	4,433,783	4,962,628	9,396,411	1.3%	
2013	4,258,982	5,291,446	9,550,428	1.6%	
Six Months Ended June 30,					
2013	2,113,650	2,567,334	4,680,984		
2014	2,143,210	2,511,641	4,654,851	(0.6%)	(a)
	<u>Average annual percent increase (decreased)</u>				
1990-2000	0.5%	11.6%	4.6%		
1990-2010	(1.1%)	4.4%	1.0%		
2000-2010	(2.7%)	(2.4%)	(2.6%)		
2000-2013	(3.2%)	(1.3%)	(2.2%)		
2005-2013	(4.1%)	0.5%	(1.8%)		
2010-2013	(0.4%)	1.1%	0.4%		
(a) % change is calculated using the first six months of 2014 comparable to the first six months of 2013.					
Source: Indianapolis Airport Authority					

Table 21

AIRLINE SHARES OF LANDED WEIGHT									
Indianapolis International Airport									
1990-2013									
<u>Airline (a)</u>	<u>1990</u>	<u>2000</u>	<u>2005</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Six Months Ended June 30, 2014</u>
Passenger Airlines									
Delta Air Lines <i>(d)</i>	6.7%	5.0%	4.5%	13.8%	12.3%	12.7%	13.1%	12.5%	12.3%
Southwest Airlines	5.0%	6.2%	6.6%	8.7%	8.3%	8.8%	8.7%	7.6%	10.6%
US Airways <i>(b)</i>	28.1%	7.9%	5.9%	7.0%	6.4%	6.2%	6.4%	6.7%	6.7%
United Airlines	4.9%	5.5%	4.4%	3.8%	3.8%	4.0%	6.2%	6.7%	6.8%
AirTran Airways	-	-	1.8%	6.2%	7.4%	5.9%	4.7%	4.5%	2.4%
American Airlines	10.4%	5.4%	5.6%	4.8%	4.2%	4.3%	4.2%	4.3%	5.1%
Frontier Airlines	-	-	1.2%	1.6%	2.1%	1.8%	1.5%	1.3%	1.2%
Continental Airlines <i>(e)</i>	6.4%	2.9%	2.6%	2.6%	2.6%	3.0%	1.0%	-	-
Northwest Airlines <i>(d)</i>	8.0%	6.4%	12.4%	-	-	-	-	-	-
ATA Airlines	3.9%	6.6%	6.6%	-	-	-	-	-	-
America West Airlines <i>(b)</i>	-	1.7%	0.8%	-	-	-	-	-	-
Other	<u>3.8%</u>	<u>1.5%</u>	<u>1.3%</u>	<u>1.7%</u>	<u>1.3%</u>	<u>1.2%</u>	<u>1.4%</u>	<u>1.2%</u>	<u>1.1%</u>
Subtotal	77.2%	49.1%	53.7%	50.2%	48.4%	47.9%	47.2%	44.8%	46.1%
Cargo and charter airlines									
FedEx	13.9%	29.6%	44.9%	48.1%	50.3%	50.8%	51.1%	53.8%	52.5%
Cargolux	-	-	-	0.7%	0.7%	0.7%	1.1%	1.1%	1.1%
Other <i>(c)</i>	<u>9.9%</u>	<u>21.3%</u>	<u>1.4%</u>	<u>0.9%</u>	<u>0.6%</u>	<u>0.6%</u>	<u>0.6%</u>	<u>0.3%</u>	<u>0.4%</u>
Subtotal	<u>23.8%</u>	<u>50.9%</u>	<u>46.3%</u>	<u>49.8%</u>	<u>51.6%</u>	<u>52.1%</u>	<u>52.8%</u>	<u>55.2%</u>	<u>53.9%</u>
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
<p>(a) Includes regional partners</p> <p>(b) Due to merger, America West is included in US Airways from 2006 forward.</p> <p>(c) Includes Emery Worldwide (USPS hub). As of September 2001, the U.S. Postal Service contract was acquired by FedEx.</p> <p>(d) Due to merger, Northwest is included in Delta Air Lines from 2009 forward.</p> <p>(e) Due to merger, Continental is included in United from 2013 forward.</p>									
Source: Indianapolis Airport Authority									

CAPITAL IMPROVEMENT PROGRAM

In November 2008, the Authority opened the new terminal at the Airport and ceased operations at the previous terminal. The opening of the new terminal marked the substantial completion of the seven-year \$1.07 billion capital program for the new terminal, which also included construction of aircraft aprons, the parking garage for the new terminal, surface parking lots serving visitors and workers at the new terminal, an air traffic control tower, an on-airport roadway system and Interstate 70 access. The Authority's current Five Year Capital Program (2015-2019) is intended to meet the Airport System's capital needs through 2019. The program is designed to ensure the continued availability of existing facilities and to develop improvements necessary to meet the ongoing air travel demands of the airport service region. Funding for capital projects primarily comes from accumulated airport revenues and federal grants while utilizing other funding sources when available and applicable to the current needs of the Authority.

The Five Year Capital Program (2015-2019) contemplates approximately \$173.0 million (in actual and inflated dollars) in capital improvements to the Airport System. The Airport's significant projects over the five years include: taxiway rehabilitation, parking garage improvements, construction of a new airfield maintenance facility, noise and general airport system land acquisition, and stormwater and deicing controls and capacity enhancements. Many of these projects are eligible for federal and/or state grant funding. In addition to the availability of funding, completion of the Five Year Capital Program is dependent upon a number of other factors, including national, regional and local economic conditions; financial condition of the airlines using the Airport System; receipt of required approvals and permits, including environmental approvals and permits; site conditions; coordination of contracts and work; design and construction scheduling; availability of specialty contractors, supplies and equipment; and the effect of one or more factors on the Authority's operations. Although the capital improvement program has a five year horizon, projects are budgeted and approved on a calendar year basis. Capital improvement projects funded by grants require funding approval by the appropriate granting authorities and due to the timing of such decisions funding for the program is determined on an annual basis as projects are approved to move forward.

The Authority will review and update the Five Year Capital Program each year. Pursuant to the Airline Agreements, capital projects included in the Five Year Capital Program may require consent of the Signatory Airlines if they are funded by Revenue Bonds, which the Authority does not anticipate. See "THE AIRPORT AND AIRPORT SYSTEM—Certain Authority Agreements—*Airline Agreements*."

Plan of Funding for Five Year Capital Program (2015-2019)

The Authority plans to fund the cost of the Five Year Capital Program (2015-2019) with Authority funds (including PFCs and CFCs) and federal and state grants. The Authority does not intend to fund the program with Additional Revenue Bonds, but may determine to do so in the future.

To fund the Five Year Capital Program, the Authority expects to use the following sources:

<u>Source of Funds</u>	<u>Amount (\$ 000s)</u>
Authority Funds	\$100,389
Federal and State Grants	72,642
Total	\$173,031

Federal and State Grants. The FAA's Airport Improvement Program (or AIP) consists of an entitlement fund and a discretionary fund. Entitlement funds are distributed through grants by formula based on the number of enplanements and the amount of cargo landed weight at individual airports. The FAA issues letters of intent ("LOI") for grants from the discretionary fund based on the FAA's assessments of national priorities. An LOI represents the FAA's intent to obligate funds from future federal budget appropriations for the AIP. From time to time, the General Assembly of the State has appropriated moneys to the Indiana Department of Transportation to

fund grants to airports situated in Indiana. The Authority has used State grant moneys to meet local match requirements for federal grants, and expects to continue to do so.

Table 22

Historical Operating Results - Indianapolis Airport Authority							
Indianapolis Airport Authority							
	Year Ended December 31,					Six Months Ended June 30,	Six Months Ended June 30,
	2009 (a) (Restated)	2010	2011	2012 (b) (Restated)	2013	2013	2014
Operating Revenue:							
Airfield	\$ 22,741,896	\$ 23,379,348	\$ 22,190,682	\$ 21,102,019	\$ 21,468,743	\$ 10,641,521	\$ 10,663,818
Terminal Complex	49,960,322	51,178,167	50,256,888	50,312,025	49,926,147	24,670,987	24,908,973
Parking	34,660,205	38,283,857	38,764,432	38,435,341	39,546,766	20,285,050	21,924,411
Rented Buildings and other	13,098,996	12,972,274	13,435,764	16,611,219	16,362,917	8,134,299	8,150,096
Indianapolis Maintenance Center (IMC)	6,851,697	8,802,929	9,199,848	8,779,056	9,395,175	4,488,123	4,563,170
Reliever Airports	2,413,624	2,474,023	2,649,290	3,019,185	2,960,507	1,428,611	1,508,094
Total Operating Revenues	\$ 129,726,740	\$ 137,090,598	\$ 136,496,904	\$ 138,258,845	\$ 139,660,255	\$ 69,648,591	\$ 71,718,562
Operating Expense:							
Airfield	7,970,976	7,045,935	7,531,422	7,503,982	7,833,509	4,160,048	5,066,622
Terminal Complex	16,591,936	14,385,059	13,862,595	14,336,213	14,234,009	7,241,365	7,174,124
Parking	8,422,491	6,570,769	6,262,245	6,342,014	6,988,184	3,238,100	3,998,874
Rented Buildings and other	878,539	750,556	651,727	(254,242)	1,134,410	524,072	622,660
Indianapolis Maintenance Center (IMC)	9,226,177	8,148,323	8,440,686	8,125,697	7,534,563	3,996,612	3,972,375
Reliever Airports	1,297,897	1,186,274	1,444,755	1,663,623	1,433,012	720,665	883,700
Public Safety	10,730,234	9,940,627	10,182,051	10,221,888	9,701,378	4,907,395	4,886,775
Administration	11,258,917	11,218,401	12,966,245	12,746,633	10,943,057	5,252,474	5,441,040
Subtotal	66,377,167	59,245,944	61,541,726	60,685,808	60,202,122	30,040,731	32,046,370
Depreciation	100,953,498	102,588,784	106,271,451	95,335,879	95,820,684	47,754,567	40,375,994
Total Operating Expenses	167,330,665	161,834,728	167,813,177	156,021,687	156,022,806	77,795,298	72,422,364
Income (Loss) From Operations	(37,603,925)	(24,744,130)	(31,316,273)	(17,762,842)	(16,362,551)	(8,146,707)	(703,802)
Nonoperating Revenues (Expenses)							
State and Local appropriations	27,130,236	26,770,584	26,825,737	26,856,087	26,818,065	13,409,387	13,392,534
Federal operating grants	1,032,396	1,008,288	1,209,990	711,043	868,966	263,686	601,786
Passenger facility charges	15,429,599	15,654,293	15,417,615	14,605,931	14,473,637	7,958,481	7,838,595
Customer facility charges (rental cars)	4,207,666	5,364,660	6,064,795	6,315,656	6,097,820	2,884,860	3,035,048
Investment income	9,531,422	6,210,897	7,815,561	5,677,546	5,237,096	2,715,419	1,175,804
Interest Expense	(73,563,805)	(70,151,361)	(69,326,884)	(64,532,092)	(58,191,633)	(29,458,207)	(27,619,763)
Loss on disposals of capital assets and other	1,919,654	4,721,068	1,162,575	3,778,863	(2,448,881)	385,573	224,124
	(14,312,832)	(10,421,571)	(10,830,611)	(6,586,966)	(7,144,930)	(1,840,801)	(1,351,872)
Increase (Decrease) in Net Assets Before Capital Contributions, Grants and Charges	(51,916,757)	(35,165,701)	(42,146,884)	(24,349,808)	(23,507,481)	(9,987,508)	(2,055,674)
Capital Contributions, Grants and Charges							
Federal and State grants	18,096,508	11,013,888	11,457,436	5,550,581	10,321,815	1,298,786	-
Contributions from lessees	25,329,290	146,271,102	3,509,752	28,020,423	11,171,313	-	(85,688)
	43,425,798	157,284,990	14,967,188	33,571,004	21,493,128	1,298,786	(85,688)
Increase in Net Assets	(8,490,959)	122,119,289	(27,179,696)	9,221,196	(2,014,353)	(6,688,722)	(2,141,362)
Net Assets, Beginning of Year	970,580,558	959,210,139	1,081,329,428	1,054,149,732	1,051,453,306	1,051,453,306	1,049,438,953
Cumulative Effect of Change in Accounting Principle							
	(2,879,460)	-	-	(11,917,622)	-	-	-
Net Assets, End of Period	\$ 959,210,139	\$ 1,081,329,428	\$ 1,054,149,732	\$ 1,051,453,306	\$ 1,049,438,953	\$ 1,042,764,584	\$ 1,047,297,591

(a) During the year ended December 31, 2010 the Authority adopted GASB 53 which required the Authority to recognize, measure, and disclose information regarding derivative instruments entered into by the Authority. Financials for the year ended December 31, 2009 have been restated to reflect this change in accounting principle.

(b) During the year ended December 31, 2013, the Authority implemented GASB 65 which required the Authority to reclassify certain items previously reported as assets and liabilities to deferred outflows on resources or deferred inflows of resources and recognizes as expenses and revenues certain items that were previously reported as assets and liabilities, for the Authority this fully expensed previously capitalized and then amortized bond issuance costs. Financials for the year ended December 31, 2012 have been restated to reflect this change in accounting principle.

Source: Indianapolis Airport Authority

Management's Discussion and Analysis of Results of Operations

The Authority's audited financial statements, attached as APPENDIX A, include a discussion and analysis of the financial performance and activity of the Authority as of December 31, 2013 and 2012. The Authority's financial report includes comparative balance sheets, statements of revenues, expenses and changes in net assets and statements of cash flows. Also included are notes to the financial statements that provide more detailed data.

The annual financial statements of the Authority have been audited each year, beginning with Fiscal Year 1962. The Authority has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for its comprehensive annual financial report for each Fiscal Year from 1982 through 2012, and is awaiting a decision on the 2013 financial report.

The following is a discussion of the Authority's results of operations for six months ended June 30, 2014. This discussion, which has been prepared by management of the Authority, is derived from the Authority's unaudited financial statements. Certain transactions and adjustments are calculated and recorded annually at year-end and, therefore, are not reflected in the year-to-date June 2014 results. Such adjustments include recording the effect of reversions of lessee-financed improvements, grant revenue accruals, certain expense accruals, gain or loss on disposal of asset transactions and similar items.

The Authority operates a deferred contribution employee retirement system, therefore, there are no outstanding pension-related costs for the Airport.

Six Months Ended June 30, 2014 Unaudited Results

For the six months ended June 2014, operating income of \$71.7 million exceeded budget by \$3.5 million, or 5.2%. Contributing to the revenue variance, airfield income exceeded budget by \$0.6 million, or 6.4%. This variance is attributable to passenger and cargo carrier landed weights exceeding budget in total by 3.6%, increased gate use and remote overnight parking fees, greater ground handling fees, offset by airline incentive credits. Terminal complex revenue of \$24.9 million exceeded budget by \$0.2 million, or 1.0%, attributable to changes in terminal leased space offset by airline incentive credits. Parking revenue was \$21.9 million through June 2014, which was \$2.4 million or 12.4% above budget, primarily attributable to passenger enplanements being 1.0% above budget and the budget conservatively anticipated lower market share due to off airport operator changes. Income from Rented Buildings and Other of \$8.2 million was below budget by \$0.1 million, or 1.6%, due to a ground lease contract not negotiated and in place by June as anticipated. Revenues due to the Authority as reimbursement of eligible expenditures under the terms of a Settlement Agreement, as related to the Indianapolis Maintenance Center, exceeded budget by \$0.3 million as a result of higher percentage rental revenue earned than budgeted and more hangar bays activated.

For the six months ended June 2014, operating expense before depreciation was \$32.0 million, exceeding budget by \$0.3 million, or 0.9%. Personal service operating expenses of \$13.3 million was below budget by \$0.8 million, or 5.6% related to lower full time staff equivalents than budgeted and lower health insurance claims associated with the self-funded plan. Contractual service expenses of \$8.5 million were below budget by \$0.4 million, or 4.5%, related to lower professional fees for Communication/Marketing initiatives, lower repair and maintenance costs through June than planned, offset by an increase in outsourced snow removal services due to the extensive winter weather. Utility expenses of \$5.6 million exceeded budget by \$0.3 million, or 6.0% attributable to greater natural gas usage at the Terminal and Central Energy Plant due to the extreme winter weather. Supplies and Materials total expense of \$3.4 million exceeded budget by \$0.4 million, or 14.7% primarily due to the extreme winter and increased costs for fuel, snow and ice chemicals and repair parts for snow equipment. General expenses of \$1.3 million exceeded budget by \$0.1 million, or 11%, relating primarily again to extreme winter weather and uninsured loss costs for pipe freeze and flooding events.

For the six months ended June 2014, net non-operating revenue (expense) of (\$1.4) million was unfavorable to budget by \$0.2 million resulting from the mid-year GASB 53 adjustment of the basis swap market valuation. As of June 30, 2014, additional federal and state grants in support of various capital projects have been awarded and will be available to be drawn by the authority during the last quarter of the year and will be recognized as revenue in accordance with generally accepted accounting principles as the authority prepares its year-end audited financial statements.

AUTHORITY ENVIRONMENTAL MATTERS

The Airport System is subject to a wide variety of federal, state and local environmental laws and regulations that impact, among other things, operations or facilities and properties owned or operated by the Authority. Among the types of regulatory requirements affecting the Authority are: air, water and noise quality control requirements; specific regulatory requirements applicable to solid waste, toxic and hazardous substances; requirements for training employees in the proper handling of hazardous materials; cleanup of contaminated land and groundwater; and other similar requirements. The operations at the Airport System, as with most airport systems in similar or larger airport service regions, make the Authority susceptible to the practical, financial and legal risks associated with compliance with such laws and regulations. Such risks may result in damage to individuals, property or the environment; may

interrupt operations or increase the Authority's cost; may result in legal liability, damages, injunctions or fines; may trigger investigations, administrative proceedings, penalties or other governmental agency actions; may include third party lawsuits; and may result in material adverse consequences to the operations or financial conditions of the Authority and the Airport System.

To address noise and environmental matters, the Authority initiated a number of programs. Pursuant to an Airport Noise and Land Use Compatibility Study (the "*Study*") adopted by the Authority in 1987, the Authority began a program of land acquisition for noise mitigation. In 1992, the Authority updated and revised the Study (the "*1992 Study*") and expanded the land acquisition program to include approximately 750 additional homes at an estimated cost of \$101.0 million. As of December 31, 2013, the Authority had spent approximately \$102.57 million (which includes relocation costs) under this program. Land acquisition approved in the 1992 Study is essentially complete, with an estimated 30 homes remaining eligible for purchase, assuming 100 percent participation.

In September 1996, the Authority initiated a second update of the noise compatibility plan developed in accordance with Federal Aviation Regulation Part 150 (the "*Noise Compatibility Plan*") to validate noise impacts with respect to the opening of the new runway 5R-23L and to maximize runway capacity during late night cargo operations. The updated Noise Compatibility Plan recommended a continuation of the 1992 Guaranteed Purchase Program to include an additional 132 homes, of which 127 have been acquired by the Authority and the addition of a Sound Insulation Program with the option of purchase assurance for 368 homes. The updated Noise Compatibility Plan also recommended that a Sales Assistance Program be implemented for 963 homes that experience noise impact but which do not meet the requirements for the other federally assisted programs. The FAA approved the 1996 update of the Noise Compatibility Plan in October 1998. The Sound Insulation Program effectively ended in 2010; however, 317 homes were sound insulated under this program. Under the Purchase Assurance Program, the Authority would purchase the property, sound insulate the home and then resell the property on the open market. The Purchase Assurance Program also effectively ended in 2010; however, 118 homes were sold to the Authority under this program, were sound insulated and then re-sold on the open market. Participation in the Sound Insulation Program required the homeowners to grant an Air Easement & Non-Suit Covenant to the Authority for its benefit and protection. With respect to homes acquired and then re-sold under the Purchase Assurance Program, they would have a similar air easement placed of record on the title that would run with the land. A third program, Sales Assistance, is still in effect and is available to approximately 487 homes, of which 382 requests have been completed. The Sales Assistance Program is available for single-family homes located in certain denoted areas near the Airport; and, through this program, the Authority provides the homeowner with a sum of money equal to ten percent (10%) of the contract sale price of their home (tenant-occupied homes are not eligible) in exchange for the placement of specified noise disclosure language in the sale agreement and the deed conveying the property. The above-referenced programs, excluding Sales Assistance, have been eligible for reimbursement from PFCs and FAA noise grants (at 80% reimbursement).

In September 2002, the Authority initiated an update of its noise exposure maps with respect to the Airport. The update of the noise exposure maps was completed during the summer of 2003. The Airport's noise contours, as determined by the map update, are somewhat smaller, thereby reducing the number of persons exposed to 65 DNL (yearly day/night average sound levels, or DNL) noise levels primarily due to the United States Postal Service's (USPS) Agreement with FedEx that relocated the USPS daytime and nighttime aircraft operations to Memphis, Tennessee. The 65 DNL noise level is the federal standard for noise mitigation programs. In October 2007, the Authority initiated the Federal Aviation Regulation Part 150 process to update the 2003 Noise Exposure Maps. This update was completed in November 2008, submitted to the FAA in December 2008, and was accepted by the FAA in August 2009. The update in the Airport's Noise Exposure Maps did not result in a material change in the Airport's noise contours, nor was any change made to the Airport's Noise Compatibility Plan. The Authority is again going through a noise update, a process typically done on five-year intervals.

The Authority was issued a renewal of its authorization to discharge storm water from the Airport under a National Pollutant Discharge Elimination System ("*NPDES*") permit, effective December 1, 2012, by the Indiana Department of Environmental Management ("*IDEM*"). The NPDES permit expires November 30, 2017. This permit establishes discharge limitations for various elements with particular emphasis on ammonia, COD and propylene glycol resulting from aircraft and airfield deicing activities. The Authority meets all requirements as specified in the 2012 NPDES permit. The Authority's authorization to discharge storm water to the CWA Authority, Inc. sewer system for proper treatment was renewed effective August 1, 2014. This Industrial Pretreatment Program permit expires July 31, 2019.

The Authority was issued authorization for emissions from the Airport under a Part 70 Operating Air Permit by IDEM. This permit was renewed on July 7, 2010 and expires in July, 2015. The Authority is in compliance with the applicable Part 70 Operating Air Permit.

In order to comply with certain environmental laws, the Authority has implemented a natural resource mitigation program to create, monitor and maintain wetlands along with habitats for the endangered Indiana bat. As of June 31, 2014, the Authority had acquired approximately 1,940 acres in order to replace wetland and bat habitat areas that were removed during the construction of the Indianapolis Maintenance Center and runway 5L-23R. The Authority will continue to maintain and monitor: 1) bat habitats under this program through the year 2016 and approximately 2,000 acres of wetlands and certain associated summer bat habitats in perpetuity; or, 2) until control over such areas is transferred to an appropriate third party (e.g., conservation organization). Approximately \$22.9 million has been spent under this program, of which approximately 28% was eligible for reimbursement from the FAA in the form of grant funding for land acquisition. To date, the cost for implementing the federally approved Habitat Conservation Plan, (primarily for required habitat monitoring for the federally endangered Indiana Bat), has been approximately \$2.7 million.

RISKS AND OTHER INVESTMENT CONSIDERATIONS

The purchase and ownership of the 2014 Bond Bank Bonds involve investment risks and considerations. Prospective investors should read this Official Statement in its entirety. The factors set forth below, among others, may affect the security for the 2014 Bond Bank Bonds.

In considering the matters set forth in this Official Statement, prospective investors should carefully review all investment considerations set forth throughout this Official Statement and should specifically consider risks associated with the 2014 Bond Bank Bonds. The Authority's ability to derive Net Revenues from operation of the Airport System in amounts sufficient to pay debt service on the 2014 Authority Bonds, and therefore to pay the 2014 Bond Bank Bonds, depends upon many factors, many of which are beyond the control of the Authority. These factors include the financial strength of the air transportation industry in general and the financial strength of the airlines and other businesses that operate at the Airport.

Dependence on Levels of Airline Traffic and Activity

The 2014 Bond Bank Bonds are payable solely from and secured by payments received from the Authority on the 2014 Authority Bonds and by certain funds and accounts held under the Indenture. The 2014 Authority Bonds are payable from and secured by a pledge of Net Revenues of the Airport System. The overall level of Gross Revenues for the Airport System is dependent primarily on the level of aviation activity and enplaned passenger traffic at the Airport. Several factors, including (1) the challenging global and national economic environment that began in late 2007, (2) weakened demand for air travel, (3) reduced airline passenger capacity, and (4) increased airline pricing have adversely impacted levels of passenger traffic and associated revenues at the Airport. Future levels of aviation activity and enplaned passenger traffic at the Airport will be dependent upon many local, regional, national and international factors, including the national and local unemployment rate, the prolonged weak global and national economic conditions, political conditions, aviation security and public health concerns, the financial health of the airline industry and of individual airlines, airline service and routes, airline competition and airfares, the sale or merger of airlines, alliances and consolidations, availability and price of aviation and other fuel, employee cost and availability and labor relations within the airline industry and capacity of the national air traffic control system and of the Airport, some of which are discussed in further detail hereafter in this section. See, "AIRPORT SERVICE REGION."

Current Economic Conditions

Historically, airline passenger traffic nationwide has correlated closely with the state of the U.S. economy and levels of real disposable income. Previous recessions and periods of stagnant economic conditions in the U.S., Indiana and Indianapolis contributed to reduced passenger traffic at the Airport during such periods. Further, the 2008-2009 recession and associated high unemployment and reduced discretionary income contributed to reduced or stagnant airline travel demand at the Airport in recent years.

With the globalization of business and the increased importance of international trade and tourism, growth in the U.S. economy has become more closely tied to worldwide economic, political, and social conditions. As a result, international economic conditions, trade balances, currency exchange rates, political relationships, and hostilities are important influences on passenger traffic at U.S. airports, including the Airport. Sustained future increases in passenger traffic at the Airport will depend in part on stable international conditions as well as national and global economic growth. See also “Dependence on Levels of Airline Traffic and Activity” above.

Financial Condition of the Airlines; Industry Consolidation

The recent global recession, sluggish recovery from the 2008-2009 recession and high fuel prices, among other things, resulted in airlines raising fares, adding new fees and surcharges while reducing capacity and the size of their fleets, as well as personnel. In addition, several airlines merged or consolidated, while others either reorganized under applicable bankruptcy laws or ceased operations. Neither the Bond Bank nor the Authority is able to predict whether any future airline mergers, consolidations, reorganizations or liquidations will occur or the impact that any such events may have on the operations of the Airport. See also “Dependence on Levels of Airline Traffic and Activity,” “Current Economic Conditions,” “Cost, Availability and Price Volatility of Aviation Fuel,” and “Risk of Airline Bankruptcies” in this section.

Cost, Availability and Price Volatility of Aviation Fuel

The level of prices, the availability and the price volatility of aviation fuel are some of the most significant and uncertain factors impacting the airline industry. In 2008, according to the Air Transport Association, fuel overtook labor as the industry’s largest operating expense. In recent years, fuel prices increased as a result of rising global demand and political instability in oil producing countries in the Middle East and North Africa. In recent years, some airlines have passed the higher fuel costs to consumers by imposing fuel surcharges, increasing the price of airfares and associated services, or reducing capacity, fleet and personnel.

Despite these types of efforts, aviation fuel costs had, and are likely to continue to have, an adverse impact on the air transportation industry by increasing airline operating costs, hampering airline financial recovery plans and reducing airline profitability. The Bond Bank and the Authority are not able to predict how continued uncertainty with respect to the cost, availability and volatility of prices of aviation fuel will impact the Airport or the airlines operating at the Airport. See “Dependence on Levels of Airline Traffic and Activity,” and “Current Economic Conditions,” “Financial Condition of the Airlines; Industry Consolidation” in this section.

Air Travel Security, Public Health and Natural Disasters Concerns

Concerns about the safety of airline travel and the effectiveness of security precautions, particularly in the context of international hostilities (such as those that have occurred and are currently occurring in the Middle East and North Africa) and terrorist attacks, as well as public health and natural disaster concerns, may influence passenger travel behavior and air travel demand. Travel behavior may be affected by anxieties about the safety of flying, the inconveniences and delays associated with more stringent security screening procedures, the potential exposure to severe illnesses and natural disasters (such as volcano eruptions, earthquakes and tsunamis), all of which could lead to the avoidance of airline travel or the use of alternate modes of transportation.

Regulations and Restrictions Affecting the Airport

The operations of the Airport are affected by a variety of contractual, statutory and regulatory restrictions and limitations, including, without limitation, the provisions of the Airline Agreements, the federal acts authorizing the imposition, collection and use of PFCs, and extensive federal legislation and regulations applicable to all domestic airports. It is not possible to predict whether future restrictions or limitations on Airport operations will be imposed, whether future legislation or regulations will affect anticipated federal funding or PFC collections for capital projects for the Airport, whether additional requirements will be funded by the federal government or require funding by the Authority or whether such restrictions or legislation or regulations would adversely affect Gross Revenues.

Authority Qualified Derivative Agreements

The Authority has entered into various Qualified Derivative Agreements as discussed herein under “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS – Qualified Derivative Agreements.” These Qualified Derivative Agreements provide a hedge against future interest rate risk with regard to the 2010C Bonds. The ability of the Authority to realize the benefit of the Qualified Derivative Agreements will be dependent, in part, on the continuing creditworthiness of the Counterparties and the ongoing relationship between the variable rate payable on the 2010C Bonds and the variable rate received from the Counterparty under each Hedge Agreement. In the event that any Counterparty, due to the financial difficulties or otherwise, is unable or unwilling to honor its obligations under its Hedge Agreement, or the variable rate payable on the 2010C Bonds exceeds the variable rate received from the Counterparty by a material amount over time, the Authority could lose the benefit of its hedging strategy. There can be no assurance that the Counterparties will be able to honor its obligations under the Hedge Agreements. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BOND BANK BONDS – Qualified Derivative Agreements.”

Liquidity Risks Surrounding Direct Purchase Bonds

The Authority currently has more than \$337 million in Authority Revenue Bonds purchased and held by banks. The agreements with these banks entered into in relation to the purchase of such Authority Revenue Bonds, as shown in Table 3, have termination dates in 2015 and 2017. The ability of the Authority to remarket or place such bonds on the termination dates with another holder and the interest rate that will apply to such bonds thereafter, is dependent upon the Authority’s financial position at the time of the termination, as well as general economic factors present at such time. The Authority is unable to predict the impact on the Authority’s financial position due to the termination of such agreements.

Impact of Federal Sequestration

Federal funding received by the Airport could be adversely affected by implementation of certain provisions of the Budget Control Act of 2011 (Pub. L. 112-25) (the “Budget Control Act”), which was signed into law by President Obama on August 2, 2011. As a result of the failure of the Joint Select Committee on Deficit Reduction to reach an agreement on the deficit reduction actions as required by the Budget Control Act, sequestration has been triggered in recent years. Sequestration could adversely affect FAA operations and the availability of certain federal grant funds typically received annually by the Airport. These federal spending cuts would likely be spread over a number of years. In addition to adversely affecting the United States economy, commercial aviation operations throughout the United States could also be adversely affected, due to layoffs or furloughs of federal employees responsible for certain critical federal airport functions, however, on May 1, 2013, President Obama signed into law the Reducing Flight Delays Act of 2013 (H.R. 1765), which ended FAA air traffic controller furloughs, that had caused air traffic delays across the nation, but which reduced the amount of available AIP funds in the federal fiscal year of 2013 by \$253 million to pay for such controller costs. The full impact of such sequestration measures, or any such future actions, on the Airport, however, cannot be predicted.

Airline Agreements

Pursuant to the Airline Agreements between the Authority and each of the Signatory Airlines, each Signatory Airline agrees to pay rentals, fees, and charges for its use of the Airport System in an amount that is sufficient to generate total Gross Revenues sufficient to satisfy the Rate Covenant and is based upon a model that includes other amounts as well. See “THE AIRPORT AND AIRPORT SYSTEM-Authority Agreements-Airline Agreements”. All the Airline Agreements are scheduled to expire on December 31, 2015. At this time, the Authority and the Signatory Airlines are commencing discussions regarding new airline agreements. Although the Authority desires to enter into new agreements with the Signatory Airlines, no assurances can be made concerning the outcome of any such discussions or the terms and conditions, including the rate-setting mechanism, of any new airline agreements. Any new Airline Agreements or, in the absence of such agreements, an ordinance of the Authority, may include rate-setting and other provisions that differ from the Authority’s practice under the current Airline Agreements. These differences may be material. However, the Authority is obligated under the Authority Bond Ordinance to charge rates that are sufficient to generate Gross Revenues sufficient to pay Operating and Maintenance Expenses as well as debt service and coverage on the Authority Revenue Bonds, including the 2014 Authority Bonds, taking into account other available revenues and funds. See “SECURITY AND SOURCES OF PAYMENTS FOR 2014

BOND BANK BONDS—Rate Covenant” and “THE AIRPORT AND AIRPORT SYSTEM—Authority Agreements—*Airline Agreements*.”

Risk of Airline Bankruptcies

Since 2001, several airlines with operations at the Airport have filed for bankruptcy protection. However, with limited exceptions, these airlines have successfully reorganized and emerged from bankruptcy protection. Furthermore, additional bankruptcies, liquidations or major restructurings of airlines with operations at the Airport could occur in the future. The Bond Bank and the Authority cannot predict the extent to which any such events would impact the ability of the Airport to pay the outstanding Airport Revenue Bonds, including the 2014 Authority Bonds.

Loss of PFCs

The FAA has the power to terminate the authority to impose PFCs, if the Authority’s PFCs are not used for approved projects, if project implementation does not commence within the time period specified in the FAA’s regulations or if the Authority otherwise violates FAA regulations. The Authority’s authority to impose a PFC also may be terminated if the Authority violates certain provisions of the Airport Noise and Capacity Act of 1990 (the “ANCA”) and its implementing relations relating to the implementation of noise and access restrictions for certain types of aircraft. The regulations under ANCA also contain procedural safeguards to ensure that the Authority’s authority to impose a PFC would not be summarily terminated. The Authority’s expectation is premised upon certain assumptions with respect to the timing and amounts of the Authority’s PFC applications and the availability of PFCs to fund debt service. In the event PFC revenue is lower than expected, there may be a material adverse effect on Airport operations, capital improvements and the financial condition of the Authority. It is not possible to predict whether future restrictions or limitations on Airport operations will be imposed, whether future legislation or regulations will affect anticipated federal funding or PFC revenue collections for capital projects for the Airport or whether such restrictions or legislation or regulations would adversely affect Gross Revenues.

Limitations on Bondholders’ Remedies

The occurrence of an Event of Default under the Authority Bond Ordinance does not grant a right to accelerate payment of the 2014 Authority Bonds. As a result, the Authority may be able to continue indefinitely collecting revenues and applying them to the operation of the Airport, even if an Event of Default has occurred and no payments or insufficient payments are being made on the 2014 Authority Bonds. See, “SECURITY AND SOURCES OF PAYMENT FOR 2014 BOND BANK BONDS—Events of Default and Remedies; No Acceleration.”

Forward Looking Statements

This Official Statement contains statements relating to future results that are “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “anticipate,” “forecast,” “project,” “intend,” “propose,” “plan,” “expect,” “assume” and similar expressions identify forward looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements.

Future Tax Developments

Future or pending federal legislative proposals (if enacted), regulations, rulings or court decisions may cause all or a portion of the interest on the 2014 Bond Bank Bonds to be subject, directly or indirectly, to federal income taxation or cause interest on the 2014 Bond Bank Bonds to be subject, directly or indirectly, to State or local income taxation, or may otherwise prevent beneficial owners of the 2014 Bond Bank Bonds from realizing the full current benefit of the tax status of such interest. Legislation or regulation actions and future or pending proposals may also affect the economic value of the federal or state tax exemption or the market value of the 2014 Bond Bank Bonds. Prospective purchasers of the 2014 Bond Bank Bonds should consult their tax advisors regarding any future, pending or proposed federal tax legislation, regulations, rulings or litigation as to which Bond Counsel expresses no opinion. See “TAX MATTERS.”

LITIGATION

Absence of Litigation Relating to the 2014 Bond Bank Bonds and the 2014 Authority Bonds

There is not now pending or, to the Bond Bank's or Authority's respective knowledge, threatened any litigation restraining or enjoining the issuance, sale, execution or delivery of the 2014 Bond Bank Bonds or the 2014 Authority Bonds; or in any way contesting or affecting the validity of the 2014 Bond Bank Bonds or the 2014 Authority Bonds or any proceedings of the Bond Bank or the Authority taken with respect to the issuance or sale thereof, or application of any moneys or security provided for payment of the 2014 Bond Bank Bonds or the 2014 Authority Bonds. Neither the creation, organization, nor existence of the Bond Bank or the Authority nor the title of any of the present directors or other officers of the Bond Bank Board or Authority Board to their respective offices is being contested.

Other Litigation

Several claims for alleged personal injury or property damage are pending against the Authority, which are fully insured and being defended by the Authority's insurer. A counterclaim is also pending against the Authority in connection with a lawsuit filed by the Authority in 2013 to collect on overdue rental due from a tenant, which involves a small building at the Airport that was formerly used as a gasoline station. The nature of the Authority's business generates a certain amount of these kinds of claims or litigation; however, the Authority believes that the ultimate outcome of the foregoing matters, in the aggregate or individually, should not have a material adverse effect on its financial position.

TAX MATTERS

In the opinion of Ice Miller, Indianapolis, Indiana ("*Bond Counsel*"), under existing statutes, decisions, regulations and rulings, interest on the 2014 Bond Bank Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the 2014 Bond Bank Bonds (the "*Code*") except for interest on any 2014 Bond Bank Bond for any period during which such 2014 Bond Bank Bond is held by a person who is a "substantial user" or a "related person," as defined in Section 147 of the Code. The opinion of Bond Counsel is based on certain certifications, covenants and representations of the Bond Bank, the Authority, and the City and is conditioned on continuing compliance therewith. In the opinion of Bond Counsel, under existing statutes, decisions, regulations and rulings, interest on the 2014 Bond Bank Bonds is exempt from income taxation in the State. See "APPENDIX B—FORM OF BOND COUNSEL OPINION".

The Code imposes certain requirements which must be met subsequent to the issuance of the 2014 Bond Bank Bonds as a condition to the excludability of interest on the 2014 Bond Bank Bonds from gross income for federal income tax purposes. Noncompliance with such requirements may cause interest on the 2014 Bond Bank Bonds to be included in gross income for federal income tax purposes retroactively to the date of issue, regardless of the date on which noncompliance occurs. Should the 2014 Bond Bank Bonds bear interest that is not excludable from gross income for federal income tax purposes, the market value of the 2014 Bond Bank Bonds would be materially and adversely affected. It is not an event of default under the Indenture if interest on the 2014 Bond Bank Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the date of issuance of the 2014 Bond Bank Bonds.

The interest on the 2014 Bond Bank Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

Indiana Code 6-5.5 imposes a franchise tax on certain taxpayers (as defined in Indiana Code 6-5.5) which, in general, includes all corporations which are transacting the business of a financial institution in Indiana. The franchise tax is measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code.

Although Bond Counsel will render an opinion that interest on the 2014 Bond Bank Bonds is excludable from gross income for federal income tax purposes and exempt from State income tax, the accrual or receipt of interest on the 2014 Bond Bank Bonds may otherwise affect a bondholder's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the 2014 Bond Bank Bonds should consult their own tax advisors with regard to the other tax consequences of owning the 2014 Bond Bank Bonds.

The foregoing does not purport to be a comprehensive description of all of the tax consequences of owning the 2014 Bond Bank Bonds. Prospective purchasers of the 2014 Bond Bank Bonds should consult their own tax advisors with respect to the foregoing and other tax consequences of owning the 2014 Bond Bank Bonds.

Legislation affecting municipal bonds is considered from time to time by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the 2014 Bond Bank Bonds will not have an adverse effect on the tax-exempt status or market price of the 2014 Bond Bank Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering prices of the 2014 Bond Bank Bonds maturing on _____, through and including _____ (collectively, the "*Discount Bonds*"), are less than the principal amounts thereof payable at maturity. As a result, the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price of each maturity of the Discount Bonds, as set forth on the inside front cover page of this Official Statement (assuming it is the first price at which a substantial amount of that maturity is sold) (the "*Issue Price*" for such maturity), and the amount payable at its maturity, will be treated as "original issue discount." The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Discount Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending on _____ and _____ (with straight line interpolation between compounding dates). An owner who purchases a Discount Bond in the initial public offering at the Issue Price for such maturity will treat the accrued amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes.

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner's tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption or payment at maturity). Owners of Discount Bonds who dispose of Discount Bonds prior to maturity should consult their tax advisors concerning the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

The original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial public offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discount Bonds. It is possible under the applicable provisions governing the

determination of state or local income taxes that accrued interest on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

AMORTIZABLE BOND PREMIUM

The initial public offering price of the 2014 Bond Bank Bonds maturing on _____ through and including _____ (collectively, the “*Premium Bonds*”), is greater than the principal amount payable at maturity. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the “*Bond Premium*”). An owner who acquires a Premium Bond in the initial public offering will be required to adjust the owner’s basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds, including sale, redemption or payment at maturity. The amount of amortizable Bond Premium will be computed on the basis of the taxpayer’s yield to maturity, with compounding at the end of each accrual period. Rules for determining (1) the amount of amortizable Bond Premium and (2) the amount amortizable in a particular year are set forth in Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of the Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities, are found in Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their own tax advisors concerning the treatment of Bond Premium.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The remedies available to the Bond Bank Trustee or the Bondholders for the 2014 Bond Bank Bonds upon a default under the Indenture, and to the Authority Trustee or the Bond Bank under the Authority Bond Ordinance are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the United States Bankruptcy Code), the remedies provided in the Indenture and the Authority Bond Ordinance, may not be readily available or may be limited.

The various legal opinions to be delivered concurrently with the delivery of the 2014 Bond Bank Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State of Indiana and the United States of America and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Those exceptions encompass any exercise of the federal, State or local police powers (including the police powers of the City and the Authority) in a manner consistent with the public health and welfare. Enforceability of the Indenture and the Authority Bond Ordinance in a situation where such enforcement may adversely affect public health and welfare may be subject to those police powers.

The various legal opinions to be delivered concurrently with the delivery of the 2014 Bond Bank Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

FORWARD LOOKING STATEMENTS

This Official Statement contains statements relating to future results that are “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect” and similar expressions identify forward looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements. Among the factors that may cause projected revenues and expenditures to be materially different from those anticipated are, among other things, an inability to incur debt at assumed rates, weather impacts, general economic downturns, factors affecting air travel in general, federal legislation and/or regulations, and regulatory and other restrictions. Any forecast is subject to such uncertainties. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization, issuance, sale and delivery of the 2014 Bond Bank Bonds are subject to the approval of Ice Miller, Indianapolis, Indiana, Bond Counsel, whose approving legal opinion will be delivered with the 2014 Bond Bank Bonds, substantially in the form found in APPENDIX B. Certain legal matters will be passed on by Joseph Heerens, General Counsel for the Authority, by Gregory Clark, as general counsel to the Bond Bank, and by Frost Brown Todd LLC, as disclosure counsel to the Authority and by Krieg DeVault LLP, Indianapolis, Indiana, as counsel for the Underwriters.

RATINGS

Standard & Poor’s Rating Services (“S&P”), Moody’s Investors Services (“Moody’s”) and Fitch Ratings (“Fitch”) have assigned the 2014 Bond Bank Bonds ratings of “___,” “_____” and “_____”, respectively, all with a stable outlook. An explanation of the significance of the ratings should be obtained from S&P, Moody’s and Fitch, respectively. Such ratings reflect only the views of such rating agencies, and there is no assurance that any rating will continue for any given period of time or that any rating will not be revised downward or withdrawn entirely by the applicable rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of a rating may have an adverse on the market price of the 2014 Bond Bank Bonds.

The Underwriters have undertaken no responsibility either to bring to the attention of the owners of the 2014 Bond Bank Bonds any proposed revision or withdrawal of the rating of the 2014 Bond Bank Bonds or to oppose any such proposed revision or withdrawal. Other than the reporting obligation of the Bond Bank and the Authority pursuant to the Continuing Disclosure Undertaking Agreement (as defined herein), the Bond Bank, the Authority and the City have not undertaken any responsibility to bring to the attention of the owners of the 2014 Bond Bank Bonds any proposed change in or withdrawal of such ratings once received or to oppose any such proposed revision.

UNDERWRITING

A group of underwriters, represented by Merrill Lynch, Pierce, Fenner & Smith Incorporated (collectively, the “Underwriters”), has agreed, jointly and severally to purchase the 2014 Bond Bank Bonds subject to certain conditions set forth in the Bond Purchase Agreement with the Bond Bank. The Bond Purchase Agreement provides that the obligations of the Underwriters to accept delivery of the 2014 Bond Bank Bonds are subject to various conditions of the Bond Purchase Agreement, but the Underwriters will be obligated to purchase all the 2014 Bond Bank Bonds, if any are purchased. The Underwriters have agreed to purchase the 2014 Bond Bank Bonds at an aggregate price of \$_____ (reflecting an Underwriters’ discount of \$_____ and net original issue premium of \$_____).

The 2014 Bond Bank Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell such 2014 Bond Bank Bonds into investment accounts.

The Underwriters reserve the right to join with dealers and other underwriters in offering the 2014 Bond Bank Bonds to the public.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Bond Bank, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities), which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Bond Bank.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or other instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

BMO Capital Markets is the trade name for certain capital markets investment banking services of Bank of Montreal and its subsidiaries, including BMO Capital Markets GKST, Inc. which is a directly, wholly-owned subsidiary of BMO Financial Corp. which itself is a wholly-owned subsidiary of Bank of Montreal.

The Underwriters retained Underwriters' counsel based, in part, on the recommendation of the Bond Bank.

2014 BOND BANK BONDS AS LEGAL INVESTMENTS

Pursuant to the Bond Bank Act, all Indiana financial institutions, investment companies, insurance companies, insurance associations, executors, administrators, guardians, trustees and other fiduciaries may legally invest sinking funds, money, or other funds belonging to them or within their control in bonds or notes issued by the Bond Bank.

AGREEMENT WITH STATE

The Bond Bank Act provides that the State will not limit or restrict the rights vested in the Bond Bank to fulfill the terms of any agreement made with the owners of the 2014 Bond Bank Bonds or in any way impair the rights or remedies of the owners of the 2014 Bond Bank Bonds for so long as the 2014 Bond Bank Bonds are outstanding.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of certain mathematical computations showing that payments on the 2014 Authority Bonds have been structured to be sufficient to pay principal of and interest on the 2014 Bond Bank Bonds when due will be verified by _____, _____, independent certified public accountants. Such verification shall be based upon certain information and assumptions supplied by the Bond Bank and the Underwriters.

The accuracy of certain mathematical computations showing that amounts deposited into the 2004 Escrow Account pursuant to the terms of the escrow agreement pertaining to the Refunded Bonds Bank Bonds will be sufficient to pay principal of, interest on and the redemption price for the Refunded Bond Bank Bonds when due will be verified by _____, independent certified public accountants, Indianapolis, Indiana, as set forth in "REFINANCING PLAN – The Bonds to Be Refunded and Exchanged."

FINANCIAL ADVISOR

Jefferies LLC, Boston, Massachusetts (“*Jefferies*”) is a registered municipal advisor and served as financial advisor to the Bond Bank and the Authority with respect to the sale of the 2014 Bond Bank Bonds. As the Bond Bank and the Authority’s financial advisor, Jefferies has assisted in the preparation of portions of this Official Statement and in other matters relating to the planning, structuring, rating and issuance of the 2014 Bond Bank Bonds. In its role of financial advisor to the Bond Bank and the Authority, Jefferies has not undertaken either to make an independent verification of or to assume responsibility for the accuracy or completeness of the information contained in this Official Statement.

AVAILABILITY AND INCORPORATION BY REFERENCE OF DOCUMENTS AND FINANCIAL INFORMATION

On _____, the City filed with the Municipal Securities Rulemaking Board (the “*MSRB*”), the Comprehensive Annual Financial Report of the City for the year ended December 31, 2013 and on July 25, 2014, the Authority filed with the MSRB, the Comprehensive Annual Financial Reports of the Authority of the year ended December 31, 2013 (the “*Authority CAFR*”). There is hereby included in this Official Statement by this reference the information contained in the Authority CAFR, which information should be read in its entirety in conjunction with this Official Statement.

Copies of the Authority CAFR may be obtained from the MSRB pursuant to its usual procedures and at its prescribed rates. There can be no assurance that there have not been material changes in the financial position of the Authority since the date of the most recent available Authority CAFR. Upon request and receipt of payment for reasonable copying, mailing and handling charges, the Bond Bank will make available copies of the most recent Authority CAFR, any interim financial information that it receives, any authorizing or governing instruments defining the rights of owners of the 2014 Bond Bank Bonds or the owners of the 2014 Authority Bonds and available financial and statistical information regarding the Bond Bank and the Authority. Requests for documents and payments therefor should be directed and payable to Deron S. Kintner, Esq. Executive Director, The Indianapolis Local Public Improvement Bond Bank, Suite 2342, 200 East Washington Street, Indianapolis, Indiana 46204.

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in SEC Rule 15c2-12, as amended (the “*SEC Rule*”), the Bond Bank will deliver a Continuing Disclosure Undertaking Agreement (the “*Undertaking*”), to be dated the date of delivery of the 2014 Bond Bank Bonds. The Bond Bank and the Authority are the only Obligor under the SEC Rule. Pursuant to the terms of the Undertaking, the Authority will agree to provide the following information while any of the 2014 Bond Bank Bonds are outstanding:

- Audited Financial Statements. To the Bond Bank and to the MSRB, through its EMMA system, when and if available, the audited CAFR of the Authority for each twelve (12) month period ending December 31st, beginning with the twelve (12) month period ending December 31, 2014, together with the opinion of such accountants and all notes thereto, within sixty (60) days of receipt from the certified public accountants; and
- Financial Information in this Official Statement. To the MSRB, through its EMMA system, within 210 days of each December 31st, beginning with the calendar year ending December 31, 2014, unaudited annual financial information for the Authority for such calendar year including unaudited annual financial information of the Authority for such calendar year including operating data of the type included in the following sections of this Official Statement: [“**THE AIRPORT AND THE AIRPORT SYSTEM—Historical Airport Activity,**” “**CAPITAL IMPROVEMENT PROGRAM—Plan of Funding for 2001-2010 CIP-PFCs,**” “**AIRPORT FINANCIAL INFORMATION—Historical Operating Results**”] [to be updated as POS finalized] (collectively, the “**Annual Information**”) and
- Event Notices. In a timely manner, not in excess of ten (10) business days of occurrence, the following events:

(A) Events Disclosed if Material.

- (1) non-payment related defaults;
- (2) modifications to the rights of Bondholders;
- (3) bond calls (other than scheduled mandatory sinking redemptions for which notice is given in accordance with the Indenture);
- (4) release, substitution or sale of property securing repayment of the Bonds;
- (5) mergers, consolidations or acquisitions involving any Obligated Persons, or the sale of all or substantially all of the assets of any Obligated Persons, including the entry into or the termination of agreements providing for such; and
- (6) the appointment of a successor trustee or co-trustee or the change of name of any trustee.

(B) Events Disclosed Without Regard to Materiality.

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, or their failure to perform;
- (5) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2014 Bond Bank Bonds, or other material events affecting the tax status of the 2014 Bond Bank Bonds;
- (6) defeasances;
- (7) rating changes;
- (8) tender offers; and
- (9) bankruptcy, insolvency, receivership or similar event of any Obligated Person.

Events listed in subsection (A) shall be disclosed only if they are deemed to be material (which determination of materiality shall be made to the Bond Bank by the Authority in accordance with the standards established by federal securities laws). Events listed in subsection (B) shall be disclosed regardless of whether or not they are determined to be material in nature. The Authority may from time to time choose to provide notice of the occurrence of any other event, in addition to those listed above, if, in the judgment of the Authority, such other event is material with respect to the Bonds and should be disclosed, but the Authority does not commit to provide any such notice of the occurrence of any event except those events set forth above; and

- Failure to Disclose. In a timely manner, to the MSRB, through its EMMA system, notice of the Authority failing to provide the audited financial statements or Annual Information as described earlier.

The Bond Bank and the Authority may, from time to time, amend or modify the Undertaking without the consent of or notice to the owners of the 2014 Bond Bank Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or, change in the identity, nature or status of the obligated persons, or type of business conducted; (ii) the Undertaking, as so amended or modified, would have complied with the requirements of the SEC Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and (iii) such amendment or modification does not materially impair the interests of the holders of the 2014 Bond Bank Bonds, as determined either by (A) any person selected by the Authority that is unaffiliated with the Bond Bank or the Authority (such as the Bond Bank Trustee and Authority Trustee) or (B) an approving vote of the holders of the 2014 Bond Bank Bonds pursuant to the terms of the Indenture at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds the Undertaking) is permitted by the SEC Rule, as then in effect.

The Bond Bank and the Authority may, in their sole discretion, use an agent in connection with the dissemination of any annual financial information required to be provided by the Authority pursuant to the terms of the Undertaking.

The purpose of the Undertaking is to enable the Underwriters to purchase the 2014 Bond Bank Bonds by providing for an undertaking by the Bond Bank and the Authority in satisfaction of the SEC Rule. The Undertaking

is solely for the benefit of the owners of the 2014 Bond Bank Bonds and creates no new contractual or other rights for, nor can it be relied upon by the SEC, Underwriters, brokers, dealers, municipal securities dealers, potential customers, other obligated persons, or any other third party. The sole remedy against the Bond Bank or the Authority for any failure to carry out any provision of the Undertaking shall be for specific performance of the Bond Bank's and the Authority's disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The Bond Bank's and the Authority's failure to honor its covenants under the Undertaking shall not constitute a breach or default of the 2014 Bond Bank Bonds, the Indenture, the 2014 Authority Bonds, the Authority Bond Ordinance or any other agreement to which the Bond Bank or the Authority is a party.

Compliance with Previous Undertakings

The Bond Bank previously failed to file certain annual financial information for the fiscal years ended December 31, 2008 through December 31, 2013. The Bond Bank filed the necessary corrective supplemental annual financial information in 2013 and 2014 and all existing continuing disclosure agreements are in compliance in all material respects. The Bond Bank has implemented procedures to remedy such failures, provide oversight and to ensure compliance with its annual disclosure obligations in the future. **[The Authority has had no material failure in complying with its continuing disclosure obligations in the previous five years.]**

MISCELLANEOUS

The references, excerpts, and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the 2014 Bond Bank Bonds, the security for the payment of the 2014 Bond Bank Bonds and the rights of the owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the offices of the Underwriters; following delivery of the 2014 Bond Bank Bonds, copies of such documents may be examined at the offices of the Bond Bank.

The information contained in this Official Statement has been compiled from official and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statements made in this Official Statement involving matters of opinions or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is submitted in connection with the issuance and sale of the 2014 Bond Bank Bonds and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract or agreement between the Bond Bank, the City, the County, the Authority, the Bond Bank Trustee, the Authority Trustee, the Escrow Agent or the Underwriters and the purchasers or owners of any 2014 Bond Bank Bonds.

The delivery of this Official Statement has been duly authorized by the Board of Directors of the Bond Bank and the Authority Board of the Authority.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT
BOND BANK

By: _____
James S. Carr, Chairman

INDIANAPOLIS AIRPORT AUTHORITY

By: _____
Michael W. Wells, President

Dated: _____, 2014

APPENDIX A
AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY

APPENDIX B

FORM OF BOND COUNSEL OPINION

October ____, 2014

The Indianapolis Local Public Improvement Bond Bank
Indianapolis, Indiana

Re: The Indianapolis Local Public Improvement Bond Bank
Refunding Bonds, Series 2014D (Indianapolis Airport Authority Project)
Total Issue: \$ _____
Dated: October ____, 2014

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The Indianapolis Local Public Improvement Bond Bank (the "Issuer") of \$ _____ of its Bonds, dated October ____, 2014 (the "Bonds"), pursuant to a Trust Indenture, dated as of October 1, 2014 (the "Indenture"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee. We have examined the law and the certified transcript of proceedings that the Issuer had relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render this opinion. We have relied upon the certified transcript of proceedings and certificates of public officials and have not undertaken to verify any facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds are the valid and binding limited obligations of the Issuer enforceable in accordance with the terms and provisions thereof, and together with any additional bonds on a parity therewith hereafter issued, will be secured by a pledge of and payable solely from the Trust Estate (as defined in the Indenture), which includes payments received on the Indianapolis Airport Authority Refunding Revenue Bonds, Series 2014A of the Indianapolis Airport Authority (the "Authority").

2. The Indenture constitutes the valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. Under statutes, decisions, regulations and rulings existing on this date, interest on the Bonds is exempt from income taxation in the State of Indiana ("State"). This opinion relates only to the exemption of interest on the Bonds from State income taxes.

4. Under federal statutes, decisions, regulations and rulings existing on this date, interest on the Bonds is excludable from gross income for purposes of federal income taxation under Section 103 of the Internal Revenue Code of 1986, as amended ("Code"). Under Section

147(a) of the Code, the interest on any Bond will not be exempt from taxation during the time such Bond is held by a person who is a “substantial user” of the facilities financed by the Bonds or a “related person” thereto within the meaning of Section 147(a) of the Code and the regulations promulgated pursuant thereto. The interest on the Series 2014D Bonds is a specific preference item for purposes of the federal individual and corporate alternative minimum taxes. The opinions in this paragraph 3 relate only to the exclusion from gross income of interest on the Bonds for federal income tax purposes under Section 103 of the Code and are conditioned on continuing compliance with tax representations and covenants made in the Indenture, in the General Ordinance No. 6-2014 adopted on August 15, 2014, by the Authority, and in certificates of the Issuer and the Authority (collectively, “Tax Representations”). Failure to comply with the Tax Representations could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to their date of issue.

It is to be understood that the rights of the owners of the Bonds and the enforceability thereof and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity. It is to be understood that the rights of the owners of the Bonds and the enforceability thereof and of the Indenture may be subject to the valid exercise of the constitutional powers of the Authority, the City of Indianapolis, the State of Indiana and the United States of America.

Very truly yours,

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF CERTAIN LEGAL DOCUMENTS

The following is a summary of certain provisions of the Indenture and the Authority Bond Ordinance relating to the 2014 Bond Bank Bonds and the 2014 Authority Bonds, respectively, not otherwise discussed in this Official Statement. This summary does not purport to be complete and is subject in all respects to the provisions of, and is qualified in its entirety by reference to, the Indenture and the Authority Bond Ordinance. Capitalized terms in this summary not defined in this Official Statement will have the meanings set forth in the Indenture or the Authority Bond Ordinance, as applicable.

Summary of the Indenture

Summary of the Authority Bond Ordinance

Summary of Airline Agreements

APPENDIX D

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the 2014 Bond Bank Bonds. The 2014 Bond Bank Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2014 Bond will be issued for each maturity, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, 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. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (“*Direct Participants*”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“*DTCC*”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“*Indirect Participants*”), DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2014 Bond Bank Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2014 Bond Bank Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2014 Bond (“*Beneficial Owner*”) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2014 Bond Bank Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2014 Bond Bank Bonds, except in the event that use of the book-entry system for the 2014 Bond Bank Bonds is discontinued.

To facilitate subsequent transfers, all 2014 Bond Bank Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2014 Bond Bank Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2014 Bond Bank Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2014 Bond Bank Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the 2014 Bond Bank Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2014 Bond Bank Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Bank as soon as possible after the record date, The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2014 Bond Bank Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2014 Bond Bank Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Bank or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Bond Bank, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Bank or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2014 Bond Bank Bonds at any time by giving reasonable notice to the Bond Bank or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2014 Bond Bank Bonds are required to be printed and delivered.

The Bond Bank may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2014 Bond Bank Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Bond Bank believes to be reliable, but the Bond Bank takes no responsibility for the accuracy thereof.

For so long as the 2014 Bond Bank Bonds are registered in the name of DTC or its nominee or any successor securities depository or its nominee, the Bond Bank and the Bond Bank Trustee will recognize only DTC or its nominee or such successor securities depository or its nominee as the registered owner of the 2014 Bond Bank Bonds for all purposes, including payments, notices and voting.

In the event that either (1) the Bond Bank received notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the 2014 Bond Bank Bonds or (2) the Bond Bank elects to discontinue its use of DTC as a clearing agency for the 2014 Bond Bank Bonds, then the Bond Bank and the Bond Bank Trustee, Paying Agent or Registrar will do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the 2014 Bond Bank Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the 2014 Bond Bank Bonds and to transfer the ownership of each of the 2014 Bond Bank Bonds to such person or persons, including any to the clearing agency, as the holder of such 2014 Bond Bank Bonds may direct in accordance with the Indenture. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the 2014 Bond Bank Bonds will be paid by the Bond Bank.

BOARD MEMO – REVENUE DEDICATION

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Finance

Date: August 8, 2014

Board Date: August 15, 2014

Subject: Adoption of Resolution No. 8-2014

Background

The Authority staff is asking the Board to adopt Resolution No. 8-2014 (the "Resolution"), dedicating revenues collected from Passenger Facility Charges ("PFC") and Customer Facility Charges ("CFC") to pay debt service for the Authority's outstanding revenue bonds for 2015. In order to reflect the Authority's PFC and CFC revenues available to pay certain outstanding Authority debt when calculating 2015 debt service coverage ratios, an official Board action to dedicate these PFC and CFC Revenues to pay debt service on the Authority's outstanding revenue bonds is necessary. The Resolution is being put forth as part of the 2014 Revenue Bond Refunding Issue and so forecasted as dedicated within the Official Statement. It is anticipated that another dedication will be recommended by staff after completion of the business terms for the upcoming airline use agreement.

Recommendation

Consider for approval adoption of Resolution 8-2014 dedicating revenues collected from Passenger Facility Charges and Customer Facility Charges to pay debt service for the Authority's outstanding revenue bonds for 2015.

RESOLUTION NO. 8-2014

RESOLUTION OF THE INDIANAPOLIS AIRPORT AUTHORITY DEDICATING PASSENGER FACILITY CHARGE AND CUSTOMER FACILITY CHARGE REVENUES TO THE PAYMENT OF DEBT SERVICE ON REVENUE BONDS

WHEREAS, General Ordinance No. 5-2014 (the "Ordinance") has been adopted by the Indianapolis Airport Authority (the "Authority") and applies to all of the Authority's outstanding Revenue Bonds; and

WHEREAS, Section 4.19 of the Ordinance permits the Authority to identify by resolution certain passenger facility or other charges and certain other revenues of the Authority received in a given year and not treated as Gross Revenues under the Ordinance to pay debt service on Revenue Bonds and thereby exclude that amount from Debt Service Requirements (as defined in the Ordinance) for purposes of Sections 4.03 and 5.01 of the Ordinance; and

WHEREAS, the Authority intends to pay a portion of the principal and interest due on such Revenue Bonds from passenger facility charges ("PFCs") and customer facility charges ("CFCs") remitted by the airlines and rental car companies, respectively, and certain other such revenues of the Authority collected by the Authority; and

WHEREAS, the Authority now desires to dedicate a portion of the PFCs and CFCs it receives each fiscal year through fiscal year 2015 toward the payment of principal and interest on Revenue Bonds; and

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANAPOLIS AIRPORT AUTHORITY AS FOLLOWS:

1. The Authority hereby declares that, to the extent allowed by the provisions of federal law and to the extent PFCs received by the Authority total such amount, PFCs received in Fiscal Year 2015 will be dedicated solely for the purpose of paying principal and interest payments on Revenue Bonds in the amount shown on the attached Schedule I, all in accordance with Section 4.19 of the Ordinance. As a consequence, an equivalent amount of debt service on Revenue Bonds will be excluded from the calculations described in Sections 4.03 and 5.01 of the Ordinance in the year in which such Revenues are collected.

2. The Authority hereby declares that, to the extent CFCs received by the Authority total such amount, CFCs received in Fiscal Year 2015 in the amount shown on the attached Schedule II will be dedicated solely for the purpose of paying principal and interest payments on Revenue Bonds, all in accordance with Section 4.19 of the Ordinance. As a consequence, an equivalent amount of debt service on Revenue Bonds will be excluded from the calculations described in Sections 4.03 and 5.01 of the Ordinance in the year in which such Revenues are collected.
3. This Resolution shall take effect immediately upon passage.

Adopted this 15th day of August, 2014.

INDIANAPOLIS AIRPORT AUTHORITY*

By: _____
Michael W. Wells, President

Attest: _____
Alfred R. Bennett, Secretary

*Signed under authority provided in IAA Board Resolution No. 06-2013.

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Board of the Indianapolis Airport Authority, hereby certifies that the foregoing is a true and correct copy of Resolution No. 8-2014, adopted by the Board of the Indianapolis Airport Authority on the 15th day of August, 2014.

By: _____
Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY

SCHEDULE I

<u>Fiscal Year Received</u>		PFC's as Dedicated <u>Revenues</u>
2015	\$	13,200,000.00

SCHEDULE II

<u>Fiscal Year Received</u>		CFC's as Dedicated <u>Revenues</u>
2015	\$	6,200,000.00



Indianapolis Airport Authority

BOARD MEMO – PUBLIC AUCTION

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: July 31, 2014

Board Date: August 15, 2014

Subject: Public Auction of Indianapolis Maintenance Center & Indianapolis Airport Authority Assets

Background

The IMC has previously held eight public auctions. Items from past auctions have included IAA Airfield/Building Maintenance equipment, vehicles, articles from the Terminal's Lost & Found, and aviation maintenance equipment. The items have exceeded their useful life and are in need of disposal. All IMC items are accounted for and sold separately from all other IAA auction items due to the IMC Bondholder Settlement Agreement. State law is specific on the disposal of these items, therefore an auction is necessary.

In addition to State law, per the IMC Bondholder Settlement Agreement (Agreement), IAA has the right to determine the disposition of certain assets; which is in the long term interest of marketing the IMC facility so long as the disposition is done in accordance with the Bondholder Agreement. A requirement of the Agreement is to provide written notice to Bondholder Trustee and Escrow Trustee. This notification will be sent to the specific parties upon approval of Resolution No. 9-2014 by the Authority Board.

Scope

IAA Staff will take all necessary actions to dispose of the Assets listed on Exhibit 'A' of Resolution No. 9-2014. These Assets are excess and/or obsolete at the IMC and other Authority facilities.

The majority of the Assets will be disposed of during an on-site public auction to be held in late September/early October, 2014. Assets from the IMC such as building material salvaged from building modifications, GSE equipment and hangar/shop equipment will be included in the on-site auction. The firm selected to hold the on-site auction will partner with IMC Staff to assist in marketing efforts to advertise in the metro and surrounding areas of Indianapolis; as well as assist in the set-up of the event.

The remainder of the Assets will be disposed of via on-line public auction website(s). In recent years several firms who provide on-line public auction services have been vetted and approved by the state of Indiana for this purpose. Assets from the IMC to be included will

consist primarily of aircraft tooling and other specialized hangar/shop equipment. The firm(s) selected to hold the on-line public auction(s) will partner with IMC Staff to assist in a broader marketing strategy with a focus on industry segments that typically utilize these types of Assets.

Consistent with Resolution 6-2013, the auction services contracts will be executed by the Executive Director or his designee as the revenue from the auction is not expected to exceed \$250,000.

Schedule

August 15, 2014: IAA Board execution of Resolution No. 9-2014

August 15 thru auction date(s): Staging, set-up & marketing efforts in preparation of on-site and on-line auctions.

September/October: Conduct on-site Auction

Sep. 2014 – Feb. 2015 Conduct on-line Auction(s)

Revenue and/or Operating Cost Implications

Revenue:

Estimated revenues are unknown; however, the past 8 auctions have generated on average net proceeds of approximately \$65,000 for the IMC. All other IAA net proceeds are estimated at \$60,000.

Operating Costs:

The only additional operating costs are the auction company's commission (10-15% typical), credit card fees (2% typical) and set up and marketing fees, all of which are deducted from the auction gross sales.

Supplier Diversity Participation

One on-site auction company was a certified Minority Business Enterprise during the previous RFP conducted in 2012. Research will be undertaken to identify MBE, WBE, and/or VBE candidates for the public auction prior to awarding a contract to a particular company.

Recommendation

Consider for approval, adoption of Resolution No. 9-2014 authorizing the sale of IAA and IMC inventoried items via public auction.

RESOLUTION NO. 9-2014

RESOLUTION OF THE INDIANAPOLIS AIRPORT AUTHORITY APPROVING AUCTION OF IMC ASSETS

WHEREAS, the Indianapolis Airport Authority (the "Authority") owns the Indianapolis Maintenance Center (the "IMC") at the Indianapolis International Airport (the "Airport") which was partially financed with the proceeds of Indianapolis Airport Authority Special Facility Revenue Bonds, Series 1995 (United Airlines, Inc.--Indianapolis Maintenance Center Project) (the "Bonds"); and

WHEREAS, since May 9, 2003, when United Airlines vacated the IMC and turned over possession of the IMC to the Authority, the Authority has been operating and maintaining the IMC in order to protect the IMC and maintain it in a leasable condition; and

WHEREAS, the Authority has worked diligently since 2003 to evaluate the best reuse of the IMC, evaluate the potential tenants that might be compatible with such reuse, evaluate the state of the market for the various facilities comprising the IMC, analyze the rental rates currently borne by those markets and conduct a thorough search for new tenants; and

WHEREAS, the Authority has found that no tenants have been interested in certain assets at the IMC and/or certain assets at the IMC are obsolete.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANAPOLIS AIRPORT AUTHORITY AS FOLLOWS:

1. The Authority hereby finds that the assets listed on the attached Exhibit "A" are excess and/or obsolete at the IMC and other Authority facilities and should be disposed of through public auction.

2. The Authority hereby finds that this asset disposition is in the long-term interest of marketing the remaining portions of the IMC and generating total Net Rentals from the IMC.

3. The Authority hereby determines to conduct the auction of assets as an Asset Account Disposition under the Settlement Agreement and to deposit all of the proceeds received from the auction of such IMC assets into the Asset Account held by BguyMO Global Asset Management.

4. It is hereby found that the auction of certain assets, as presented to this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority and the holders of the Bonds.

5. The Authority hereby authorizes and directs the staff of the Authority to do all things necessary to carry out such sale on behalf of the Authority.

6. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this Resolution.

7. This Resolution shall take effect immediately upon passage.

Adopted this 15th day of August, 2014.

INDIANAPOLIS AIRPORT AUTHORITY*

By: _____
Michael W. Wells, President

Attest: _____
Alfred R. Bennett, Secretary

*Signed under authority provided in IAA Board Resolution No. 06-2013.

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Board of the Indianapolis Airport Authority, hereby certifies that the foregoing is a true and correct copy of Resolution No. 9-2014, adopted by the Board of the Indianapolis Airport Authority on the 15th day of August, 2014.

By: _____
Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY

EXHIBIT "A"

BATCH	DESCRIPTION	QTY
AAR RETURN	"REMOVE BEFORE FLIGHT" TAGS & FLAGS	1 box
AAR RETURN	0-3000PSI GAUGE	1
AAR RETURN	0-600 FT LBS TORQUE WRENCH	1
AAR RETURN	1 1/4" B-NUT WRENCH	1
AAR RETURN	1/2 DR AIR RATCHET-FLAP DRIVE	1
AAR RETURN	1/2-3/8 ADAPTER	1
AAR RETURN	1/4 EXTENSION	2
AAR RETURN	10" HEAT LAMP	1
AAR RETURN	2 DRAWER CABINET	2
AAR RETURN	3 DRAWER CABINET	1
AAR RETURN	3" C-CLAMP	28
AAR RETURN	3" SOCKET	1
AAR RETURN	3/8" DRILL MOTOR	1
AAR RETURN	4 DRAWER CABINET	2
AAR RETURN	4' GRAY FOUR LIGHT CAGE	2
AAR RETURN	4" C-CLAMP	5
AAR RETURN	4-1 ADAPTER/INTERPHONE	1
AAR RETURN	486 computer	10
AAR RETURN	5 DRAWER CABINET	2
AAR RETURN	5/16" 3/8" DRIVE ADAPTER SPLINE WRENCH	3
AAR RETURN	6" C-CLAMP	15
AAR RETURN	747/767 ENGINE RIG PINS	1
AAR RETURN	ADAPTER APU JACKING	1
AAR RETURN	ADAPTER ASSEMBLY-FUEL	1
AAR RETURN	ADAPTER- CABLE ASSEMBLY	1
AAR RETURN	ADAPTER- DRAIN MAST	1
AAR RETURN	ADAPTER FITTING	4
AAR RETURN	ADAPTER- FLAP TORQUE TUBE	1
AAR RETURN	ADAPTER-757 MUX CABLE TEST	1
AAR RETURN	ADAPTER-BALL END CABLE TESTER -4	1
AAR RETURN	ADAPTER-COFFEE MAKER DRAIN	10
AAR RETURN	ADAPTER-FUEL TANK AIR VENT	4
AAR RETURN	ADAPTER-NLG SHOCK ABSORBER	2
AAR RETURN	ADAPTER-PITOT & DUAL STATIC 737	2
AAR RETURN	ADAPTER-PITOT PRE TEST 737	2
AAR RETURN	ADAPTER-PROTRACTOR	2
AAR RETURN	ADAPTER-PULL TEST BACT 1/8"	1
AAR RETURN	ADAPTER-SUMP FUEL DRAIN	2
AAR RETURN	ADAPTER-TAIL JACK PAD	1
AAR RETURN	ADAPTER-TORQUE 1/4	1
AAR RETURN	AIR LINE FITTING ASSEMBLY	1
AAR RETURN	AIRCRAFT POWER EXTENSION CABLE	1
AAR RETURN	ANVIL-PRIMARY BEARING STAKING	2
AAR RETURN	AP ADAPTER	1
AAR RETURN	APPLICATOR GUN-EPX PLUS	2
AAR RETURN	ATTACH FITTING	1
AAR RETURN	Autoclave computer Industrial wheeled blue cabinet.	1
AAR RETURN	BAGS OF SCRAPED REAMERS	7

AAR RETURN	BALL JOINT KIT	1
AAR RETURN	BATTERIES	2
AAR RETURN	BATTERY CHARGER	2
AAR RETURN	BATTERY FOR CORDLESS DRILL DM-0830	1
AAR RETURN	BATTERY HOLDING FIXTURE	1
AAR RETURN	BEAM, OVERHEAD CRANE	1
AAR RETURN	BEARING STAKE TOOL	2
AAR RETURN	BEARING STAKING KIT	2
AAR RETURN	BEARING STAKING PIN	1
AAR RETURN	BEARING TOOL	1
AAR RETURN	BELT SAFETY SLIDE PACK	1
AAR RETURN	BENCH VICE	1
AAR RETURN	BEVERAGE COOLER - TROPICANA	1
AAR RETURN	BEVERLY SHEAR	1
AAR RETURN	BIN, OVERHEAD CUBICLE	1
AAR RETURN	BLACK & DECKER BATTER CHARGER	3
AAR RETURN	BLACK & DECKER RECHARGE SCREWDRIVER	2
AAR RETURN	B-NUT ADAPTER	3
AAR RETURN	BODY SAFETY HARNESS	1
AAR RETURN	BOLT REMOVER	1
AAR RETURN	BOLT TOOL	9
AAR RETURN	BONDING METER	1
AAR RETURN	BOSCH	1
AAR RETURN	BOSCH BATTERY	19
AAR RETURN	BOSCH BATTERY CHARGER	16
AAR RETURN	BOTTOM OF GREASE GUN	13
AAR RETURN	BRACKET	7
AAR RETURN	BRACKET- FLAP ACTUATOR DRIVE RH	1
AAR RETURN	BRACKET-DOWN LOCK SPRING EXPANDER -2	1
AAR RETURN	BRACKET-FLAP ACTUATOR DRIVE LH	2
AAR RETURN	BRAKE FLANGE TOOL	1
AAR RETURN	BREAKOUT BOX-FLAP LIMIT SWITCH	4
AAR RETURN	BROWN TOOL BOX	1
AAR RETURN	BUCKING BAR	92
AAR RETURN	BURNISHING SPOON-CUSTOM	2
AAR RETURN	CABIN WINDOW R/I	1
AAR RETURN	CABINET / MISSING DOOR	1
AAR RETURN	CABINET, FILE 4-DRAWER	4
AAR RETURN	CABINET, FLAMMABLE VARIOUS SIZE	10
AAR RETURN	CABINET, SHOP STORAGE	25
AAR RETURN	CABLE	13
AAR RETURN	CABLE CLAMP	1
AAR RETURN	CABLE-CARGO SMOKE DETECTOR	1
AAR RETURN	CABLE-DATA MAN/AGEMENT	1
AAR RETURN	CABLE-DPCU TEST	1
AAR RETURN	CABLE-ELEVATOR NEUTRAL	1
AAR RETURN	CABLE-ELEVATOR POSITION	1
AAR RETURN	CABLE-ELEVATOR SENSOR TEST	1
AAR RETURN	CABLE-FLAP WARNING	1
AAR RETURN	CABLE-FLAP WARNING SWITCH	1
AAR RETURN	CABLE-FUEL OIL QUANTITY	1

AAR RETURN	CABLE-RADIO ALTIMETER	1
AAR RETURN	CABLES	3
AAR RETURN	CALIPER-DIAL 0-2" PINCH	1
AAR RETURN	CAP	3
AAR RETURN	CAP ASSEMBLY-SQUIB BAYONETTE	2
AAR RETURN	CART, LARGE FOR PANEL STORAGE-STEEL	6
AAR RETURN	C-CLAMP	15
AAR RETURN	CD AND RADIO PLAYER	1
AAR RETURN	CHAIR TOOL	1
AAR RETURN	CHERRYLOCK HEAD -5C	1
AAR RETURN	CLAMP- CABLE HOLDING	1
AAR RETURN	CLAMP-C 3"	1
AAR RETURN	CLAMP-C VISE GRIP	56
AAR RETURN	CLAMP-OVER WING LITE	1
AAR RETURN	CLAMP-SWIVEL PADS	1
AAR RETURN	CLECO DRIVER	3
AAR RETURN	COAT-RAIN W/HOOD	1
AAR RETURN	COLLAR CUTTER-5	1
AAR RETURN	CONTROLLER REMOTE VIDEO	2
AAR RETURN	CORD-25 FT HEADSET EXTENSION	2
AAR RETURN	CORDLESS DRILL	1
AAR RETURN	CORDLESS WALKIE TALKIE	4
AAR RETURN	COVER-NLG/MLG WHEEL WASH	1
AAR RETURN	COVER-PITOT STATIC 737NG & B757	1
AAR RETURN	COVERS	2
AAR RETURN	CRADLE, ENGINE/COWL/TR VARIOUS SIZE	10
AAR RETURN	CRADLE, NOSE COWL	5
AAR RETURN	CRANE, JIB 1/2 TON	3
AAR RETURN	CRANE, OVERHEAD 2 TON	4
AAR RETURN	CRIMPER	4
AAR RETURN	CROWSFOOT	5
AAR RETURN	CSD SERVICE CART	1
AAR RETURN	Dell flat LCD computer screen IAA#000270	1
AAR RETURN	DIAL GAUGE	3
AAR RETURN	DIAL INDICATOR	4
AAR RETURN	DOCK INTERCOM	2
AAR RETURN	DOOR TESTER	1
AAR RETURN	DOOR WRENCH	1
AAR RETURN	Dot matrix printer	1
AAR RETURN	DOUGLAS LONGERON BAR	7
AAR RETURN	DRAIN-TUBE SHOCK STRUT MLG/NLG	1
AAR RETURN	DRILL ATTACHMENT	4
AAR RETURN	DRILL DRIVEN PUMP	1
AAR RETURN	DRILL GUIDE	2
AAR RETURN	DRILL MOTOR	27
AAR RETURN	DRY ICE MACHINE	2
AAR RETURN	DRYING RACK A-FRAME FOR PAINT BOOTH	1
AAR RETURN	ENGINE TRNSPORT STAND, JT8	3
AAR RETURN	EXT. CORD LIGHTED-50FT	10
AAR RETURN	EXTENSION - 24 " 1/2 " DRIVE	2
AAR RETURN	EXTENSION CORD	45

AAR RETURN	EYEWASH, PORTABLE TANK	2
AAR RETURN	FACE SHIELD	2
AAR RETURN	FANS	6
AAR RETURN	FAN-TABLE	3
AAR RETURN	FITTING	1
AAR RETURN	FIXTURE	3
AAR RETURN	FIXTURE-AILERON HINGE ALIGNMENT	1
AAR RETURN	FIXTURE-FLAP TRUNNION SLIDING	1
AAR RETURN	FIXTURE-MEC FUEL PUMP LIFTING	1
AAR RETURN	FLAP SEAL CUTTER	1
AAR RETURN	FLASH LIGHT-EXPLOSION PROOF XENON	1
AAR RETURN	FLASH LIGHT-FUEL ORANGE	9
AAR RETURN	FLASHLIGHT-YELLOW 2D CELLS	8
AAR RETURN	FLOW 4 FT LIGHT	8
AAR RETURN	FT-200 ASSY,FT-200 PUMP ***IAA ASSET #3000-2-1***	1
AAR RETURN	FUEL DENSITY	1
AAR RETURN	FUEL SUMP TOOL	1
AAR RETURN	GAGE-ENGINE FIRE EXT	2
AAR RETURN	GAGE-FEELER	1
AAR RETURN	GAS DETECTOR	1
AAR RETURN	GAUGE	22
AAR RETURN	GND CABLE ASSEMBLY	1
AAR RETURN	GREASE GUN	1
AAR RETURN	GREASE HOSE ASSEMBLY	2
AAR RETURN	GREASE TIPS	2
AAR RETURN	GRINDER-90 DEG HIGH SPEED	2
AAR RETURN	GROUND CABLE CLIP	1
AAR RETURN	GROUND FAULT CIRCUIT INTERRUPTER	4
AAR RETURN	GROUND LOCK	4
AAR RETURN	GUIDE-DRILL COMBUSTION CASE	1
AAR RETURN	GUN SEALANT	15
AAR RETURN	GUN-GREASE HAND PISTOL GRIP	49
AAR RETURN	GUN-SOLDERING WELLER MODEL D550	1
AAR RETURN	HAND HELD DOWNLOAD UNIT	1
AAR RETURN	HANDRAIL, STEEL VARIOUS SIZE	10 LOTS
AAR RETURN	HANSEN VALVE	1
AAR RETURN	HARNESS	45
AAR RETURN	HARNESS-BATTERY EXTENSION	2
AAR RETURN	HARNESS-POSITION SYNCRO TEST	2
AAR RETURN	HEAD-CHERRY MAX PULLER	2
AAR RETURN	HEADER- BRASS	2
AAR RETURN	HEADER-FLUSH	1
AAR RETURN	HEADER-RIVET	2
AAR RETURN	HEADPHONE	4
AAR RETURN	HEADPHONE-COMPUTER	6
AAR RETURN	HEATER	1
AAR RETURN	HEATER PANEL - FR PRIMER	6
AAR RETURN	HELICOIL HANDLE	1
AAR RETURN	HI LOK TOOTHLESS RATCHETS	1
AAR RETURN	HIGH PRESSURE GREASE GUN	1
AAR RETURN	HOLDER	1

AAR RETURN	HOLDER - BUSHING	1
AAR RETURN	HOLEFINDER	12
AAR RETURN	HOT KNIFE	1
AAR RETURN	HUCK PULLER	1
AAR RETURN	HUCK PULLING HEAD	2
AAR RETURN	HVLP PAINT GUNS	10
AAR RETURN	HYDRAULIC LINE ASSEMBLY	1
AAR RETURN	INBOARD FLAPS TAPE MEASURE	1
AAR RETURN	INSERTION TOOL	1
AAR RETURN	JACK PAD ADAPTER	6
AAR RETURN	JACK-HYDRAULIC SHORING LIFTING	1
AAR RETURN	JACKSCREW KIT	1
AAR RETURN	JACKSCREW UP LIMIT GAUGE	1
AAR RETURN	JIG-NUTPLATE AT518J-10	2
AAR RETURN	JUMPER	1
AAR RETURN	KENWOOD AC ADAPTER	1
AAR RETURN	Keyboard	1
AAR RETURN	KIT- ADAPTER-SUMP DRAIN VALVE	1
AAR RETURN	KIT- CORDLESS COMMUNICATION	1
AAR RETURN	KIT-AIRCRAFT DOCKING A320	1
AAR RETURN	KIT-BEARING & SLEEVE R/I	1
AAR RETURN	KIT-BEARING REMOVAL HZ ST	1
AAR RETURN	KIT-CABIN DOOR AIR BOTTLE	1
AAR RETURN	KIT-CAL CO-91 BREATHER BOX	2
AAR RETURN	KIT-CHERRYMAX 1/4	2
AAR RETURN	KIT-COLLAR REMOVAL	1
AAR RETURN	KIT-CORDLESS SOLDERING GUN	1
AAR RETURN	KIT-CRIMPER PONY DANIELS	2
AAR RETURN	KIT-DOOR PIN REPLACEMENT	1
AAR RETURN	KIT-ELEVATOR ACTUATOR	1
AAR RETURN	KIT-ENG FLANGE SEPERATION	1
AAR RETURN	KIT-ENGINE STRUT SLING PW 2000	1
AAR RETURN	KIT-HARNESS EGT TEST	2
AAR RETURN	KIT-HEAT GUN	2
AAR RETURN	KIT-JT8 BREATHER SEAL	1
AAR RETURN	KIT-LG SENSOR ACT/DEACT	3
AAR RETURN	KIT-NLG AIR GROUND SWITCH	3
AAR RETURN	KIT-NLG DRAG BRACE CHECK	1
AAR RETURN	KIT-PNEU DUCT TEST	1
AAR RETURN	KIT-RIVET GUN PEE WEE	2
AAR RETURN	KIT-RIVNUT INSTALL FULL	1
AAR RETURN	KIT-ROLLER STAKE 1/4" PORKCHOP	1
AAR RETURN	KIT-ROLLER STAKE ALUM SLEEVE MOD.	4
AAR RETURN	KIT-ROLLER STAKING COA9-359	2
AAR RETURN	KIT-SHEETMETAL	19
AAR RETURN	KIT-SHERICAL BEARING STAKING	2
AAR RETURN	KIT-SOCKET 3/4" DR	2
AAR RETURN	KIT-SPHER BEARING STAKE	11
AAR RETURN	KIT-SPHERICAL BEARING INSTALL	1
AAR RETURN	KIT-SPHERICAL BEARING REMOVAL	3
AAR RETURN	KIT-TESTER FIREX	1

AAR RETURN	KIT-TOOL ROLLER STAKE	3
AAR RETURN	KIT-VACUBLAST PORTABLE SPOT	1
AAR RETURN	KIT-WRENCH REVERSER HINGE	1
AAR RETURN	LABELIZER PORTABLE LABELING SYSTEM	1
AAR RETURN	LABLER-DYMO 1/2"	1
AAR RETURN	LADDER, WING DOCK	4
AAR RETURN	LAMP-HEAT 1 BULB	11
AAR RETURN	LAPTOPS, VARIOUS	3
AAR RETURN	LARGE FAN	1
AAR RETURN	LEAD MALLET	6
AAR RETURN	LEATHER RADIO BELT CLIP POUCH	1
AAR RETURN	LEATHER SAND BAG	11
AAR RETURN	LIGHT BASE WITH WHEELS	1
AAR RETURN	LIGHT-4FT FLOW	31
AAR RETURN	LIGHT-FLO HAND	17
AAR RETURN	LIGHT-FUEL TANK	9
AAR RETURN	LINK	1
AAR RETURN	LOCK	7
AAR RETURN	LOCK - LEADING EDGE FLAP	9
AAR RETURN	LOCK ASSY-HORIZONTAL STAB	1
AAR RETURN	LOCK GROUND REVERSER VALVE	5
AAR RETURN	LOCK SET	1
AAR RETURN	LOCK-GND FLIGHT SPOILER	2
AAR RETURN	LOCK-GND SPOILER	12
AAR RETURN	LOCK-LEADING EDGE	7
AAR RETURN	LOCK-LOWER RUDDER	2
AAR RETURN	LOCK-MLG DOWN PIN 727	1
AAR RETURN	LOCK-RUDDER PCU REMOVED	1
AAR RETURN	LOCK-SLAT ACTUATOR	17
AAR RETURN	LOCK-SPOILER	7
AAR RETURN	LOCK-THRUST REVERSER ISO VALVE	2
AAR RETURN	LOCK-UPPER RUDDER	3
AAR RETURN	MANUAL STAPLE GUN	1
AAR RETURN	MASTER HEAT GUN 1680 WATTS	4
AAR RETURN	METAL PLATE	1
AAR RETURN	METER-DIGITAL LIGHT	1
AAR RETURN	MICRO GRINDER KIT	1
AAR RETURN	MICROSTOP	1
AAR RETURN	MICROWAVE	2
AAR RETURN	MICS METAL BAR	1
AAR RETURN	MINI GRINDER KIT	3
AAR RETURN	MINI MLIO ADAPTER	1
AAR RETURN	MINI STRAP WRENCH	1
AAR RETURN	MISC CABLE	25
AAR RETURN	MISC FITTING	1
AAR RETURN	MISC HANDLES	2
AAR RETURN	MISC LOCK/RIG PINS	203
AAR RETURN	MISC SPANNER WRENCH	11
AAR RETURN	MISC TEST BOX ASSEMBLY	6
AAR RETURN	MISC TESTER CABLE	3
AAR RETURN	MISC WRENCHES	5

AAR RETURN	MLG STAND	1
AAR RETURN	MOTOROLA CHARGER	4
AAR RETURN	MOTOROLA MICROPHONE	4
AAR RETURN	MOTOROLA POWER PACK	1
AAR RETURN	NLG AIR GROUND SWITCH	1
AAR RETURN	NOISE PROTECTION HEADSET	1
AAR RETURN	NOTCHER-RIVNUT #10	1
AAR RETURN	OFF-SET EXTENSION WRENCH 1/2"	4
AAR RETURN	OFF-SET EXTENSION WRENCH 3/8"	1
AAR RETURN	OILER	1
AAR RETURN	Older CRT Monitor	1
AAR RETURN	OPEN & SHORT LOCATING SYSTEM	1
AAR RETURN	OXYGEN TEST FITTING CAP	5
AAR RETURN	PAINT GUN CLEANING TUB	1
AAR RETURN	PAINT GUN-GRAVITY FEED	1
AAR RETURN	PEE WEE RIVET GUN	1
AAR RETURN	PENCIL GRINDER	1
AAR RETURN	PIN, ALIGNMENT	38
AAR RETURN	PLANNING BOARD STEEL FRAME	1
AAR RETURN	PLASTIC COVER	1
AAR RETURN	PLASTIC PLATES	3
AAR RETURN	PLATE-GYRO LEVELING	1
AAR RETURN	PLIERS-CAMLOC	1
AAR RETURN	PLIERS-CLECO	19
AAR RETURN	PLUG ADAPTER	2
AAR RETURN	PLUG ASSEMBLY C26004-9 FIRE EXT. TEST	1
AAR RETURN	PNEU ENGRAVER	3
AAR RETURN	PONY CRIMP KIT BOX	1
AAR RETURN	PORKCHOP NUT DRIVER	1
AAR RETURN	POWER ADAPTER	2
AAR RETURN	POWER CORD	1
AAR RETURN	POWER SUPPLY	6
AAR RETURN	PRECOOLER DUCT PRESSURE TEST KIT	1
AAR RETURN	PROTECTOR-AXLE B727 NLG	1
AAR RETURN	PROTECTOR-B727 MLG	1
AAR RETURN	PROTECTOR-B727 MLG	1
AAR RETURN	PROTECTOR-NLG AXLE 757	1
AAR RETURN	PROTRACTOR-T/R LEVERS	1
AAR RETURN	PULLER POP RIVET PNEUMATIC	6
AAR RETURN	PULLER UNIT	1
AAR RETURN	PULLER-ACTUATOR VSV	1
AAR RETURN	PULLER-CHERRY RIVET HAND	2
AAR RETURN	PULLER-CHERRYMAX	5
AAR RETURN	PULLER-ELEVATOR INPUT TORQUE TUBE	1
AAR RETURN	PULLER-MLG AXLE	1
AAR RETURN	PULLER-POP RIVET	4
AAR RETURN	PUMP-REVERSER COWL OPEN	1
AAR RETURN	PUNCH-ROLLPIN	2
AAR RETURN	RACK, STORAGE FOR WRITEUP BOARDS	1
AAR RETURN	RATCHET CABLE CUTTER	1
AAR RETURN	RECORDER-PYROMETER CHART	1

AAR RETURN	RED DAINELS KIT PANELS	4
AAR RETURN	RED LIGHT / POST FOR ENGINE & FUEL TANKS	2
AAR RETURN	RED TOOL BOX	1
AAR RETURN	RED TOOL TOTES	10
AAR RETURN	REMOTE RAM AIR DOOR CONTROL	2
AAR RETURN	REMOVAL TOOL DRK237	1
AAR RETURN	REVERSE HOLD OPEN ROD	1
AAR RETURN	RIG PINS	4 boxes
AAR RETURN	RIVET GUN	37
AAR RETURN	RIVET PULLER	2
AAR RETURN	RIVET PUNCH	1
AAR RETURN	RIVET REDUCER AT124B	1
AAR RETURN	RIVET SPRINGS	13
AAR RETURN	RIVNUT PULLER	2
AAR RETURN	ROD - COWL HOLD OPEN	1
AAR RETURN	ROLLER	1
AAR RETURN	ROLLER FRAME-3 INCH	3
AAR RETURN	Roller mouse	1
AAR RETURN	RULER, ALUMINUM 36"	1
AAR RETURN	SAFE, LARGE 30X30X48	1
AAR RETURN	SAFETY LANYARD	1
AAR RETURN	SANDER-ORBITAL 6"	20
AAR RETURN	SAW-RECIPROCATING PNEUMATIC	1
AAR RETURN	SCR (silicon-controlled rectifier) pack from autoclave. Removed as inop/replaced.	1
AAR RETURN	SCREW BUSTER	207
AAR RETURN	SEALANT GUN	55
AAR RETURN	SEVEN BULB HEAT LAMP	1
AAR RETURN	SHEAR-CARPET BATTERY TYPE	26
AAR RETURN	SHELVING, STORAGE BINS	3
AAR RETURN	SHOP N VAC ATTACHMENTS	11
AAR RETURN	SKIN WEDGE	1
AAR RETURN	SLAT FIXTURE	1
AAR RETURN	SLAT LOCK	4
AAR RETURN	SLIDE HAMMER	3
AAR RETURN	SMALL SEALANT GUN TUBE	1
AAR RETURN	SMALL THREAD PROTECTOR	11
AAR RETURN	SN/AP RING PLIER	5
AAR RETURN	SOCKET	14
AAR RETURN	SPANNER WRENCH	22
AAR RETURN	SPARE DMC1079 MANUAL	6
AAR RETURN	SPHERICAL BEARING REMOVAL KIT	4
AAR RETURN	SPRAYER-SEALANT	51
AAR RETURN	SQUEEZER-TRAY TABLE REPAIR	1
AAR RETURN	STAIRS, WORKSTAND	1
AAR RETURN	STATIC WICK	1
AAR RETURN	STEEL CABINET, DOGBOX STORAGE	5
AAR RETURN	STRAP WRENCH	1
AAR RETURN	STRAP-HOLD DOWN	1
AAR RETURN	STRAP-INNER CYLINDER RETURN	1
AAR RETURN	STRINGER BAR	6

AAR RETURN	SUMP TOOL	1
AAR RETURN	TAILPIPE & T/R ASSEMBLY	1
AAR RETURN	TAPE 25' STANLEY	1
AAR RETURN	TAPE MEASURE DECIMAL/FRACTIONS	1
AAR RETURN	TELEDYNE BATTERY HANDLE	3
AAR RETURN	TENSIOMETER	2
AAR RETURN	TERMIN/AL	3
AAR RETURN	TEST BOX	4
AAR RETURN	T-HANDLE SPANNER WRENCH	2
AAR RETURN	THERMOCOUPLER	1
AAR RETURN	THERMOMETER	5
AAR RETURN	THREAD PROTECTOR	2
AAR RETURN	TIMER	1
AAR RETURN	TIRE CHAINS AIR CRAFT TUG	2
AAR RETURN	TOOL	11
AAR RETURN	TOOL- VALVE CORE REMOVAL	1
AAR RETURN	TOOL-BEARING PLATE COVER PW 4000	1
AAR RETURN	TOOL-FUEL TANK PURGE	1
AAR RETURN	TOOL-HUB EXTENSION TIRE INFLATION	1
AAR RETURN	TOOL-JO BOLT INSTALL 5/32 FLUSH	1
AAR RETURN	TOOL-REMOVAL M81969/34-01	1
AAR RETURN	TOOL-SN/AP FASTENER INST.	1
AAR RETURN	TORQUE ADAPTER	1
AAR RETURN	TORQUE ANVELS	4
AAR RETURN	TORQUE WRENCH	18
AAR RETURN	TRAMA REDUCING BUCKING BAR	17
AAR RETURN	TV CART	2
AAR RETURN	TV MONITOR CEILING MOUNT	1
AAR RETURN	URELANE GUN	15
AAR RETURN	UV LASER WIRE MARKER / IAA ASSET# 3732-1-1	1
AAR RETURN	VACUUM ATTACHMENT	1
AAR RETURN	VACUUM CLEANER-CANISTER	2
AAR RETURN	VACUUM-AIR GUN SUCKER BAG	13
AAR RETURN	VIDEO PROBE CAMERA	1
AAR RETURN	WARNING HATCH ARM SIGNS	4
AAR RETURN	WASTE DRAIN #3	1
AAR RETURN	WATER SYSTEM PRESSURE LINE PLUG	2
AAR RETURN	WICHITECH CART	5
AAR RETURN	WICHITECH MANUAL	1
AAR RETURN	WIRE STRIPPER	1
AAR RETURN	WOOD VICE	1
AAR RETURN	WORK LIGHT	1
AAR RETURN	WORKSTAND, CHOIR	4
AAR RETURN	WRENCH	25
AAR RETURN	WRENCH-DRAIN VLV	1
AAR RETURN	WRENCH-ENG CONTROL CROSS SHAFT	2
AAR RETURN	WRENCH-ENGINE MOUNT BOLT	1
AAR RETURN	WRENCH-PNEU	8
AAR RETURN	WRENCH-RETAINING NUT B727 NLG	1
AAR RETURN	WRENCH-SEAT INSTALL/REMOVE	3
AAR RETURN	WRENCH-SPANNER	10

AAR RETURN	WRENCH-WING SUMP DRAIN	1
FMO RETURN	WORK STOOL, NO SEAT	1
FMO RETURN	SMALL COMPRESSOR	1
FMO RETURN	SCRAP STEAM PIPE	1
FMO RETURN	SIDE BRACE BAR	1
FMO RETURN	ENGINE-STRUT-SLING-TEST-FIXTURE, SCRAP	1
FMO RETURN	HAND RAIL, SCRAP	1
FMO RETURN	PUMP, SOAP BARREL, GRAYCO	1
FMO RETURN	ELECTRIC MOTOR	3
FMO RETURN	PUMP, SOAP BARREL, GRAYCO	1
FMO RETURN	TUB OF PVC ELBOWS & JOINTS, VARIOUS SIZE	1
FMO RETURN	TUB, DISCONNECT BOXES & GATE SQUAK BOX	1
FMO RETURN	BOX OF FILTERS, DOWNDRAFT TABLE	1
FMO RETURN	BOX OF FILTER PANELS, ECB BOOTH	1
FMO RETURN	TUB, VAC SYS PIPE REMNANTS	1
FMO RETURN	CRANK HANDLE, DOCK SLIDERS	13
FMO RETURN	TUB, PNEU. AIR PIPE/CONNECTORS/VALVES	1
FMO RETURN	TUB, MISC. GEARS/PIPES/PARTS	1
FMO RETURN	DRIVE MOTOR, TAIL DOCK	1
FMO RETURN	MOTOR, PUMP	1
FMO RETURN	MOTOR, PUMP	1
FMO RETURN	TUB, BACKFLOW PREVENTER PARTS	1
FMO RETURN	REEL, PNEU. AIR HOSE	5
FMO RETURN	MISC HOSE, PNEU. AIR	4
FMO RETURN	TUB, DOCK GEARBOXES, HOSE HANGERS	1
FMO RETURN	MISC STEEL CABLE, INSULLATED	1
FMO RETURN	18" VICTAULIC BRACE OR CLAMP	4
FMO RETURN	2TON SHORING JACK	2
FMO RETURN	TUB, UNISTRUT CLAMPS/BRACKETS/STAND-OFFS	1
FMO RETURN	SUMP PUMP	1
FMO RETURN	BOX, SNOW BROOM BRISTLE DISCS	1
FMO RETURN	BARREL, MISC VACUUM HOSE	1
FMO RETURN	BLOWER MOTOR REMNANTS	1
FMO RETURN	DOOR, FLAMCAB	1
FMO RETURN	COMPRESSOR MOTOR, PARTIAL ASSY	1
FMO RETURN	LRG HVAC COIL	2
FMO RETURN	SM HVAC COIL	1
FMO RETURN	TUB, MISC CASTOR PARTS/WHEELS	1
FMO RETURN	BOX OF FILTERS, MICRO CLEANER	1
FMO RETURN	GILLFAB PANEL, 508X48X96 .013/.013	3
FMO RETURN	CRATE, MISC GEARBOX/MOTOR/TROLLEY PARTS	1
FMO RETURN	BLOWER FAN ASSY, SIZE 222, TYPE-FCV	1
FMO RETURN	INGERSOL-RAND COMPRESSOR MOTOR, REBUILT	1
FMO RETURN	SQUARE-FRAMING 24" BY 16"	1
FMO RETURN	CUTTER-CABLE FELCO C16	1
FMO RETURN	DRILL MOTOR-1/2" CHUCK XXX RPM	1
FMO RETURN	GUN-GREASE HAND HI PRESSURE (PCN)	1
IT DEPT	DESKTOP	85
IT DEPT	FLAT SCREEN MONITORS - VARIOUS SIZE	16
IT DEPT	HUGE CRT MONITORS	34
IT DEPT	LAPTOP	10

IT DEPT	LG TELEVISION	6
IT DEPT	PRINTER	11
IT DEPT	PROJECTOR	3
IT DEPT	SPOOL OF WIRE - VARIOUS	SEVERAL
LOST & FOUND	500 PROGRAM	1
LOST & FOUND	BAG OF MISC. JEWELRY	SEVERAL
LOST & FOUND	BINOCULAR	1
LOST & FOUND	BOOGIE BOARD	1
LOST & FOUND	BOSE HEADPHONES	2
LOST & FOUND	CALCULATOR	3
LOST & FOUND	CANNON CAMERA	2
LOST & FOUND	DVD PLAYER	1
LOST & FOUND	IPAD	5
LOST & FOUND	IPOD	5
LOST & FOUND	KINDLE	12
LOST & FOUND	KODAK CAMERA	2
LOST & FOUND	LAPTOP	6
LOST & FOUND	MAC BOOK AIR	1
LOST & FOUND	MISC. CLOTHING ITEMS	SEVERAL
LOST & FOUND	MISC. HAND BAGS	SEVERAL
LOST & FOUND	MISC. HATS	SEVERAL
LOST & FOUND	MISC. HEADSETS	SEVERAL
LOST & FOUND	MISC. SOUVENIRS	SEVERAL
LOST & FOUND	MOBILE SPORT MASSAGER	1
LOST & FOUND	NIKON CAMERA	2
LOST & FOUND	NOOK	1
LOST & FOUND	PS VITA	1
LOST & FOUND	SAMSUNG TABLET	1
LOST & FOUND	SONY CAMERA	2
LOST & FOUND	TABLET KEYBOARD	1
RETIRED/DORMANT	806-1436 OXY REG 3000PSI I	1
RETIRED/DORMANT	ACFT ENGINE CRADLE/STAND LT WEIGHT	1
RETIRED/DORMANT	ACFT SLIDE PACKING FIXTURES	5
RETIRED/DORMANT	Adapter	1
RETIRED/DORMANT	Adapter-Fuel Sump Center Wing Tank	1
RETIRED/DORMANT	ADAPTER-FUEL VENT DRAIN	1
RETIRED/DORMANT	ADAPTER-STABILIZER JACK 737	2
RETIRED/DORMANT	ADAPTER-UNDERWING FUEL TANK AIR VENT	10
RETIRED/DORMANT	AERIAL BOOM LIFT 45 FT	2
RETIRED/DORMANT	AIR CURTAIN	3
RETIRED/DORMANT	AIRCRAFT JACK, TRIPOD	2
RETIRED/DORMANT	AIRCRAFT PUSH TRACTOR, 44,000#	1
RETIRED/DORMANT	ALODINE DIPPING TANK SYSTEM SELF CONTAINED	1
RETIRED/DORMANT	ARBOR PRESS	2
RETIRED/DORMANT	B727 Elevator Zero Positioning Rigging Beam	1
RETIRED/DORMANT	B727 Inboard Flap Rigging Beam	1
RETIRED/DORMANT	B727 Inboard Flap Rigging Beam	1
RETIRED/DORMANT	B727 Rig Kit-Rudder & Rudder Tab	1
RETIRED/DORMANT	BALANCE BEAM, STEEL	1
RETIRED/DORMANT	BALDOR 20 HP MOTOR	1
RETIRED/DORMANT	BANDSAW, DO-ALL	6

RETIRED/DORMANT	BANDSAW, JET	2
RETIRED/DORMANT	BATTERY CHARGER, 6-12V	2
RETIRED/DORMANT	BATTERY UPS	4
RETIRED/DORMANT	BELT SANDER	10
RETIRED/DORMANT	BELT/DISC SANDER ON PEDESTAL	2
RETIRED/DORMANT	BEVERLY SHEAR, W/BOLT CUTTER	1
RETIRED/DORMANT	BIN, YELLOW PLASTIC VARIOUS	2 PALLET
RETIRED/DORMANT	BLANKET-HEAT 12" X 12" 120V (PCN)	1
RETIRED/DORMANT	BLAST CABINET, VARIOUS MEDIA	4
RETIRED/DORMANT	BLEEDER-ANTI/LOCK BRAKING (ABS)	1
RETIRED/DORMANT	BLOWER, HVAC	5
RETIRED/DORMANT	BOTTLE STORAGE PEN	3
RETIRED/DORMANT	BOX-INTERCOM DOCK IMC	1
RETIRED/DORMANT	BRAKE, 4FT	6
RETIRED/DORMANT	BREAKOUT BOX-FLAP LIMIT SWITCH 737-322/522	1
RETIRED/DORMANT	BRIDGE-SIGNAL CONDITIONER	1
RETIRED/DORMANT	BROOM, SNOW FOR PICKUP	1
RETIRED/DORMANT	BURDEN CARRIER, TAYLOR-DUNN W/CAB/RACK	1
RETIRED/DORMANT	CABINET, FLAMMABLE VARIOUS SIZE	3
RETIRED/DORMANT	CABINET, TOOL	8
RETIRED/DORMANT	CABINET, YELLOW BIN STORAGE	24
RETIRED/DORMANT	CAGE, BOTTLE RACK	4
RETIRED/DORMANT	CAGE-RAT PROTECTION (PCN)	1
RETIRED/DORMANT	CALIPER-DIAL	7
RETIRED/DORMANT	CALIPER-DIGITAL	8
RETIRED/DORMANT	CALIPER-VERNIER	4
RETIRED/DORMANT	CART, ALUMINUM RAILS	1
RETIRED/DORMANT	CLAMP-C LOCKING SWIVEL PADS	3
RETIRED/DORMANT	CLAMP-C VISE-GRIP LOCKING	16
RETIRED/DORMANT	COMPUTER EQUIP, VARIOUS	2 PALLET
RETIRED/DORMANT	CONDENSING UNTI, ROOFTOP	1
RETIRED/DORMANT	CONTROLLER, HOT WATER PUMP	4
RETIRED/DORMANT	CONTROLLER-REMOTE VIDEO (PCN)	1
RETIRED/DORMANT	COWL STAND	5
RETIRED/DORMANT	CRANE, OVERHEAD 1/2 TON	1
RETIRED/DORMANT	CREEPER-ROLLING WITH 45 DEGREE BACK REST	6
RETIRED/DORMANT	Crimper	13
RETIRED/DORMANT	CUTTER/GRINDER ON BLACK CABINET	1
RETIRED/DORMANT	DECKING FOR PALLET RACKING VARIOUS	8 PALLET
RETIRED/DORMANT	Depth gauge, Dial	1
RETIRED/DORMANT	Digital Protractor	1
RETIRED/DORMANT	Digital Scale	2
RETIRED/DORMANT	DINOL CART	1
RETIRED/DORMANT	DOLLY	9
RETIRED/DORMANT	DOOR, ENTRY-STEEL VARIOUS SIZE	10
RETIRED/DORMANT	Double Action Hand Tool W-DG	2
RETIRED/DORMANT	DOWNDRAFT TABLE	2
RETIRED/DORMANT	DRILL ATTACHMENT	4
RETIRED/DORMANT	DRILL MOTOR	20
RETIRED/DORMANT	DRILL PRESS	5
RETIRED/DORMANT	DRY CLEANER CLOTHES RACK SYS	1

RETIRED/DORMANT	ECB BOOTH	1
RETIRED/DORMANT	EYEWASH/SHOWER STATIONS	6
RETIRED/DORMANT	FENCING PANELS	1 PALLET
RETIRED/DORMANT	FIXTURE	9
RETIRED/DORMANT	FLASHLIGHT-FUEL TANK ENTRY (SER) (926-2433)	9
RETIRED/DORMANT	FLOOD LIGHT, FLOOR MOBILE FOSTORIA	2
RETIRED/DORMANT	FLOOR JACK, VARIOUS	6
RETIRED/DORMANT	FLOOR LIGHT, 4FT CABIN	2
RETIRED/DORMANT	FLT CNTRL SLING, ON PALLET	1
RETIRED/DORMANT	FORKLIFT BATTERY	5
RETIRED/DORMANT	FORKLIFT, BATTERY CHARGER	2
RETIRED/DORMANT	FORKLIFT	3
RETIRED/DORMANT	GALFAB SELF DUMPING HOPPER, 0.5 CU. YD.	14
RETIRED/DORMANT	GANTRY, 1 TON HOIST PULL CHAIN	1
RETIRED/DORMANT	GAUGE BLOCK-SET	2
RETIRED/DORMANT	GAUGE-AILERON TAB ROD BARREL-BORE DEPTH	4
RETIRED/DORMANT	GAUGE-BORE	6
RETIRED/DORMANT	GAUGE-CABLE SWAGING GO NO-GO (PCN)	1
RETIRED/DORMANT	GAUGE-COLD WORKING COMBINATION CBG-8-0-N-1	3
RETIRED/DORMANT	GAUGE-DEPTH VERNIER	1
RETIRED/DORMANT	GAUGE-DIAL BORE	8
RETIRED/DORMANT	GAUGE-DIAL CALIPER	3
RETIRED/DORMANT	GAUGE-DIGITAL VERSAGAGE	1
RETIRED/DORMANT	GAUGE-FORCE MECHANICAL 150 LB	2
RETIRED/DORMANT	GAUGE-FUELING ADAPTER NOZZLE SLOT (PCN)	3
RETIRED/DORMANT	GAUGE-GO NO-GO	15
RETIRED/DORMANT	GAUGE-HEIGHT DIGITAL	4
RETIRED/DORMANT	GAUGE-HEIGHT VERNIER	1
RETIRED/DORMANT	GAUGE-HOLE SMALL SET	1
RETIRED/DORMANT	GAUGE-IGNITION SYSTEM PW2000 (PCN)	2
RETIRED/DORMANT	GAUGE-NICOPRESS TOOL 51Q926 GO NOGO	1
RETIRED/DORMANT	GAUGE-NOZZLE PRESSURE	2
RETIRED/DORMANT	GAUGE-PROCESS 0-6000(SLIDE BOTTLE SERVICE)	2
RETIRED/DORMANT	GAUGE-RATE OF CLIMB FUEL	1
RETIRED/DORMANT	GAUGE-RING	158
RETIRED/DORMANT	GAUGE-SCRATCH DIAL	3
RETIRED/DORMANT	GAUGE-SLAT RIG 767	2
RETIRED/DORMANT	GAUGE-TEST 0-4000(SLIDE BOTTLE SERVICE)	2
RETIRED/DORMANT	GAUGE-THERMISTOR VACUUM	1
RETIRED/DORMANT	GAUGE-THICKNESS COATING	1
RETIRED/DORMANT	GAUGE-THICKNESS DIGITAL 0-60 MILS POSITECTOR	2
RETIRED/DORMANT	GAUGE-THREAD	5
RETIRED/DORMANT	GAUGE-VACUUM FUEL TANK NEGATIVE PRESSURE	1
RETIRED/DORMANT	GPU, 400HZ, FROM AT-941	1
RETIRED/DORMANT	GRINDER, PEDESTAL	9
RETIRED/DORMANT	GRINDER-BENCH	2
RETIRED/DORMANT	Grinder-Micro 56000 RPM w/wrench set	1
RETIRED/DORMANT	GUN-ADHESIVE POLYURETHANE TWO PART	3
RETIRED/DORMANT	GUN-SOLDERING CORDLESS	1
RETIRED/DORMANT	HACKSAW-HAND (SER)	1
RETIRED/DORMANT	HAMMER-NYLON HD 1 3/4" G45	1

RETIRED/DORMANT	HAND SHEAR, 24" ON PEDESTAL	2
RETIRED/DORMANT	HANDLE-SEMCO HAND SEALANT	3
RETIRED/DORMANT	HEADSET-H5030 VOICE ACTIVATED	6
RETIRED/DORMANT	HOLDER-DIAL INDICATOR UNIVERSAL	1
RETIRED/DORMANT	Hose assembly-Fuel Sump	1
RETIRED/DORMANT	HOSE, VARIOUS SIZE	2 PALLET
RETIRED/DORMANT	HVAC CABINET W/BLOWERS & COIL	1
RETIRED/DORMANT	HYDRAULIC MULE	2
RETIRED/DORMANT	INDICATOR-DIAL	37
RETIRED/DORMANT	INDICATOR-GAUSS FIELD	1
RETIRED/DORMANT	Inertial Reel-Shock Absorbing 30 ft	1
RETIRED/DORMANT	INTRIMIK	10
RETIRED/DORMANT	IN-WALL AC UNIT, GUARD SHACK	1
RETIRED/DORMANT	JACK-5 TON HYDRAULIC SERVICE	1
RETIRED/DORMANT	KIT COMPOSITE REPAIR CONTROLLER	1
RETIRED/DORMANT	Kit Hoist Beam Eng	2
RETIRED/DORMANT	KIT-AILERON CONTROL WHEEL TORQUE CHECK	1
RETIRED/DORMANT	KIT-COMMUNICATION CONFINED SPACE INTERCOM	2
RETIRED/DORMANT	KIT-COMPOSITE REPAIR CONTROLLER DUAL AC 120	5
RETIRED/DORMANT	KIT-CRIMPING ELECTRICAL CONNECTOR	3
RETIRED/DORMANT	KIT-FUEL TANK NEGATIVE PRESSURE LEAK TEST	1
RETIRED/DORMANT	KIT-FUELING FLANGE ADAPTER WEAR	1
RETIRED/DORMANT	KIT-INDICATOR DIAL BACK BUTTON 0-.200 X .001	1
RETIRED/DORMANT	KIT-INTRIMIK 2-3"	1
RETIRED/DORMANT	KIT-JS ENGINE FLANGE SEPARATION CFM56	1
RETIRED/DORMANT	KIT-LEADING EDGE SLAT TRAILING EDGE REPAIR	1
RETIRED/DORMANT	KIT-MICROMETER	27
RETIRED/DORMANT	KIT-MICROMETER O.D. WITH STANDARDS	5
RETIRED/DORMANT	KIT-MULTIRAE 50 GAS MONITOR (PCN)	1
RETIRED/DORMANT	KIT-OPEN & SHORT LOCATING SYSTEM (PCN)	1
RETIRED/DORMANT	KIT-RING GAUGE	18
RETIRED/DORMANT	KIT-SLIDE BOTTLE TESTER	1
RETIRED/DORMANT	KIT-MICROMETER STANDARDS	6
RETIRED/DORMANT	KIT-TORQUE TESTER ELECTROTORK	1
RETIRED/DORMANT	KIT-V MICROMETER	2
RETIRED/DORMANT	LADDER, A-FRAME VARIOUS	42
RETIRED/DORMANT	LADDER, STEEL WALL-ANCHORED	1
RETIRED/DORMANT	LADDER, STEP STOOL	3
RETIRED/DORMANT	LADDER/PLANK ALUMINUM	1
RETIRED/DORMANT	LASER-ALIGNMENT TOOL	1
RETIRED/DORMANT	LATHE-SMALL	1
RETIRED/DORMANT	LEVEL-PRECISION 12"	1
RETIRED/DORMANT	LIFT TABLE, ELECTRIC VARIOUS SIZE	24
RETIRED/DORMANT	LIGHT-CABIN REFURBISH	15
RETIRED/DORMANT	LIGHT-FLO 4FT 40WATT	1
RETIRED/DORMANT	LINE STRIPPER, DUAL	1
RETIRED/DORMANT	LOADCELL-10000 LB READOUT	3
RETIRED/DORMANT	MANLIFT, 15FT UPRIGHT	1
RETIRED/DORMANT	MANLIFT, 48 FT UPRIGHT	1
RETIRED/DORMANT	MEDIA BLAST CABINET MINI	1
RETIRED/DORMANT	METER-VOM CLAMP ON AMPROBE	1

RETIRED/DORMANT	MICROMETER	148
RETIRED/DORMANT	MOBILE GPU, 400 HZ DIESEL	2
RETIRED/DORMANT	MOBILE MACHINING CENTER	1
RETIRED/DORMANT	MONITOR-GAS MULTIRAE PLUS PGM 50	1
RETIRED/DORMANT	MONITOR-NOISE METROLOGGER	1
RETIRED/DORMANT	MOTOR, COMPRESSOR BLUE	1
RETIRED/DORMANT	MULTIMETER	9
RETIRED/DORMANT	NIBBLER-ELECTRIC BOSCH 1530	1
RETIRED/DORMANT	NIT/O2 BOTTLE CART	2
RETIRED/DORMANT	O2 BOTTLE TESTING EQUIPMENT	8
RETIRED/DORMANT	OUTLETS, ELEC/COMM	3 TUBS
RETIRED/DORMANT	OVEN, GRIEVE	6
RETIRED/DORMANT	PAINT BOOTH, 10X10	1
RETIRED/DORMANT	PAINT BOOTH, TOUCH UP	2
RETIRED/DORMANT	PALLET DG	1
RETIRED/DORMANT	PALLET JACK REMNANTS	1
RETIRED/DORMANT	PALLET MISC PARTS/TOOLS	9
RETIRED/DORMANT	PAPER, DOT MATRIX TRACTOR	5 CS
RETIRED/DORMANT	PAVERS, BRICK VARIOUS	7 PALLET
RETIRED/DORMANT	PI TAPE-O.D.	4
RETIRED/DORMANT	PICK UP TRUCK	1
RETIRED/DORMANT	PIPE CUTTER, ELCTRIC ON STAND	1
RETIRED/DORMANT	PIPE, VACUUM SCRAP	1
RETIRED/DORMANT	PLANER 20"-JET	1
RETIRED/DORMANT	POWER PACK-CAD PLATE	1
RETIRED/DORMANT	PRESS-ARBOR	1
RETIRED/DORMANT	PRESSURE POT, HVLP PAINT	1
RETIRED/DORMANT	PROJECTOR SCREEN, IN CEILING TYPE	3
RETIRED/DORMANT	PULLER-HUCK	3
RETIRED/DORMANT	RACK, SMALL TUB STORAGE	1
RETIRED/DORMANT	RACK, TIRE PALLET	1
RETIRED/DORMANT	RACKING, BAR/TUBE/BEAM STOCK	4
RETIRED/DORMANT	RACKING, CANTILEVER PALLET	8 SECTIONS
RETIRED/DORMANT	RACKING, PALLET VARIOUS SIZES	25 PALLETS
RETIRED/DORMANT	Ratchet Wrench 1/4 in	11
RETIRED/DORMANT	RECORDER-EASYGRAF TA240	1
RETIRED/DORMANT	REEL, HOSE/ELECT VARIOUS	6
RETIRED/DORMANT	REGULATOR-BREATHING AIR WITH GAUGE	21
RETIRED/DORMANT	RESISTOR-DECADE	1
RETIRED/DORMANT	ROUTER, OVERARM ON PEDESTAL	1
RETIRED/DORMANT	SANDER-BELT DISC COMBO	1
RETIRED/DORMANT	SAW, MITER 10"	3
RETIRED/DORMANT	SAW, TABLE	3
RETIRED/DORMANT	SAW-BONE PNEUMATIC	6
RETIRED/DORMANT	SCALE, VARIOUS	9
RETIRED/DORMANT	SCISSOR LIFT, 26 FT	1
RETIRED/DORMANT	SCRAP IN WIRE BIN W/ TOW BAR	1
RETIRED/DORMANT	Scratch Gage-Dial	2
RETIRED/DORMANT	SCREWDRIVER-90 DEGREE 35 LB	1
RETIRED/DORMANT	SCREWDRIVER-TORQUE	3

RETIRED/DORMANT	SCREWDRIVER-TORQUE PNEUMATIC 25 IN/LB	3
RETIRED/DORMANT	SCREWDRIVER-TORQUE PNEUMATIC 35 IN/LB	20
RETIRED/DORMANT	SEALER, SELF STANDING VACUUM	1
RETIRED/DORMANT	SHAVER 3HP, DELTA	1
RETIRED/DORMANT	SHAVER-RIVET	1
RETIRED/DORMANT	SHEAR, FOOT 52"	1
RETIRED/DORMANT	SHEAR-PNEUMATIC	4
RETIRED/DORMANT	SHELVING, MISC	1 PALLET
RETIRED/DORMANT	SHELVING, SMALL PARTS	1 PALLET
RETIRED/DORMANT	SHELVING, STEEL WOOD DECK SMALL PARTS	1
RETIRED/DORMANT	SHORING, FUSELAGE WOOD	3
RETIRED/DORMANT	SLING, VARIOUS	26
RETIRED/DORMANT	SLIP ROLL, 4FT	1
RETIRED/DORMANT	SPRAYER-DINOL	1
RETIRED/DORMANT	SPREADER, WALK BEHIND	3
RETIRED/DORMANT	SQUARE-CYLINDRICAL	1
RETIRED/DORMANT	SQUEEZER-RIVET PNEUMATIC ALLIGATOR	2
RETIRED/DORMANT	WORK STAND	35
RETIRED/DORMANT	STATION-SOLDERING	2
RETIRED/DORMANT	MICROMETER STANDARD	76
RETIRED/DORMANT	STD-PLASTIC SHIM 5 PCS .001-.020	1
RETIRED/DORMANT	STENCIL MACHINE, VARIOUS	10
RETIRED/DORMANT	STOCK PICKER, CROWN	1
RETIRED/DORMANT	STRAIGHT EDGE-18"	1
RETIRED/DORMANT	STRIPPER-WIRE	12
RETIRED/DORMANT	SUBURBAN	1
RETIRED/DORMANT	TABLE, CAFETERIA	4
RETIRED/DORMANT	TABLE, CHOP SAW	1
RETIRED/DORMANT	Tap-125 50 ft (Antenna Coupling) Part of KI12-9503H	1
RETIRED/DORMANT	TEST STAND, VACUUM TOILET	1
RETIRED/DORMANT	TESTER	27
RETIRED/DORMANT	TOOL, 757 SPOILER SKIN REPAIR	2 SHIPSETS
RETIRED/DORMANT	TOOLING PARTS/REMNANTS/MAT'LS	10 TUBS
RETIRED/DORMANT	TOOL-PAN WRAP (PCN)	1
RETIRED/DORMANT	TOOL-STRUT INFLATION	1
RETIRED/DORMANT	TOW MOTOR, YALE	1
RETIRED/DORMANT	TR RMVL FIXTURE	1
RETIRED/DORMANT	TRAILER, SMALL UTILITY	2
RETIRED/DORMANT	TRANSPORT DOLLY, ENGINE	1
RETIRED/DORMANT	TRASH CANS, VARIOUS SIZE	15
RETIRED/DORMANT	TRIM NOTCHER ON CABINET	2
RETIRED/DORMANT	TURNING CENTER, CNC MILLACRON	1
RETIRED/DORMANT	VACUBLAST-PORTABLE SPOT WITH FOUR SHIELDS	1
RETIRED/DORMANT	VALUE-MIX, MULTICOLOR HVLP MOBILE PAINT SYS	1
RETIRED/DORMANT	VALVE-PRESSURE DEMAND RESPIRATOR	31
RETIRED/DORMANT	VAN, PASSENGER	1
RETIRED/DORMANT	VFD CABINET	4
RETIRED/DORMANT	WEIGHT, TARE FOR ACFT	1
RETIRED/DORMANT	WEIGHT-SET 1/32 OZ TO 4 LBS	1
RETIRED/DORMANT	WOOD SHAVER, DELTA	2
RETIRED/DORMANT	WORK BENCH	74

RETIRED/DORMANT	WRENCH-NONSPARKING	1
RETIRED/DORMANT	WRENCH-PIPE	2
RETIRED/DORMANT	WRENCH-TORQUE	16

IAA Board Meeting
General Agenda
August 15, 2014

General:

- BP2014-08-1** Consider for approval the Land Lease Agreement with LIT Industrial Limited Partnership for a period of forty (40) years commencing September 1, 2014
- BP2014-08-2** Consider for approval Plans and Specifications for Environmental Remediation at Former C&E Rental Property at Indianapolis International Airport, as prepared by Keramida, Inc., and authorize the public bidding process

Capital Program:

- BP2014-08-3** Consider for approval an award of contract for IMC Roof and Skylight Repairs, Back Shops and Utility Distribution Corridor, Project # I-14-029, to Blackmore & Buckner Roofing, LLC a Tecta America Company, in an amount not-to-exceed \$393,687.00 plus a 3% construction reserve of \$11,811.00 for a total of \$405,498.00. Blackmore & Buckner Roofing, LLC was the lowest responsive and responsible bidder. MBE 0%, WBE 5.69% (White Security), and VBE 0%
- BP2014-08-4** Consider for approval the revised project budget and Amendment No. 2 to the professional services contract with Reynolds Smith and Hills, Inc. (RS&H) for Indianapolis International Airport Master Plan Phase II, Project # I-12-002, in the amount not-to-exceed \$36,312.00 (hourly fee). DBE 0%, MBE 0%, WBE 0%, and VBE 0%
- BP2014-08-5** Consider for approval rejection of all bids received on May 22, 2014 for Project # I-14-003, Rehabilitate Runway 5L-23R and Taxiway A at Indianapolis International Airport
- BP2014-08-6** Consider for approval an award of contract for Rehabilitate Asphalt Lots 2014 at Indianapolis International Airport, Project # I-14-014, to Grady Brothers, Inc. in an amount not-to-exceed \$186,239.29 plus a 3% construction reserve of \$5,587.18 for a total of \$191,826.47. Grady Brothers, Inc. was the lowest responsive and responsible bidder. MBE 1.88% (Ward Trucking), WBE 0.00%, and VBE 1.88% (Ward Trucking)

BP2014-08-7

Consider for approval an award of contract for Apron Storm Water Inlet Repairs, Phase I at Indianapolis International Airport, Project # I-14-004, to Evans Development Company, Inc. in an amount not-to-exceed \$349,321.00 plus a 3% construction reserve of \$10,479.60 for a total not-to-exceed amount of \$359,800.63. Evans Development Company, Inc. was the lowest responsive and responsible bidder. MBE 0.57% (Harmon Steel), WBE 16.56% (Indiana Sign & Barricade, Kopetsky Tri-Ax, Protection Plus, M.J. Schuetz Insurance Services), and VBE 0.00%

ADDITIONAL ACTION
ITEM FOR BP2014-08-7

In addition, consider for approval an Amendment No. 1 to the professional services contract with Journey Engineering, LLC to add construction inspection services for Apron Storm Water Inlet Repairs, Phase I at Indianapolis International Airport, Project # I-14-004, in an amount not-to-exceed \$52,417.50. MBE 0.00%, WBE 100% (Journey Engineering, LLC), and VBE 0.00%

BP2014-08-8

Consider for approval the revised project budget and Delegation of Authority to the IAA Executive Director contingent upon obtaining grant funding to execute award of contract for Stormwater and Deicing Controls and Capacity Phase 2B, Project # I-14-012, to Thieneman Construction, Inc. in an amount not-to-exceed \$5,694,000.00 plus a 3% construction reserve of \$170,820.00 for a total of \$5,864,820.00. Thieneman Construction, Inc. was the lowest responsive and responsible bidder. DBE 28.87% (CREW Corporation, Indiana Sign & Barricade, Team Cruiser, E-Z Transport), MBE 22.46% (Team Cruiser, E-Z Transport, Fox Contractors), WBE 9.11% (White Security, CREW Corporation, Indiana Sign & Barricade), and VBE 14.62% (Frakes Engineering, E-Z Transport)

BP2014-08-9

Consider for approval the purchase of two new high-speed, high-capacity, self-propelled snow blowers from M-B Companies, Inc. in an amount not to exceed \$ 1,070,822.00



Indianapolis Airport Authority

BOARD MEMO – LAND LEASE AGREEMENT

To: IAA Board of Directors
From: Marsha Stone, Sr. Director of Commercial Enterprise
Date: July 30, 2014
Board Date: August 15, 2014
Subject: Land Lease Agreement with LIT Industrial Limited Partnership

Background

LIT Industrial Limited Partnership (LIT) is primarily engaged in the development of industrial warehousing facilities. LIT will construct a tractor trailer parking lot for their warehouse operation on approximately 6.458 acres of IAA land located adjacent to their acreage; which is on Ronald Reagan Parkway and on the northwest side of the Airport. The term of the Land Lease Agreement is for forty (40) years commencing September 1, 2014. The Leased Premises site is beneath a high voltage power line to which the IAA has an electric easement with Indianapolis Power & Light.

During the term of this agreement, LIT will have the option to acquire, according to law, the fee simple title interest to their Leased Premises. This option is predicated on LIT constructing a portion of Airtech Parkway between Ronald Reagan Parkway and the IAA's West Perimeter Road as shown on the attachment. The extension of Airtech Parkway will be located on IAA property and IAA will be the owner of the road extension. The cost of construction of extending Airtech Parkway by LIT will be taken into consideration with respect to the option LIT has to purchase the Leased Premises.

Scope

To approve the execution of the Land Lease Agreement with LIT Industrial Limited Partnership.

Revenue and/or Operating Cost Implications

Revenue:

LIT will pay annual rent of \$14,065.92 to the IAA. Commencing September 1, 2019, and on each subsequent five-year anniversary thereafter through the term of this agreement, the annual rent will be adjusted by a Consumer Price Index calculation capped at fifteen percent (15%).

Operating Costs:

No additional costs will be incurred by the IAA with this agreement. LIT will pay for all construction costs related to the connection of any utilities not already in service, as well as placing all utilities that service the Leased Premises in their name.

Supplier Diversity Participation

Not applicable.

Recommendation

IAA Staff recommends the Board consider for approval the Land Lease Agreement with LIT Industrial Limited Partnership for a period of forty (40) years commencing September 1, 2014.



Indianapolis Airport Authority

BOARD MEMO – PLANS & SPECIFICATIONS APPROVAL

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: July 22, 2014

Board Date: August 15, 2014

Subject: Approval of Plans and Specifications for Environmental Remediation at Former C&E Rental Property at Indianapolis International Airport, and Authorize the Public Bidding Process

Background

The property at 9001 W. Washington Street is the former C&E Rental site owned by the Indianapolis Airport Authority (IAA). This site was a retail gasoline station until the 1970s and then an equipment rental facility. The site was purchased by IAA in the 1980s. The site at one time had at least five underground tanks (three gasoline, fuel oil and used oil). IAA conducted an environmental remediation at this facility in 1997, removing 1,200 cubic yards of soil. However, the Indiana Department of Environmental Management (IDEM) required further investigation and two chlorinated solvents were identified in the groundwater near the old tank area. IDEM rejected IAA's most recent effort to close out the site without any restrictions in a letter dated March 14, 2013. IDEM is still requiring an Environmental Restrictive Covenant because of the presence of solvents in the groundwater (solvents will persist longer than petroleum based contaminants). IAA has closed out all of the other remaining remediation sites that IAA is directly responsible for in the past several years successfully without any restrictions.

IAA has worked with IDEM and amended the Corrective Action Plan for this site in order to pursue additional environmental remediation to allow for a closure without any environmental deed restrictions. Keramida, Inc. was selected from Statement of Qualifications on file to identify a plan for closure without restriction, receive IDEM approval, prepare the bid package and to perform related environmental regulatory work to pursue final closure with IDEM. The contract with Keramida, Inc. was executed on May 29, 2014 by the Executive Director.

This project was approved by the Senior Management Team on August 4, 2014 to complete the environmental remediation and seek environmental closure without restrictions.

Scope

The scope of work includes the removal of subsurface soils and aquifer materials in the area of chlorinated volatile organic compounds-impacted groundwater. An estimate of 1,600 tons of soil will be removed, transported for appropriate off-site disposal. A chemical agent will be placed in the bottom of the excavation to assist meeting the environmental cleanup levels.

Budget

This project is listed as an environmental liability for 2014 and has been accrued in the 2014 Operating Budget. The construction package is estimated between \$100,000 and \$500,000. The range is established per Federal Acquisition Regulation Subpart 36.2.

The funding for this project will be 100% airport cash.

This project is being undertaken to meet state and federal environmental requirements. As a result of the regulatory nature of the remediation, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

The following bid schedule is proposed.

Advertisement of Opportunity to Bid:	August 19, 2014, and August 26, 2014
Pre-Bid Meeting:	August 26, 2014 11:00 am Building 60, Conference Room 1
Bid Opening:	September 8, 2014 2:00 pm Building 60, Conference Room 1

Contract award anticipated September 19, 2014 and the substantial completion date is expected to be December 2014.

Supplier Diversity Participation

The Director of Supplier Diversity established the following participation goals: MBE 18%, WBE 5%, and VBE 3%.

Recommendation

The IAA staff recommends that the Board consider for approval Plans and Specifications for Environmental Remediation at Former C&E Rental Property at Indianapolis International Airport, as prepared by Keramida, Inc., and authorize the public bidding process.



Indianapolis Airport Authority

BOARD MEMORANDUM – BID AWARD

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: July 24, 2014

Board Date: August 15, 2014

Subject: Award of CIP/Project # I-14-029 to Blackmore & Buckner Roofing, LLC for IMC Roof and Skylight Repairs, Back Shops and Utility Distribution Corridor at Indianapolis International Airport

Background

The Indianapolis International Airport (IND) Indianapolis Maintenance Center (IMC) has a 22 year old roofing system which received Capital repairs in 2012 and 2013 covering the sections of the hangars and portions of the back shop skylight areas. This project focuses on the remaining seams, flashings, and skylights for the back shop and seams and flashings for the upper level utility distribution corridor areas.

This project consists of the fourth phase Roof Repairs Back Shops and Utility Distribution Corridor and fifth phase Skylight Roof Repairs of Capital project roof repairs at the IMC, which were combined for implementation and economies of scale.

On March 3, 2014, this project was approved for implementation by the Senior Management Team.

On June 20, 2014, the Board approved plans & specifications for CIP/Project # I-14-029 - Indianapolis Maintenance Center (IMC) Roof and Skylight Repairs, Back Shops and Utility Distribution Corridor and authorized the public bidding process.

On July 24, 2014, the IAA staff received two bids. The project contained a base bid and one alternate bid item. The bids received for this combination ranged from \$393,687.00 to \$416,907.00.

Blackmore & Buckner Roofing, LLC was the lowest responsive and responsible bidder in the amount of \$393,687.00 for base bid and Alternate 1.

In addition to the contract amount, IAA is requesting a construction reserve of 3% of the total contract amount for this project. A construction reserve of 3% has been previously approved by the Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate

the funding of the 3% contingency for construction reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

The other approved contract for this project is a professional services contract with Cripe Architects + Engineers approved by the Executive Director on June 5, 2014 for design services through construction phase. Cripe Architects + Engineers was selected through a qualifications based request for proposal.

Scope

The scope of this project provides for the repair of remaining base flashings, expansion joints, curb flashings, sealing the skylights and repairing the skylight flashings on the roof of the back shops, supply building, and utility distribution corridor.

Budget

This contract is within the combined project budget of \$668,670.00. The total bid plus 3% construction reserve is \$405,497.61.

Project Costs

Contract Amount (including 3% reserve)	\$ 405,497.61
Design & Soft Costs	72,900.00
Construction Contingency (7%)	27,558.09
Total Anticipated Project Costs	\$ 505,955.70

Combining the projects resulted in favorable bids, so the anticipated project costs are less than the budget.

This project is included in the approved 2014 Capital Budget as two projects and funding for this project is anticipated to be 100% airport cash.

This project is being undertaken to rehabilitate existing infrastructure that is integral to the successful operation of the airport. As a result of the critical nature of the rehabilitation, this project is exempt under the Authority’s hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Contract award anticipated August 15, 2014 with a substantial completion date of November 2014.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

FIRM	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
White Security	\$0	\$22,400	\$0	0%	5.69%	0%
Totals	\$0	\$22,400	\$0	0%	5.69%	0%

Recommendation

The IAA staff has reviewed the bids and recommends that the Board consider for approval an award of contract for IMC Roof and Skylight Repairs, Back Shops and Utility Distribution Corridor, Project # I-14-029, to Blackmore & Buckner Roofing, LLC a Tecta America Company, in an amount not-to-exceed \$393,687.00 plus a 3% construction reserve of \$11,811.00 for a total of \$405,498.00. Blackmore & Buckner Roofing, LLC was the lowest responsive and responsible bidder. MBE 0%, WBE 5.69% (White Security), and VBE 0%.



Indianapolis Airport Authority

BOARD MEMO – AMENDMENT

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: July 25, 2014

Board Date: August 18, 2014

Subject: Approval of Amendment No. 2 to Professional Services Contract with Reynolds Smith and Hills, Inc. for Indianapolis International Airport Master Plan Phase II, Project # I-12-002

Background

There are two Federal Aviation Administration (FAA) planning documents that guide the development of Indianapolis International Airport (IND), the Master Plan (MP) and Airport Layout Plan (ALP). The master plan is a comprehensive study of an airport that describes the short-, medium-, and long-term development plans to meet future aviation demand. The ALP is a graphic depiction of the existing facilities and planned development. Development must be shown on an FAA approved ALP to be eligible for federal funding. An ALP is required by the FAA to be updated as development occurs.

The Indianapolis Airport Authority (IAA) is in the process of completing a phased update of the IND MP with a focus on the short-term, defined as the next 5-7 years. Phase I of the master plan was completed September 2012 and Phase II is in the final internal review stage.

Reynolds Smith and Hills, Inc. (RS&H) was selected for the Master Plan through a Request for Proposal (RFP) process per FAA requirements in 2011. The Board approved the Phase I contract with RS&H on April 20, 2012, the full Phase II (20 year planning process) contract on November 16, 2012, and Amendment 1 of the Phase II contract to reduce the Phase II scope for the short-term focus on February 15, 2013.

In evaluating land use options, IAA staff has identified that it would be beneficial to identify the potential timing of the development of the 3rd parallel runway. Therefore, some of the demand/capacity analysis from the original Phase II full master plan scope is recommended to be amended into the current RS&H contract. Identifying the conditions that will warrant the 3rd parallel runway development will allow the IAA to better plan short- and intermediate-term use of the airport land.

To support land use recommendations, it is anticipated that revisions to the ALP and accompanying Exhibit "A" property map will be needed. To allow these changes to occur quickly and provide the necessary documentation to and coordination with the FAA, \$20,000 for additional services that will only occur as authorized by the IAA are

also included in this amendment. To allow time for the demand/capacity analysis, ALP and Exhibit "A" revisions and FAA airspace review of the updated MP and ALP, the contract term with RS&H is being extended to September 30, 2015 as part of Amendment 2.

Phase I was approved for implementation by the Senior Management Team on April 25, 2011 and completed September 2012. Phase II was approved by Senior Management Staff on October 8, 2012. The revised Phase II was affirmed by Senior Management Staff on February 4, 2013. The revised project budget to incorporate the demand capacity analysis was approved by Senior Staff on August 4, 2014 and the additional services on August 6, 2014.

Scope

This amendment is for a demand/capacity analysis to identify the conditions and timing of the development of the 3rd parallel runway south of I-70. It is also an additional services task to provide revisions to the ALP and Exhibit "A" based on the data from the demand/capacity analysis and coordination of those revisions with the FAA.

Budget

The overall project budget has been revised from the initial \$2,500,000.00 to \$1,053,250.00 in the proposed 2015 Capital Budget. With this amendment, the anticipated project cost will exceed the total revised budget. It is recommended by Senior Staff to increase the budget to \$1,093,200.00. Savings in other capital projects will fund this difference. Only 25% of the project costs are airport cash, the balance is grant funded.

Project Costs

Phase I	
RS&H Phase I Contract	\$ 246,221.00
Woolpert, Inc. - Aerial Photography	64,631.00
Daniel Orcutt ¹	3,930.00
Phase II	
RS&H Phase II Amended Contract	723,035.00
Daniel Orcutt ¹	7,500.00
Woolpert Peer Review of AGIS	11,500.00
RS&H Phase 2 Amendment 2	36,312.00
Total Anticipated Project Costs	\$ 1,093,129.00

¹ Mr. Orcutt has been engaged on this project to leverage Mr. Orcutt's historical knowledge of IND and its master planning efforts that have been successfully implemented to date and to benefit from that knowledge to assess future plans.

This project is funded with 75% from FAA Airport Improvement Program (AIP) grant funds and 25% airport cash. The AIP grants were received before the Phase II scope was reduced to focus on the short-term; therefore, funds are available for this amendment to be grant funded.

This project is being undertaken to meet regulatory requirements and will be 75% FAA grant funded. As a result of the regulatory requirement and grant funding, this project is exempt under the IAA's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

The term of this amendment upon Board approval will extend the contract completion to **September 30, 2015** to allow time for FAA review and airspace study after this work is completed. The submission of the complete document to FAA is expected to occur in October 2014.

Supplier Diversity Participation

Because of the specialized nature of the demand capacity analysis in this amendment there is no increase in supplier diversity for that element. Some additional D/M/VBE participation is anticipated related to any needed ALP and Exhibit "A" revisions, and will be defined as part of the authorization under the additional services task.

Contract Summary to Date

Contract/Amendment & Execution Date	Service & Term	Amount	Minority Participation %			
			DBE	MBE	WBE	VBE
Amendment 1 to Revise Phase II Scope February 15, 2013	Professional Services Term: 2/15/13 – 8/31/14	\$723,035	52.17%	29.16%	7.17%	29.16%
Amendment 2 August 15, 2014	Professional Services Term: Extend to 3/31/15	36,312	0.00%	0.00%	0.00%	0.00%
	Revised Contract NTE	\$759,347	49.68%	27.77%	6.83%	27.77%

Recommendation

The IAA staff has reviewed the proposal and recommends that the Board consider for approval the revised project budget and Amendment No. 2 to the professional services contract with Reynolds Smith and Hills, Inc. (RS&H) for Indianapolis International Airport Master Plan Phase II, Project # I-12-002, in the amount not-to-exceed \$36,312.00 (hourly fee). DBE 0%, MBE 0%, WBE 0%, and VBE 0%.



Indianapolis Airport Authority

BOARD MEMO – REJECTION OF BIDS

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: July 23, 2014

Board Date: August 15, 2014

Subject: Rejection of Bids for CIP/Project # I-14-003, Rehabilitate Runway 5L-23R and Taxiway A at Indianapolis International Airport

Background

Runway 5L-23R at Indianapolis International Airport (IND) (see attached exhibit) was constructed in 1996 and localized rehabilitation was completed in 2002 and 2008. The results of a 2012 IND Airfield Pavement Evaluation and Management Plan indicated additional rehabilitation is needed in localized areas on the runway.

Taxiway A, between Runway 14-32 and Taxiway A-5, was constructed in 1985 and localized rehabilitation was completed in 2007. Taxiway A, between Taxiway A-5 and A-7, was constructed in 1992 and Taxiway A, between Taxiway A-7 and A-12, was constructed in 1996 and localized rehabilitation was completed in 2003 and 2007. The results of a 2012 IND Airfield Pavement Evaluation and Management Plan indicated rehabilitation is needed in localized areas on Taxiway A.

Originally presented in two projects in the approved 2014 Capital Improvement Program (CIP), Rehabilitate Runway 5L-23R and Rehabilitate Taxiway A were combined into one project. Taxiway A was split out of the Rehabilitate Taxiway A and D project. Combining the Rehabilitate Runway 5L-23R and Taxiway A into one project will give IAA staff more control over construction activities and also help streamline communication with key IND tenants. The quantities for each will be tracked separately for Federal Aviation Administration (FAA) grant funding purposes.

On April 18, 2014 the Board approved plans and specifications and authorized the public bidding process. On May 22, 2014, the IAA staff received one bid. The project contained the base bid (Runway 5L-23R) and one base bid alternate (Runway 5L-23R and Taxiway A). The bid received for the base bid was \$6,620,000.00 and base bid alternate (Runway 5L-23R and Taxiway A) was \$9,970,000.00. The base bid and base bid alternate were both considerably higher than their respective construction budgets.

The IAA staff reviewed the existing pavement condition and determined that this project could be deferred to 2015 with a minor increase in the 2015 budget for

deterioration over the winter and the programmed grant funding reallocated to other IND projects.

Per Indiana Code 5-16-2-1.4 and in accordance with Item #19 in the Instructions to Bidders which states that "The Owner reserves the right to reject any and all bids ...", it is recommended that the IAA Board consider for approval the rejection of all bids received on May 22, 2014 for CIP/Project # I-14-003.

Re-bidding of this project is expected in the spring of 2015. The project will potentially be combined with another airfield pavement rehabilitation project, pending funding decisions by the Federal Aviation Administration (FAA), with the goal of increasing the economies of scale of the project. The design and construction phasing will also be reviewed for any potential cost savings modifications to execute this project within budget and increase interest by contractors to attract multiple bidders to increase the competitiveness of the bidding.

Budget

Rehabilitate Runway 5L-23R and Taxiway A is included in the proposed 2015 Capital Budget.

Schedule

Anticipate rebidding Spring 2015.

Supplier Diversity Participation

Not applicable to rejection of bids.

Recommendation

The IAA staff has reviewed the bids and recommends that the Board consider for approval rejection of all bids received on May 22, 2014 for Project # I-14-003, Rehabilitate Runway 5L-23R and Taxiway A at Indianapolis International Airport.



INDIANAPOLIS INTERNATIONAL AIRPORT
REHABILITATE RUNWAY 5L-23R & TAXIWAY A
I-14-003





Indianapolis Airport Authority

BOARD MEMORANDUM – BID AWARD

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: July 23, 2014

Board Date: August 15, 2014

Subject: Award of CIP/Project # I-14-014 to Grady Brothers, Inc. for Rehabilitate Asphalt Lots 2014 at Indianapolis International Airport

Background

The Midfield Terminal Project completed in 2008 by the Indianapolis Airport Authority (IAA) built approximately 120 acres of new asphalt parking areas throughout the Midfield campus at Indianapolis International Airport. These lots require maintenance and rehabilitation to maximize the life of the asphalt parking lot assets. An annual drive through inspection of all the lots was performed to determine the highest priority for rehabilitation within the 2014 budget.

This project was approved for implementation by the Senior Management Team on January 27, 2014.

On June 20, 2014, the Board approved plans & specifications for CIP/Project # I-14-024, Rehabilitate Asphalt Lots 2014 at Indianapolis International Airport and authorized the public bidding process.

On July 29, 2014, the IAA staff received two bids. The project contained a base bid and one (1) alternate bid item. In order to align the work with available funding, this contract consists of the base bid only. The base bids received ranged from \$186,239.29 to \$242,741.95.

Grady Brothers, Inc. was the lowest responsive and responsible bidder in the amount of \$186,239.29 for the base bid.

In addition to the contract amount, IAA is requesting a construction reserve of 3% of the total contract amount for this project. A construction reserve of 3% has been previously approved by the Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate the funding of the 3% contingency for construction reserve. Any change orders

exceeding the contract and construction reserve will be submitted to the Board for approval.

The other approved contract for this project is a professional services contract with Shrewsberry & Associates, LLC approved by the Executive Director on May 1, 2014 for design services through construction phase. Shrewsberry & Associates, LLC was selected through a qualifications based request for proposals.

Scope

The scope of work includes crack repair, partial and full depth repair, joint sealing for parking pavements at Fire Station #1, Employee and Economy Lots and Quick Turn Around (QTA) facility at Indianapolis International Airport.

Budget

This contract is within the overall project budget of \$284,000.00. The total bid plus 3% construction reserve is \$191,826.47.

Project Costs

Contract Amount (including 3% reserve)	\$ 191,826.47
Design & Soft Costs	49,390.00
Construction Contingency (7%)	13,036.75
Total Anticipated Project Costs	\$ 254,253.22

This project is included in the approved 2014 Capital Budget, and funding for this project is anticipated to be 100% Airport cash.

The project is being undertaken to rehabilitate existing infrastructure that is integral to the continued operation of the airport. Because of the critical nature of this project, it has not been subjected to an internal rate of return calculation.

Schedule

Contract award anticipated August 15, 2014 with a substantial completion date of December 2014.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Ward Trucking	\$3,500.00	\$0.00	\$3,500.00	1.88%	0.00%	1.88%
Totals	\$3,500.00	\$0.00	\$3,500.00	1.88%	0.00%	1.88%

Recommendation

The IAA staff has reviewed the bids and recommends that the Board consider for approval an award of contract for Rehabilitate Asphalt Lots 2014 at Indianapolis International Airport, Project # I-14-014, to Grady Brothers, Inc. in an amount not-to-exceed \$186,239.29 plus a 3% construction reserve of \$5,587.18 for a total of \$191,826.47. Grady Brothers, Inc. was the lowest responsive and responsible bidder. MBE 1.88% (Ward Trucking), WBE 0.00%, and VBE 1.88% (Ward Trucking).



Indianapolis Airport Authority

BOARD MEMORANDUM – BID AWARD AND AMENDMENT

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: July 24, 2014

Board Date: August 15, 2014

Subject: Award of CIP/Project # I-14-004 to Evans Development Company, Inc. and Approval of Amendment No. 1 with Journey Engineering, LLC for Professional Services for Apron Storm Water Inlet Repairs, Phase I at Indianapolis International Airport

Background

The Indianapolis International Airport (IND) Terminal Apron was constructed in 2007 and opened to aircraft in 2008. In 2013, an Indianapolis Airport Authority (IAA) maintenance employee noticed one of the 124 apron drainage inlets was broken. The apron area around the inlet was closed and the broken inlet was repaired.

An extensive assessment of the remaining 123 apron drainage inlets (apron inlets) was performed and identified that numerous apron inlets require corrective action.

The apron inlets will be repaired in phases, Phase I in 2014, Phase II in 2015 and, if needed, Phase III in 2016. This Phase I of the project will repair 15 inlets identified as most critical to the safe operation of aircraft at IND. These inlets are exhibiting similar distresses to the one that broke and are in locations near the taxiway most likely to be crossed by aircraft. The Phase I apron inlet repairs all involve concrete work. Phase II of the project, anticipated for the 2015 construction season, will address additional inlets. The Phase II apron inlet repairs are anticipated to primarily consist of the addition of steel bars to improve the load transfer from the apron inlet grate to the surrounding concrete. If needed, Phase III would be a continuation of the type of repair in Phase II.

This project was approved for implementation by the Senior Management Team on August 26, 2013.

On July 18, 2014, the Board approved plans and specifications for CIP/Project # I-14-004 – Apron Storm Water Inlet Repairs, Phase I and authorized the public bidding process.

Construction Contract

On August 5, 2014, the IAA staff received two bids. The project contained a base bid and one base bid alternate. The bids received for the base bid ranged from \$349,321.00 to \$485,000.00. The bids received for the base bid alternate ranged from

\$666,897.00 to \$697,000.00. The base bid pricing was competitive and within the project budget, so it was selected as the preferred option.

Evans Development Company, Inc. was the lowest responsive and responsible bidder in the amount of \$349,321.00 for the base bid.

In addition to the contract amount, IAA is requesting a construction reserve of 3% of the total contract amount for this project. A construction reserve of 3% has been previously approved by the Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate the funding of the 3% contingency for construction reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

Amendment No. 1

To accompany the construction contract, an amendment to the professional services contract is needed for construction inspection.

On January 17, 2014, the Board executed a contract with Journey Engineering, LLC (Journey) for professional services including investigation of inlet, initial, preliminary and final design, and bidding assistance and construction administration for Phase I. This amendment (Amendment No. 1) provides for construction inspection services to be performed by members of the design firm for Phase I. With the complex nature of the repairs and the need to execute efficiently to minimize impact to the airlines during gate closures, having the design team in the field to address any issues they arise is a benefit to the IAA. Also, the IAA inspection staff is assigned to other airfield projects occurring concurrent with this project, so external resources are needed to ensure project work is being executed in accordance with the plans and specifications.

An additional professional service contract for materials testing within the Executive Director's authority is expected to be executed in August 2014.

Scope

Construction Contract

The scope of work includes full panel replacement, partial panel replacement, inlet grate structure replacement and joint sealing for concrete pavements containing storm water inlets on the Terminal Ramp A at IND as shown on the attached exhibit.

Amendment No. 1

The scope of this Amendment No. 1 is for construction inspection services for Apron Storm Water Inlet Repairs, Phase I at Indianapolis International Airport.

Budget

Apron Storm Water Inlet Repairs, Phase I is included in the approved 2014 Capital Budget at a total cost of \$726,000.00.

Construction Contract

The total bid plus 3% construction reserve is \$359,800.63.

Amendment No. 1

Amendment No. 1 in the amount of \$52,417.50 is within the professional services costs of the overall project budget of \$726,000.00.

Project Costs

Contract Amount (including 3% reserve)	\$	359,800.63
Investigation, Design & Soft Costs*		205,139.92
Inspection		52,417.50
Material Testing		19,100.00
Construction Contingency (7%)		24,452.47
Total Anticipated Project Costs	\$	660,910.52

** The investigation, design & soft costs are high as a percent of this project due to the need to investigate the cause of the failure and identify potential economical solutions. Investigation efforts included entering each storm water inlet for a thorough visual inspection of the structure, ground penetrating radar inspection of the structural steel inside the concrete, and dye penetrant testing of the inlet frame to detect any fractures in the metal casting. The design costs in Phase I also include identification of the type of repairs for Phase II.*

The funding for this project is expected to be 100% Airport cash.

This project is being undertaken to repair existing infrastructure that is integral to the continued operation of the airport. As a result of the critical nature of the repairs, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Construction Contract

Contract award anticipated August 15, 2014 with a substantial completion date of November 2014.

Amendment No. 1

This amendment extends the term of the contract to June 30, 2015 for project closeout.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Construction Contract

FIRM	AMOUNT			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Indiana Sign & Barricade	\$ 0	\$ 3,555	\$0	0.00%	1.02%	0.00%
Kopetsky Tri-Ax	0	3,000	0	0.00%	0.86%	0.00%
Protection Plus	0	39,000	0	0.00%	11.16%	0.00%
Harmon Steel	2,000	0	0	0.57%	0.00%	0.00%
M.J. Schuetz Insurance Services	0	12,300	0	0.00%	3.52%	0.00%
Totals	\$2,000	\$57,855	\$0	0.57%	16.56%	0.00%

Amendment No. 1

The Director of Supplier Diversity has approved the following for Amendment No. 1:

FIRM	AMOUNT			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Journey Engineering, LLC	\$0	\$52,417.50	\$0	0.00%	100%	0.00%
Totals	\$0	\$52,417.50	\$0	0.00%	100%	0.00%

Contract Summary to Date

Journey Engineering Contract/Amendment & Execution Date	Service & Term	Amount	Minority Participation %		
			MBE	WBE	VBE
Original Contract January 17, 2014	Professional Services Term: 1/17/14 – 12/31/14	\$202,139.92	16.28%	62.53%	4.88%
Amendment 1 August 15, 2014	Professional Services Term: Extend to 12/31/15	52,417.50	0.00%	100%	0.00%
	Revised Contract NTE	\$254,557.42	12.93%	70.24%	3.87%

Recommendation

Construction Contract

The IAA staff has reviewed the bids and recommends that the Board consider for approval an award of contract for Apron Storm Water Inlet Repairs, Phase I at Indianapolis International Airport, Project # I-14-004, to Evans Development Company, Inc. in an amount not-to-exceed \$349,321.00 plus a 3% construction reserve of \$10,479.60 for a total not-to-exceed amount of \$359,800.63. Evans Development Company, Inc. was the lowest responsive and responsible bidder. MBE 0.57% (Harmon Steel), WBE 16.56% (Indiana Sign & Barricade, Kopetsky Tri-Ax, Protection Plus, M.J. Schuetz Insurance Services), and VBE 0.00%.

Amendment No. 1

The IAA staff also recommends that the Board consider for approval an Amendment No. 1 to the professional services contract with Journey Engineering, LLC to add construction inspection services for Apron Storm Water Inlet Repairs, Phase I at Indianapolis International Airport, Project # I-14-004, in an amount not-to-exceed \$52,417.50. MBE 0.00%, WBE 100% (Journey Engineering, LLC), and VBE 0.00%.



INDIANAPOLIS INTERNATIONAL AIRPORT
APRON STORM WATER INLET REPAIRS
I-14-004A

- - STORM WATER INLET
- - PHASE I INLET REPAIRS



Indianapolis Airport Authority

BOARD MEMORANDUM – DELEGATION OF AUTHORITY

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: July 22, 2014

Board Date: August 15, 2014

Subject: Delegation of Authority contingent upon grant funding to the IAA Executive Director for the Award of CIP/Project # I-14-012 to Thieneman Construction, Inc. for Stormwater and Deicing Controls and Capacity Phase 2B at Indianapolis International Airport

Background

The Indianapolis Airport Authority (IAA) conducted a Stormwater and Deicing System Assessment and Preliminary Engineering Study in 2011. This assessment identified options and alternatives for improvements to the existing stormwater and deicing system needed to accommodate current, short-term and longer-term aviation needs and to meet current and future federal water quality requirements.

The Stormwater and Deicing Controls and Capacity Phase 1 projects are constructed. Phase 2 of the Stormwater and Deicing System Controls and Capacity project is now under construction by Thieneman Construction, Inc. Phase 2 consists of a new 8 Million Gallon Equalization Basin (EQ Basin) near the existing EQ basin, improvements to the P-Pad and to the Alpha Row trench serving a portion of the Eagle Hub.

Phase 2 was bid with an alternate item to complete the facilities necessary to meet environmental requirements for aircraft deicing at the Eagle Hub, including a new lift station and force main to convey stormwater from the Eagle Hub to the EQ Basins. Grant funding was not available to accept the alternate in 2013, so it was rebid as a stand-alone project in 2014 (now referred to as Phase 2B).

Phase 2B of the project was approved for implementation by the Senior Management Team on February 24, 2014, with construction contingent upon receipt of grant funding. The project is included in the proposed 2015 Capital budget for \$6,000,000.00. With the professional services to repackage the project for bidding and oversee construction, the overall project costs are anticipated to exceed \$6,000,000.00. Senior Staff approved increasing the overall budget for Phase 2B to \$6,500,000.00 on August 4, 2014 still contingent upon receipt of grant funding. The increase will be funded by savings in other capital projects.

On July 1, 2014 the IAA staff received two bids. The project contained a base bid and one alternate bid item. The bids received for this combination ranged from \$5,694,000.00 to \$7,985,894.00. Thieneman Construction, Inc. was the lowest responsive and responsible bidder in the amount of \$5,694,000.00.

Stormwater and Deicing Controls and Capacity Phase 2B project is on the Federal Aviation Administration's (FAA) short-list for discretionary grant funding in 2014. In order to meet the FAA's deadline to make application for grant funding, the IAA needed to open bids on July 1, 2014. Per Indiana Code, the contractor is only required to hold their bid for 60 days, although the contractor may choose to honor it beyond the 60 days. If the IAA obtains grant funding for the project, it is in IAA's best interest to award the construction contract quickly; therefore, Delegation of Authority is being requested for the Executive Director to execute the construction contract with the lowest responsive and responsible bidder if grant funding is received for this project. If grant funding is not received and it becomes necessary to reject the bids, a rejection of bids recommendation will be brought to the Board for consideration at a later date.

Scope

The scope of work includes the construction of a 72" storm sewer pipe and manhole system along the southern edge of the Eagle Hub apron, the construction of a new lift station near the southern end of the Alpha Row drainage system which will collect deicing runoff from the 72" storm pipe and the Alpha Row system and the construction of a new 14" force main from the new lift station to the EQ Basins located east of the P-Pad.

Budget

This project is included in proposed 2015 Capital Budget in the amount of \$6,000,000.00. It is recommended by Senior Staff to increase this budget to \$6,500,000.00 to encompass the professional services for bidding and construction inspection and to allow for construction contingency to address any unforeseen conditions that may arise during construction. The total bid plus 3% construction reserve is \$5,864,820.00 and is within the construction portion of the revised project budget.

Project Costs

Contract Amount (including 3% reserve)	\$ 5,864,820.00
Design & Soft Costs	61,000.00
Materials Testing	144,000.00
Inspection	70,000.00
Construction Contingency (6.3%)	360,180.00
Total Anticipated Project Costs	\$ 6,500,000.00

The project is anticipated to be up to 75% Federal Aviation Administration Airport Improvement Program (AIP) funding with the remainder being Airport cash.

This project is required to continue to meet City of Indianapolis and federal water quality permit requirements as the authority expands development and activity at IND. The project is expected to be up to 75% grant funded. Because this project supports future, as yet unspecified, development, no hurdle rate calculation was completed. The cash funded portion of the project will be utilized as a cost in determining the Internal Rate of Return (IRR) of projects that are supported by this improvement as those projects are developed.

Schedule

Based on contract award anticipated August 15, 2014 or upon notice of 2014 grant funding that would occur before the end of the Federal fiscal year on September 30, 2014, substantial completion would be July 2015.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

FIRM	AMOUNT				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
White Security	\$ 0	\$ 0	\$112,500	\$ 0	0.00%	0.00%	1.98%	0.00%
CREW Corp.	397,000	0	397,000	0	6.97%	0.00%	6.97%	0.00%
Indiana Sign & Barricade	9,000	0	9,000	0	0.16%	0.00%	0.16%	0.00%
Frakes Engrg	0	0	0	298,385	0.00%	0.00%	0.00%	5.24%
Team Cruiser	702,380	702,380	0	0	12.36%	12.36%	0.00%	0.00%
E-Z Transport	534,000	534,000	0	534,000	9.38%	9.38%	0.00%	9.38%
Fox Contractors	0	41,000	0	0	0.00%	0.72%	0.00%	0.00%
Totals	\$1,642,380	\$1,277,380	\$518,500	\$832,385	28.87%	22.46%	9.11%	14.62%

Recommendation

The IAA staff has reviewed the bids and recommends that the Board consider for approval the revised project budget and Delegation of Authority to the IAA Executive Director contingent upon obtaining grant funding to execute award of contract for Stormwater and Deicing Controls and Capacity Phase 2B, Project # I-14-012, to Thieneman Construction, Inc. in an amount not-to-exceed \$5,694,000.00 plus a 3% construction reserve of \$170,820.00 for a total of \$5,864,820.00. Thieneman Construction, Inc. was the lowest responsive and responsible bidder. DBE 28.87% (CREW Corporation, Indiana Sign & Barricade, Team Cruiser, E-Z Transport), MBE 22.46% (Team Cruiser, E-Z Transport, Fox Contractors), WBE 9.11% (White Security, CREW Corporation, Indiana Sign & Barricade), and VBE 14.62% (Frakes Engineering, E-Z Transport).

BOARD MEMO – SNOW BLOWER REPLACEMENTS

To: IAA Board of Directors

From: Michael Medvescek, Sr. Director of Operations

Date: August 01, 2014

Board Date: August 15, 2014

Subject: Award of CIP/Project # I-15-026 to M-B Companies, Inc. for Replacement of three old self-propelled snow blowers with two new high-speed, high-capacity, self-propelled snow blowers

Background

In accordance with Title 14, Code of Federal Regulations (CFR), Part 139, as of April 30, 2009 certificated airports are required to comply with the Federal Aviation Administration (FAA) Advisory Circular (AC) 150/5200-30C. AC 150/5200-30C states an airport with the number of commercial operations as Indianapolis International Airport should have sufficient equipment to clear within a ½ hours' time 1 inch of snow weighing up to 25 lb/ft³ from Priority 1 areas. This index then outlines the minimum number of rotary plows that an airport is required to provide in accordance with AC 150/5220-20. A high-speed self-propelled "rotary plow" better known as a snow blower is a specialized vehicle that blows or throws snow over an obstacle (e.g. signs or lights along the edge of a runway or taxiway) or a large distance (e.g. 100 feet).

This project is to replace three old self-propelled snow blowers, a 36 year old (1978), a 22 year old (1992), and a 21 year old (1993), with two new high-speed high-capacity self-propelled snow blowers. Due to the severity of operational requirement, age, and lack of parts availability, these blowers can no longer be maintained in a reliable operational status. If these vehicles are not replaced we could fail to meet FAA standards.

This project would include the purchase of two new high-speed high-capacity self-propelled snow blowers that meet the newest applicable FAA, Department of Transportation (DOT), and Environmental Protection Agency (EPA) motor vehicle standards. The old snow blowers would be disposed of through the IAA online auction process.

On May 16, 2014, the Board approved submitting request for bids to replace three self-propelled snow blowers with two new high-speed, high-capacity, self-propelled snow blowers.

On July 28, 2014, the IAA staff received four bids. One bid was non-responsive, not completing the unit price or extended pricing portions of the Response Form. Three complete bids were received with M-B Companies, Inc. being the lowest responsive and responsible bidder in the amount of \$ 1,070,822.00 for two new high-speed, high-capacity, self-propelled snow blowers.

Scope

This project proposes to replace three old self-propelled snow blowers, a 36 year old (1978), a 22 year old (1992), and a 21 year old (1993), with two new high-speed, high-capacity self-propelled snow blowers.

The proposed completion of the project would be within 120 days of the Notice to Proceed (NTP). Airport Operations will oversee the completion of the project for its duration.

Budget

This project was not included in the original, approved 2014 Capital Budget, however due to the unusually harsh winter (2013/2014) and potential for grant funding, the Senior Management Team advises moving forward with the purchase of this equipment. The cost of the snow blowers has been included in the 2014 Reforecast of the Capital Budget at \$1,314,400. Funding for this project is anticipated to be 75% Airport Improvement Program (AIP) grant funding from the FAA and 25% airport cash.

This project is being undertaken to replace existing equipment that is integral to the continued operation of the airport and is anticipated to be seventy-five percent (75%) funded with federal grants. As a result of the safety critical nature of the replacement and the anticipated grant funding, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Board approves advertisement	June 20, 2014
Open bids	July 28, 2014
Board approves contract	August 15, 2014
Snow blowers delivered	Up to 210 days after NTP

Supplier Diversity Participation

The Director of Supplier Diversity concluded that there is no D/M/W/VBE participation available for this project.

Recommendation

The IAA staff have reviewed the bids and recommend the Board consider for approval the purchase of two new high-speed, high-capacity, self-propelled snow blowers from M-B Companies, Inc. in an amount not to exceed \$ 1,070,822.00.